

**Catholic Charities of Los Angeles, Inc.**

Financial Statements  
and Supplementary Information  
and Single Audit Reports and Schedules  
and State Childcare Development Reports

June 30, 2022



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## INDEPENDENT AUDITOR'S REPORT

Board of Trustees  
Catholic Charities of Los Angeles, Inc.  
Los Angeles, California

### **Opinion**

We have audited the accompanying financial statements of Catholic Charities of Los Angeles, Inc. ("Catholic Charities"), which comprise the statement of financial position as of June 30, 2022, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Catholic Charities of Los Angeles, Inc. as of June 30, 2022, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### **Basis of 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 Catholic Charities of Los Angeles, Inc. 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 opinion.

### **Responsibilities of Management 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, 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 Catholic Charities of Los Angeles, Inc.'s ability to continue as a going concern within one year after the date that the financial statements are available to be issued.



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## **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, including omissions, 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 Catholic Charities of Los Angeles, Inc.'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 Catholic Charities of Los Angeles, Inc.'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 information on pages 25 - 27 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 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 November 8, 2022, on our consideration of Catholic Charities's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Catholic Charities'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 Catholic Charities's internal control over financial reporting and compliance.



Armanino<sup>LLP</sup>  
Los Angeles, California

November 8, 2022

Catholic Charities of Los Angeles, Inc.  
Statement of Financial Position  
June 30, 2022

ASSETS

Cash and cash equivalents	\$ 7,333,461
Investments	30,099,806
Accounts and note receivable, net	6,141,664
Due from Opus Caritatis	1,070,675
Prepaid expenses	661,581
Investments restricted for long-term purposes	2,467,410
Property and equipment, net	41,669,082
Beneficial interest in separate organization - restricted	<u>299,267,606</u>
 Total assets	 <u><u>\$ 388,711,285</u></u>

LIABILITIES AND NET ASSETS

Liabilities	
Accounts payable	\$ 2,430,939
Accrued salaries and wages	3,024,655
Advances and refundable reimbursements	1,412,362
Refundable advances	2,100,000
Note payable	<u>3,182,500</u>
Total liabilities	<u>12,150,456</u>
 Net assets	
Without donor restrictions	
General	23,341,375
Investment in property and equipment	<u>41,669,082</u>
Total without donor restrictions	65,010,457
With donor restrictions	<u>311,550,372</u>
Total net assets	<u>376,560,829</u>
 Total liabilities and net assets	 <u><u>\$ 388,711,285</u></u>

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

Catholic Charities of Los Angeles, Inc.  
Statement of Activities  
For the Year Ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Support and operating revenues			
Support			
Government agencies (including in-kind donations of \$643,835)	\$ 19,518,126	\$ -	\$ 19,518,126
Contributions	3,825,288	725,464	4,550,752
Fundraising events less donor benefits of \$270,379	1,569,465	355,589	1,925,054
Foundation - distributions from Opus Caritatis	2,691,482	592,008	3,283,490
Foundations - others	2,132,593	766,383	2,898,976
In-kind contributions	7,164,290	-	7,164,290
Bequests	541,787	50,642	592,429
Total support	37,443,031	2,490,086	39,933,117
Operating revenues			
Program service revenues	13,718,443	-	13,718,443
Investment returns, net	(1,685,455)	(477,561)	(2,163,016)
Sales to public	576,037	-	576,037
Total operating revenues	12,609,025	(477,561)	12,131,464
Total support and operating revenues	50,052,056	2,012,525	52,064,581
Net assets released from restriction	2,558,656	(2,558,656)	-
Total support and operating revenues	52,610,712	(546,131)	52,064,581
Total operating expenses	53,458,164	-	53,458,164
Change in net assets from operations	(847,452)	(546,131)	(1,393,583)
Nonoperating support			
Change in beneficial interest in separate organization	-	(11,862,625)	(11,862,625)
Miscellaneous	26,826	-	26,826
Total nonoperating support	26,826	(11,862,625)	(11,835,799)
Change in net assets	(820,626)	(12,408,756)	(13,229,382)
Net assets, beginning of year	65,831,083	323,959,128	389,790,211
Net assets, end of year	\$ 65,010,457	\$ 311,550,372	\$ 376,560,829

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



Catholic Charities of Los Angeles, Inc.  
Statement of Functional Expenses  
For the Year Ended June 30, 2022

	Program Services							Support Services			Eliminations	Total
	Angel's Flight Youth	Good Shepherd Centers		Regional Shelters	Other Regional Services	Youth Employment Services	Other Special Programs	Total Program Services	Development & Communication and Fundraising	General and Administrative Services		
		Women's Village	Other Programs									
Compensation and related expenses												
Salaries and wages	\$ 1,897,259	\$ 563,109	\$ 908,356	\$ 1,734,964	\$ 3,385,626	\$ 2,131,426	\$ 4,496,990	\$ 15,117,730	\$ 308,350	\$ 2,318,760	\$ -	\$ 17,744,840
Pension plan contributions	92,240	20,507	32,590	73,722	141,154	75,415	174,489	610,117	15,992	116,703	-	742,812
Employee benefits	186,080	48,745	96,836	269,938	462,288	254,030	392,650	1,710,567	36,233	256,652	-	2,003,452
Payroll taxes	258,872	74,061	96,939	192,761	331,478	188,405	394,758	1,537,274	23,220	205,852	-	1,766,346
Total compensation and related expenses	2,434,451	706,422	1,134,721	2,271,385	4,320,546	2,649,276	5,458,887	18,975,688	383,795	2,897,967	-	22,257,450
Emergency food, shelter and other	252,000	42,608	844,018	449,653	9,267,451	113,234	78,027	11,046,991	-	-	-	11,046,991
Participant payroll and related	40	-	-	-	-	3,034,173	247	3,034,460	-	-	-	3,034,460
Financial assistance	1,474	-	-	2,400	25,120	15,000	348	44,342	-	-	-	44,342
Professional fees	5,610	8,982	28,439	3,615	38,650	66,044	118,142	269,482	7,921	101,233	-	378,636
Program subcontractors	-	-	-	-	-	593,122	7,403,413	7,996,535	-	-	-	7,996,535
Audit and accounting fees	7,750	3,460	8,514	11,616	23,124	35,818	13,250	103,532	951	15,115	-	119,598
Professional fundraising services	-	-	-	-	-	-	-	-	43,394	-	-	43,394
Advertising and public relations	-	-	-	-	-	-	-	-	23,275	-	-	23,275
Operating expenses	12,869	6,769	8,646	4,193	21,472	85,642	6,533	146,124	-	5,369	-	151,493
Office expenses	95,090	51,853	38,175	46,905	201,625	170,228	140,568	744,444	89,341	375,968	-	1,209,753
Donated thrift store goods sold	-	-	-	-	386,703	-	-	386,703	-	-	-	386,703
Information technology	17,227	18,285	40,414	14,025	84,234	34,927	111,649	320,761	25,270	328,680	-	674,711
Occupancy	491,513	224,395	57,492	663,981	560,913	763,235	77,395	2,838,924	24,828	624,637	(219,676)	3,268,713
Travel	-	-	-	-	1,302	4,553	916	6,771	-	512	-	7,283
Staff training, conferences and meetings	6,874	4,008	5,398	4,593	16,977	3,554	7,285	48,689	-	103,076	-	151,765
Interest expense	-	72,200	-	-	-	-	-	72,200	-	-	-	72,200
Payments to affiliates	-	-	-	-	-	-	-	-	-	42,431	-	42,431
Depreciation	23,228	340,326	17,324	97,849	148,460	4,744	4,388	636,319	-	32,346	-	668,665
Professional and other liability insurance	149,605	74,205	21,791	103,345	148,210	97,180	74,804	669,140	6,442	63,304	-	738,886
Vehicles and mileage	28,421	6,159	14,120	29,881	73,944	15,616	6,340	174,481	-	14,276	-	188,757
Other expenses	-	-	-	-	-	-	-	-	-	681,553	-	681,553
Fundraising expenses	-	-	-	-	-	-	-	-	270,570	-	-	270,570
Total expenses before administrative support allocation	3,526,152	1,559,672	2,219,052	3,703,441	15,318,731	7,686,346	13,502,192	47,515,586	875,787	5,286,467	(219,676)	53,458,164
Administrative support allocation	464,801	147,132	274,615	437,112	992,439	1,010,327	834,201	4,160,627	-	-	(4,160,627)	-
	<u>\$ 3,990,953</u>	<u>\$ 1,706,804</u>	<u>\$ 2,493,667</u>	<u>\$ 4,140,553</u>	<u>\$ 16,311,170</u>	<u>\$ 8,696,673</u>	<u>\$ 14,336,393</u>	<u>\$ 51,676,213</u>	<u>\$ 875,787</u>	<u>\$ 5,286,467</u>	<u>\$(4,380,303)</u>	<u>\$ 53,458,164</u>

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

Catholic Charities of Los Angeles, Inc.  
Statement of Cash Flows  
For the Year Ended June 30, 2022

Cash flows from operating activities	
Change in net assets	\$ (13,229,382)
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Allowance for uncollectible accounts	740,050
Depreciation	668,665
Investment losses, net	2,163,016
Decrease in beneficial interest in separate organization	11,862,625
Accrued interest on notes payable	72,200
Changes in operating assets and liabilities	
Accounts and notes receivable	(1,304,576)
Due from Opus Caritatis	349,448
Prepaid expenses	(61,396)
Accounts payable	(728,233)
Accrued salaries and wages	242,204
Advances and refundable reimbursements	702,664
Net cash provided by operating activities	<u>1,477,285</u>
Cash flows from investing activities	
Purchases of property and equipment	(426,049)
Proceeds from sales of investments	14,275,418
Purchases of investments	<u>(10,270,448)</u>
Net cash provided by investing activities	<u>3,578,921</u>
Net increase in cash and cash equivalents	5,056,206
Cash and cash equivalents, beginning of year	<u>2,277,255</u>
Cash and cash equivalents, end of year	<u>\$ 7,333,461</u>

Supplemental schedule of noncash investing and financing activities

Disposal of fully depreciated property and equipment	\$ 24,805
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The accompanying notes are an integral part of these financial statements.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

1. NATURE OF OPERATIONS

Catholic Charities of Los Angeles, Inc. ("Catholic Charities") is a California 501(c)(3) nonprofit public benefit corporation that was founded in 1919 and incorporated in 1937. Catholic Charities is a separate legal entity from The Roman Catholic Archdiocese of Los Angeles (the "Archdiocese"). For over 100 years, Catholic Charities has provided family and individual counseling, community and employment services, child care and youth athletics, services for the elderly, poverty programs, shelters and residential care, immigration and naturalization services and resettlement of refugees. Funding for services is provided through government-funded programs, contributions from the public, foundations, users of the services, and through fundraising.

Catholic Charities was recently awarded its tenth consecutive 4-Star rating by Charity Navigator.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Change in accounting principle

Catholic Charities has adopted the Financial Accounting Standards Board Accounting Standards Update ("ASU") 2020-07, *Presentation and Disclosure by Not-for-Profit Entities for Contributed Nonfinancial Assets*, which requires enhancements to presentation and disclosure to increase transparency of contributed nonfinancial assets. ASU 2020-07 is effective for annual reporting periods beginning after June 15, 2021. Catholic Charities adopted ASU 2020-07 during the year ended June 30, 2022.

Basis of accounting

The financial statements of Catholic Charities have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP").

Income tax status

Catholic Charities operates as a not-for-profit organization and has been recognized by the Internal Revenue Service as an organization exempt from income taxation pursuant to Internal Revenue Code Section 501(c)(3) on its income other than unrelated business income and has also been recognized by the Franchise Tax Board as exempt from state franchise or income tax pursuant to California Revenue and Taxation Code Section 23701(d) on its income other than unrelated business income.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Basis of presentation

Net assets, revenues, expenses, gains and losses are classified based on the existence or absence of donor-imposed restrictions. Accordingly, the net assets of Catholic Charities and changes therein are classified and reported as follows:

- *Net assets without donor restrictions* - Net assets that are not subject to donor-imposed restrictions.
- *Net assets with donor restrictions* - Includes gifts and pledges receivable for which donor-imposed restrictions or passage of time restrictions have not yet been met (see Note 8) and gifts which require, by donor restriction, that the corpus be invested in perpetuity and only the income be made available for program operations in accordance with donor restrictions (see Note 9).

Use of estimates

The preparation of the financial statements in conformity with U.S. GAAP 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 and the reported amounts of revenues and expenses. While management believes that these estimates are adequate as of June 30, 2022, it is possible that actual results could differ from those estimates.

Cash and cash equivalents

Cash and cash equivalents consist of cash accounts and all other highly-liquid investments with original maturity dates of three months or less. Cash temporarily held for investment purposes is classified as investments (see Note 3). Catholic Charities maintains its cash balances at several institutions located in Southern California which are insured up to \$250,000 by the Federal Deposit Insurance Corporation ("FDIC"). Cash balances held, at times, exceed the federally insured limit. Catholic Charities has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

Accounts and note receivable

Accounts receivable consist mainly of requests for reimbursement from government contracts. Catholic Charities determines the allowance for uncollectible accounts by considering a number of factors including the length of time receivables are past due. Accounts and notes receivable at June 30, 2022 was \$6,141,664, which is net of allowances of \$1,968,982.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Investments

All investments in marketable securities with a readily determinable fair value are reported at fair value with gains and losses included in the accompanying statement of activities, net of expenses. Gains and losses on these investments are reported in the accompanying statement of activities as increases or decreases in unrestricted net assets unless their use is restricted by explicit donor stipulations.

Beneficial interest in separate organization - restricted

The beneficial interest in separate organization within the accompanying statement of financial position consists of assets held by Opus Caritatis, Inc. ("Opus Caritatis"), a supporting organization for Catholic Charities controlled by an independent board of directors (see Note 4). The assets primarily consist of an investment fund managed by State Street Global Advisors ("State Street"), an investment fund managed by Catholic Community Foundation of Los Angeles ("CCFLA"), and an investment in the common stock of a privately-held REIT ("REIT"), a real estate investment trust whose stock is not traded on any stock exchange. The investment funds managed by CCFLA and State Street and the investment in REIT are stated at fair value. These funds have been donor-restricted for Catholic Charities' Angel's Flight program and are included within net assets with donor restrictions in these financial statements (see Note 8).

Fair value measurements

Catholic Charities accounts for certain of its financial assets at fair value. In determining and disclosing fair value, Catholic Charities uses a fair value hierarchy established by GAAP. Fair value is an exit price representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurement inputs are classified and disclosed in one of the following three categories:

- *Level 1* - Inputs are unadjusted, quoted prices for identical assets or liabilities in active markets at the measurement date.
- *Level 2* - Inputs, other than quoted prices included in Level 1, which are observable for the asset or liability through corroboration with market data at the measurement date.
- *Level 3* - Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

Property and equipment

Purchased land, buildings and improvements, and equipment and furniture are recorded at cost. Donated assets are recorded at fair value when received.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Property and equipment (continued)

Buildings and improvements, equipment and furniture are depreciated over their estimated useful lives on a straight-line basis ranging from 5 to 40 years. Depreciation expense for separately identified assets is included in program expenses, which are presented in the accompanying statement of functional expenses. For all other assets shared by Catholic Charities' programs and administration, depreciation is included in general and administrative services in the accompanying statement of functional expenses. Certain land and buildings utilized by Catholic Charities are owned by and reflected in the financial statements of the Archdiocese of Los Angeles Education and Welfare Corporation.

Asset retirement obligations

Accounting Standards Codification ("ASC") 410, *Asset Retirement and Environmental Obligations*, requires entities to recognize any material expenses associated with legally required or contractually obligated clean up costs when an asset is no longer used. Catholic Charities owns several older buildings that may have hidden asset retirement obligations due to the building age but has no knowledge of any specific or likely liability. Therefore, no allowance has been made in the accompanying financial statements.

Impairment of long-lived assets

Management reviews each asset or asset group for impairment whenever events or circumstances indicate that the carrying value of an asset or asset group may not be recoverable. No impairment provision was recorded by Catholic Charities during the year.

Advances and refundable reimbursements

Advances and refundable reimbursements represent advanced funds provided by funding agencies for program expenses. Such advances, if not fully expended, are repaid at the termination of the program unless other arrangements are made with the funding agency.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Refundable advances

In 2019, Catholic Charities entered into an asset purchase agreement (the "Agreement") with Good Shepherd Shelter of Los Angeles ("GSS") to acquire the real property where GSS operates a domestic shelter for battered women and children. GSS' services include, but are not limited to, school, therapeutic and residential programs. The Agreement included a \$2,100,000 contribution from GSS to Catholic Charities to establish funds to be used for repairs and maintenance of the real property and to generate income for the GSS programs. The terms of the contribution require that Catholic Charities operate the GSS programs for a period of 10-years. If Catholic Charities ceases to operate the program before the 10-year period lapses, then Catholic Charities is required to return the balance of the funds to GSS. Therefore, Catholic Charities has accounted for the \$2,100,000 as a conditional contribution which is included within refundable advances in the accompanying statement of financial position and will be recognized as revenue when the conditions are met.

Contributions

Contributions are reported as with or without donor restrictions depending on the existence of donor stipulations that limit the use of the support. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the accompanying statement of activities as net assets released from restriction. Contributions for which the donor-imposed restrictions have been met in the same reporting period are recorded as contributions without donor restriction. Unconditional promises to give (pledges) are recorded as receivables and revenues. Conditional promises to give or intentions to give are not recorded in the accompanying financial statements until they become unconditional.

Donated goods and services

There are \$7,808,125 of donated goods and services included in in-kind contributions and government agencies revenues within the accompanying statement of activities for the year ended June 30, 2022. These amounts were also recorded as program service expenses.

A number of volunteers have donated significant amounts of their time to support the activities of Catholic Charities. Donated services are recognized as revenue if they (a) create or enhance non-financial assets or (b) require specialized skills, are provided by individuals possessing those skills, and would typically need to be purchased if not provided by donation. The accompanying financial statements include no volunteer hours that meet these criteria for the year ended June 30, 2022. Many hours of additional donated time have not been reflected in the accompanying statement of activities and changes in net assets as these donated services do not meet either of the two recognition criteria described above.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Donated goods and services (continued)

Catholic Charities receives donated goods including food, clothing, household goods and a variety of other items. These are valued at fair value when received. Food items are valued using U.S. Department of Agriculture and Feeding America prices. Included within this amount is \$643,835 of food commodities received through government programs. The remaining in-kind items are valued by comparing the quality of the item to a variety of commercial comparison sources.

Donated goods and services received during the year ended June 30, 2022 consisted of the following:

Food	\$ 5,947,761
Household and other items	552,275
Clothing	486,577
Utilities	166,497
Thrift store donations	386,703
Other	<u>268,312</u>
	<u>\$ 7,808,125</u>

Government agencies revenue

Government agencies revenue is derived from contracts with various governmental agencies. Most of the contracts are on a cost reimbursement basis. Contract revenues are recognized for allowable expenditures as costs are incurred in accordance with the contract terms.

Conditional promises to give, that is, those with a measurable performance or other barrier, and a right of return, are not recognized until the conditions on which they depend have been substantially met. Accordingly, Catholic Charities recognizes government grant funds as support and revenue when eligible costs are incurred or when eligible services have been rendered. A receivable is recognized to the extent contract support earned exceeds cash advances. Conversely, a liability is recorded when contract cash advances exceed support earned. A liability of \$81,352 is included on the statement of financial position for contract cash advances. Catholic Charities has awarded approximately \$3,813,000 of cost-reimbursable grants that have not been recognized at June 30, 2022 because qualifying expenses have not yet been incurred.

Functional allocation of expenses

The costs of providing the various programs, fundraising and other activities have been presented on a functional basis in the accompanying statement of functional expenses. Accordingly, certain costs have been allocated among the programs and fundraising activities benefited based on estimates developed by management using a combination of actual costs and allocation estimates.



Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Operating activities and nonoperating activities

Operating revenues and gains include program service revenues, investment returns net of investment expenses, and sales to public of donated goods. Operating expenses include program and support services and interest on indebtedness.

Nonoperating support includes gifts designated for endowment or equipment and any change in the beneficial interest in separate organization (see Note 4), gain (loss) on property and equipment sale or donation and miscellaneous.

Subsequent events

Catholic Charities has evaluated events subsequent to June 30, 2022, to assess the need for potential recognition or disclosure in the financial statements. Such events were evaluated through November 8, 2022, the date the financial statements were available to be issued. Based upon this evaluation it was determined no subsequent events occurred that require recognition or additional disclosure in the financial statements.

3. INVESTMENTS

Investments consist of the following:

Investments	\$ 30,099,806
Investments restricted for long-term purposes (see Note 9)	<u>2,467,410</u>
	<u>\$ 32,567,216</u>

Catholic Charities has investment funds under management as follows:

CCFLA (see Note 10)	\$ 1,454,594
State Street	25,177,293
Wilmington Trust	5,849,253
Other investments	<u>86,076</u>
	<u>\$ 32,567,216</u>

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

3. INVESTMENTS (continued)

Investments at fair value

The following table sets forth by level, within the fair value hierarchy, Catholic Charities' assets at fair value as of June 30, 2022:

	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Fair Value</u>
Cash and cash equivalents	\$ 6,852,569	\$ -	\$ -	\$ 6,852,569
Domestic equity	11,459,253	-	-	11,459,253
Domestic fixed income	466,634	8,872,198	-	9,338,832
International equity	145,605	-	-	145,605
Equity investment in privately-held REIT	-	-	69,287	69,287
Beneficial interest in separate organization - restricted	<u>-</u>	<u>-</u>	<u>299,267,606</u>	<u>299,267,606</u>
	<u>\$ 18,924,061</u>	<u>\$ 8,872,198</u>	<u>\$299,336,893</u>	327,133,152
Investments measured at net asset value				<u>4,701,670</u>
				<u>\$331,834,822</u>

The following table sets forth a summary of changes in investments for the year ended June 30, 2022:

Balance, beginning of year	\$ 38,735,202
Investment returns, net	
Reinvested interest and dividends	44,276
Realized gains from sales of investments	826,286
Unrealized losses on investments	(2,979,035)
Investment fees	<u>(54,543)</u>
	(2,163,016)
Purchases of investments	10,270,448
Proceeds from sales of investments	<u>(14,275,418)</u>
Balance, end of year	<u>\$ 32,567,216</u>

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

3. INVESTMENTS (continued)

Activity in level 3 investments consisted of the following:

Beginning balance	\$ 311,202,171
Change in value of beneficial interest	(11,862,625)
Change in value of equity investment in privately-held REIT	<u>(2,653)</u>
 Balance, end of year	 <u><u>\$ 299,336,893</u></u>

Included within the investment accounts balance of cash and cash equivalents is \$1,600,000 whose funds have been restricted by an asset purchase agreement. The agreement provided that after September 30, 2021, the balance would convert into a restricted endowment where the funds should be invested for 10 years and thereafter both principal and interest can be used to cover expenses of the Good Shepherd Shelter program. The agency is currently working to convert the funds to the endowment arrangement.

The following table lists investments measured at net asset value as of June 30, 2022:

Investment	Strategy	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Gabelli Associates Limited	Merger Arbitrage	\$ 146,393	N/A	N/A	N/A
MSCI EAFE Index Strategy	Equity index which captures large and mid cap representation across the Developed Markets countries around the world, excluding the U.S. and Canada	2,466,067	N/A	N/A	N/A
Russell Small Cap Completeness Index Strategy	Indexing investment comprised of securities in the Russell 3000 Index excluding those securities in the S&P 500 Index	<u>2,089,210</u>	N/A	N/A	N/A
		<u><u>\$ 4,701,670</u></u>			

4. BENEFICIAL INTEREST IN SEPARATE ORGANIZATION - RESTRICTED

In 2004, Catholic Charities transferred funds to Opus Caritatis, Inc. ("Opus Caritatis"), a separate corporation established for charitable purposes as a supporting organization to Catholic Charities. Catholic Charities continues to hold a beneficial interest in Opus Caritatis. The mission of Opus Caritatis is to engage in the solicitation, receipt and administration of property and, from time to time, to disburse such property and the income there from for the charitable works of Catholic Charities, primarily in support of Angel's Flight of Catholic Charities ("Angel's Flight"). Additionally, Opus Caritatis may solicit funds from other corporations, foundations, businesses and individuals, including Catholic Charities. As of June 30, 2022, Catholic Charities held a beneficial interest in Opus Caritatis of \$299,267,606. Of the amount, Opus Caritatis had investments in a privately-held REIT totaling \$270,795,575 as of June 30, 2022.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

4. BENEFICIAL INTEREST IN SEPARATE ORGANIZATION - RESTRICTED (continued)

Opus Caritatis determines the fair value of the REIT investment using Level 3 inputs based on a December 31, 2021 valuation prepared by Green Street, an independent valuation firm. The December 31, 2021 Green Street valuation is adjusted to a June 30, 2022 valuation based on the performance of comparable public REITs.

While Opus Caritatis believes its valuation method is appropriate and consistent with those used by other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could have a significant effect on the estimated fair value amounts.

Opus Caritatis' investment funds are managed by State Street Global Advisors and Catholic Community Foundation of Los Angeles.

5. PROPERTY AND EQUIPMENT

Property and equipment, net, of Catholic Charities include the following:

Buildings and improvements	\$ 20,724,758
Equipment and furniture	4,344,584
Construction in progress	<u>1,573,680</u>
	26,643,022
Less accumulated depreciation	(12,286,209)
Land	<u>27,312,269</u>
	<u><u>\$ 41,669,082</u></u>

Depreciation expense was \$668,665 for the year ended June 30, 2022.

6. FORGIVABLE CONSTRUCTION LOANS

Emergency Housing and Assistance Program ("EHAP") Loans I and II

*EHAP I:* In April 2008, the State of California loaned Catholic Charities' Good Shepherd Women's Village \$1,000,000 through the Department of Housing and Community Development EHAP for the construction of a Phase III. The loan accrued simple interest at 3% per year. During the year ended June 30, 2018, the entire principal and accrued interest was fully forgiven, and Catholic Charities recognized \$1,300,000 of loan forgiveness, including \$300,000 of accrued interest.

As of November 8, 2022, the State of California has not closed out this loan. Management expects the final paperwork to be processed before the end of the next fiscal year and does not anticipate any issues in the final closeout of this loan.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

7. NOTE PAYABLE

The following is a summary of note payable at June 30, 2022:

City of Los Angeles note payable	\$ 1,444,000
City of Los Angeles deferred interest	<u>1,738,500</u>
	<u><u>\$ 3,182,500</u></u>

Catholic Charities has a note with the City of Los Angeles related to the Good Shepherd Women's Village Project. The note balance of \$1,444,000 consists of \$1,050,000 ("Phase I") and \$394,000 ("Phase III"). The note was converted into a 40-year residual receipts note in December 1999 bearing simple interest at 5%. Payments of principal and interest on a residual receipts note are only made from residual receipts. There have been no residual receipts to date and none are expected. At June 30, 2022, Catholic Charities has accrued \$1,738,500 of interest expense related to the residual receipts note.

8. NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions consist of the following:

Subject to expenditure for specific purpose	
Purpose restricted	\$ 309,082,962
Investment earnings on endowment funds	<u>1,666,297</u>
	310,749,259
Donor-restricted endowment funds	<u>801,113</u>
	<u><u>\$ 311,550,372</u></u>

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

8. NET ASSETS WITH DONOR RESTRICTIONS (continued)

Net assets with donor restrictions during the year are as follows:

	<u>Released from Restrictions</u>	<u>Balance, June 30, 2022</u>
Beneficial interest in separate organization - restricted (see Note 4)	\$ -	\$ 299,267,606
Good Shepherd Shelter	(26,142)	2,511,733
Communication and general	(424,607)	1,131,856
Santa Barbara and Ventura programs	(454,422)	913,583
Angel's Flight	-	1,528,334
Our Lady of Angels programs	(244,502)	1,405,591
San Fernando programs	(113,548)	190,151
Immigration	(807,991)	1,761
Good Shepherd Center	(13,614)	1,145,504
Disaster relief	-	428,271
Archdiocesan Youth Employment Services	(308,785)	176,817
Esperanza	(131,657)	114,020
Fors Family Trust and related	(18,133)	136,581
San Gabriel programs	(15,255)	129,954
Pandemic relief	-	1,200
Endowment earnings not yet appropriated	-	1,666,297
	<u>\$ (2,558,656)</u>	<u>\$ 310,749,259</u>

9. ENDOWMENTS

As of June 30, 2022, Catholic Charities has three endowment funds included in net assets totaling \$2,467,410. Included within are endowment funds totaling \$801,113 that are invested in perpetuity and are reflected in net assets with donor restrictions as of June 30, 2022 with the remainder representing accumulated earnings on such endowment. Investment income earned on these funds is restricted for designated programs. All income earned since the donation date has been held with restriction unless specifically expended.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

9. ENDOWMENTS (continued)

Interpretation of relevant law

Catholic Charities has interpreted the California adopted Uniform Prudent Management of Institutional Funds Act ("UPMIFA") as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, Catholic Charities classifies as donor-restricted net assets (a) the original value of gifts donated to the donor-restricted endowment, (b) the original value of subsequent gifts to the donor-restricted endowment, and (c) accumulations to the donor-restricted endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified in net assets with donor restrictions is classified as net assets without donor restrictions until those amounts are appropriated for expenditure by Catholic Charities in a manner consistent with the standard of prudence prescribed by UPMIFA.

In accordance with UPMIFA, Catholic Charities 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 organization 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 Council
- (7) The investment policies of the Council

Catholic Charities's investments are governed by a written investment policy, the principal objective of which is to make investments in a thoughtful and prudent manner so as to preserve and enhance Catholic Charities's ability to conduct its mission. The oversight of the investment portfolio is the responsibility of the Investment Committee whose members are appointed by the Executive Committee of the Board of Directors, and which shall administer the investment portfolio in compliance with all written policies approved by the Board of Directors.

The Investment Committee has contracted with an independent trust company for the purpose of managing the investment and reinvestment of fund assets in a manner consistent with the overall investment policy as approved by the Board of Directors.

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

9. ENDOWMENTS (continued)

Interpretation of relevant law (continued)

The following are the investment objectives of Catholic Charities:

- Preserve the investment portfolio's corpus over the long term
- Ensure the investment portfolio's long-term ability to distribute income
- Ensure that donor restricted donations are protected so that they are available for the target use

In achieving its objectives, Catholic Charities's primary investment mission is to preserve principal and purchasing power in real dollar terms over time while supporting current income requirements.

The permanently restricted portion of the endowment funds is \$801,113 at June 30, 2022.

Changes in endowment net assets for the fiscal year ended June 30, 2022 is as follows:

	Without Donor Restrictions	With Donor Restrictions	Total
Balance, beginning of year	\$ -	\$ 2,697,639	\$ 2,697,639
Investment gains (losses)	-	(211,944)	(211,944)
Expenditures	-	(18,285)	(18,285)
Balance, end of year	\$ -	\$ 2,467,410	\$ 2,467,410

10. RELATED PARTY TRANSACTIONS

The Archdiocese

Catholic Charities purchases various insurance coverages through the Archdiocese for itself and its employees and also receives related administrative services. The Archdiocese also rents some of its facilities to Catholic Charities at less than fair value. These amounts are not material to the financial statements.

Catholic Charities Community Development Corporation ("CCCDC")

CCCDC is a separate non-profit corporation that was formed to undertake community development activities, including promoting and providing affordable housing and community centers. In recent years, it has terminated its other commitments and focused on its remaining project, a community center in Glendale that it leases to Catholic Charities.



Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

10. RELATED PARTY TRANSACTIONS (continued)

Catholic Charities Community Development Corporation ("CCCDC") (continued)

In November 1992, Catholic Charities extended to CCCDC an 18-month revolving credit term loan of up to \$150,000 to fund predevelopment costs of various low-income housing projects. The loan, which is unsecured, was interest free through its maturity date, May 1994, after which interest at 8% per year on the unpaid balance is applied. At June 30, 2022, the unpaid balance of accrued interest was \$763,288. Interest continues to accrue on the unpaid interest which is included within accounts and note receivable in the accompanying statement of financial position. Catholic Charities has fully reserved the accrued unpaid interest balance.

Catholic Community Foundation of Los Angeles ("CCFLA")

CCFLA is a charitable not-for-profit which, in addition to other charitable purposes, acts as a custodian and investment manager for various funds that have been donated or accumulated by foundations, trusts, churches and other tax exempt organizations. CCFLA manages investments for both Catholic Charities and Opus Caritatis in an agency capacity. At June 30, 2022, CCFLA held \$1,454,594 (see Note 3) and \$5,803,257 for Catholic Charities and Opus Caritatis, respectively.

11. COMMITMENTS AND CONTINGENCIES

Lease commitments

Catholic Charities has entered into various non-cancelable operating leases for office space, program facilities, and equipment through 2030. Rental expense under all leases was \$1,292,565 for the year ended June 30, 2022.

Minimum lease commitments for the following fiscal years in effect at June 30 are as follows:

<u>Year ending June 30,</u>	
2023	\$ 984,898
2024	975,929
2025	115,200
2026	77,543
2027	72,000
Thereafter	<u>264,000</u>
	<u>\$ 2,489,570</u>

Catholic Charities of Los Angeles, Inc.  
Notes to Financial Statements  
June 30, 2022

11. COMMITMENTS AND CONTINGENCIES (continued)

Government grants and contracts

In accordance with the terms of certain government grants, the records of Catholic Charities are subject to audit after the date of final payment of the contracts. Catholic Charities is liable for any disallowed costs; however, management of Catholic Charities believes that the amount of costs disallowed, if any, would not be significant.

12. RETIREMENT PLAN

Accrued salaries and wages includes \$741,849 of accrued retirement plan contributions as of June 30, 2022. Catholic Charities sponsors a 401(a) money-purchase retirement plan covering substantially all qualified employees. Employees are generally eligible for participation after one year of service. Catholic Charities' makes mandatory contributions to the retirement plan based upon 6% of eligible employees' salaries. The related expense amounted to \$742,812 for the year ended June 30, 2022.

Catholic Charities also maintains a defined contribution 403(b) plan, covering substantially all employees immediately upon employment. Employees may contribute up to the legal limits established by the Internal Revenue Service. Catholic Charities makes no contributions to this plan.

13. LIQUIDITY AND AVAILABILITY

The following reflects Catholic Charities' financial assets reported on the statement of financial position, reduced by amounts not available for general use within one year because of contractual or donor-imposed restrictions. Consequently, amounts available exclude net assets with donor restrictions as of June 30, 2022.

Liquidity of financial assets consisted of the following:

Cash and cash equivalents	\$ 7,333,461
Investments	30,099,806
Accounts and note receivable, net	6,141,664
Due from Opus	1,070,675
Beneficial interest in separate organization - restricted	<u>299,267,606</u>
	343,913,212
Net assets subject to expenditure for specified purpose (see Note 8)	(310,749,259)
Restricted funds held in escrow (see Note 3)	<u>(1,600,000)</u>
	<u><u>\$ 31,563,953</u></u>

SUPPLEMENTARY INFORMATION

Catholic Charities of Los Angeles, Inc.  
Schedule of Program Expenses  
For the Year Ended June 30, 2022

Program services	
Community services - San Fernando	\$ 1,790,984
Community services - San Gabriel	1,223,143
Community services - San Pedro	3,676,771
Community services - OLA Metro	134,212
Community services - OLA Western	2,757,785
Community services - Ventura County	1,876,751
Community services - Santa Barbara County	4,216,040
Community services - Other	270,708
Youth Employment Services	8,286,578
Athletics (CYO)	410,095
Angel's Flight Shelter and Outreach	2,598,644
Angel's Flight Adeste	663,796
Good Shepherd Centers	4,200,471
McGill House	160,532
Elizabeth Ann Seton Family Shelter	946,757
JOBE	728,513
Project Achieve Shelter	867,659
The Landing	314,563
New Good Shepherd Shelter	1,851,042
Psychological Services	46,584
Aging Programs	318,192
Immigration and Citizenship Services	9,354,142
Esperanza	4,648,825
Employment Support Partnership	333,426
Total program services	<u>51,676,213</u>
Support services	
Administration	1,858,877
Finance	1,316,038
Facilities management	859,748
Human resources	703,684
Management information systems	548,120
Resource Development and Fundraising	875,787
Total support services	<u>6,162,254</u>
GENERAL AND ADMINISTRATIVE EXPENSES ALLOCATED TO INDIVIDUAL PROGRAMS	(4,160,627)
ELIMINATION OF OCCUPANCY COSTS ALLOCATED TO INDIVIDUAL PROGRAMS	<u>(219,676)</u>
TOTAL EXPENSES	<u><u>\$ 53,458,164</u></u>

Catholic Charities of Los Angeles, Inc.  
Statement of Activities - Santa Barbara County  
For the Year Ended June 30, 2022

Support & operating revenues	
Support	
Contributions & bequests	\$ 517,479
Foundations	147,250
In-kind donations	2,423,948
Fundraising	417,909
Total support	<u>3,506,586</u>
Operating	
Government agencies	449,304
Program service revenues	128,231
Sales to the public	371,627
Total operating	<u>949,162</u>
Total support & operating revenues	<u>4,455,748</u>
Expenses	
Payroll expenses	
Salaries and wages	748,715
Pension plan contributions	32,894
Employee benefits	162,480
Payroll taxes	77,109
Total payroll expenses	<u>1,021,198</u>
Emergency food, shelter, and other	2,437,248
Professional fees	3,620
Audit and accounting fees	2,432
Advertising and public relations	2,841
Office expenses	24,780
Operating expenses	5,131
In-kind thrift store goods	377,562
Information technology	10,855
Occupancy	209,340
Staff training, conference and meetings	3,073
Professional and other liability insurance	33,558
Vehicles and mileage	31,443
Fundraising expenses	53,243
Capital expenses	53,767
Miscellaneous	185,657
Total expenses	<u>4,455,748</u>
Surplus (deficit)	<u><u>\$ -</u></u>

Catholic Charities of Los Angeles, Inc.  
Statement of Activities - Ventura County  
For the Year Ended June 30, 2022

Support and operating revenues	
Support	
Contributions & bequests	\$ 640,155
Foundations	35,219
In-kind donations	709,118
Fundraising	<u>195,508</u>
Total support	<u>1,580,000</u>
Operating revenues	
Government agencies	610,530
Program service revenues	<u>92,315</u>
Total operating revenues	<u>702,845</u>
Total support and operating revenues	<u>2,282,845</u>
Expenses	
Payroll expenses	
Salaries and wages	629,841
Pension plan contributions	34,136
Employee benefits	91,417
Payroll taxes	<u>63,296</u>
Total payroll expenses	818,690
Emergency food, shelter and other	1,044,074
Professional fees	139
Audit and accounting fees	2,759
Advertising and public relations	2,462
Office expenses	30,216
Operating expenses	164
Information technology	7,778
Occupancy	128,157
Staff training, conference and meetings	4,740
Insurance	32,974
Vehicles and mileage	8,006
Fundraising expenses	52,897
Miscellaneous	<u>149,789</u>
Total expenses	<u>2,282,845</u>
Surplus (deficit)	<u><u>\$ -</u></u>

SINGLE AUDIT REPORTS AND SCHEDULES

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*

Board of Trustees  
Catholic Charities of Los Angeles, Inc.  
Los Angeles, California

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 Los Angeles, Inc. ("Catholic Charities"), which comprise the statement of financial position as of June 30, 2022, 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 November 8, 2022.

### **Report on Internal Control over Financial Reporting**

In planning and performing our audit of the financial statements, we considered Catholic Charities'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's internal control. Accordingly, we do not express an opinion on the effectiveness of Catholic Charities'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'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'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's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Armanino<sup>LLP</sup>  
Los Angeles, California

November 8, 2022

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

Board of Trustees  
Catholic Charities of Los Angeles, Inc.  
Los Angeles, California

**Report on Compliance for Each Major Federal Program**

**Opinion on Each Major Federal Program**

We have audited Catholic Charities of Los Angeles, Inc. ("Catholic Charities")'s 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 Catholic Charities's major federal programs for the year ended June 30, 2022. Catholic Charities'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, 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 for the year ended June 30, 2022.

**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 Catholic Charities 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 Catholic Charities'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 Catholic Charities'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 Catholic Charities'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 Catholic Charities'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 Catholic Charities'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 Catholic Charities'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 Catholic Charities'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 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 weakness 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.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of Catholic Charities as of and for the year ended June 30, 2022, and have issued our report thereon dated November 8, 2022, which contained an unmodified opinion on those financial statements. 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 is presented for purposes of additional analysis as required by the Uniform Guidance 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.



Armanino<sup>LLP</sup>  
Los Angeles, California

November 8, 2022

Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
<b>FEDERAL</b>						
DEPARTMENT OF AGRICULTURE						
Passed through Catholic Charities of California						
San Gabriel - CalFresh Outreach Program	10.561	10/1/2020 - 9/30/2021	18-3058	\$ 12,366	\$ -	\$ 1,902
San Gabriel Region - CalFresh Healthy Living	10.561	10/1/2020 - 9/30/2021	20-7008	362,160	-	24,176
St. Margaret's Center - Calfresh Healthy Living	10.561	10/1/2020 - 9/30/2021	20-7008	362,160	-	55,333
San Gabriel Region - Calfresh Healthy Living	10.561	10/1/2021 - 9/30/2022	20-7008	508,482	-	50,886
St Margaret's Center - Calfresh Healthy Living	10.561	10/1/2021 - 9/30/2022	20-7008	508,482	-	221,686
San Gabriel P-EBT Client Education and Communication Campaign	10.649	1/1/2022 - 12/31/2022	21-3100	30,000	-	12,543
St. Margaret's P-EBT Client Education and Communication Campaign	10.649	1/1/2022 - 12/31/2022	21-3100	30,000	-	13,125
Passed through Food Bank of Santa Barbara County						
Santa Barbara Region - Emergency Food Assistance Program	10.569	7/1/2021 - 6/30/2022	Award	275,406	-	275,406
Passed through Food Bank of Southern California						
San Pedro Region - Emergency Food Assistance Program	10.569	7/1/2021 - 6/30/2022	Award	168,896	-	168,896
Passed through Food Share, Inc.						
Ventura Region - Emergency Food Assistance Program	10.569	7/1/2021 - 6/30/2022	Award	108,751	-	108,751
Passed through Los Angeles Regional Food Bank						
Good Shepherd Center - Emergency Food Assistance Program	10.569	7/1/2021 - 6/30/2022	Award	9,569	-	9,569
San Fernando Region - Emergency Food Assistance Program	10.569	7/1/2021 - 6/30/2022	Award	37,334	-	37,334
St. Margaret's Center - Emergency Food Assistance Program	10.569	7/1/2021 - 6/30/2022	Award	43,879	-	43,879
TOTAL DEPARTMENT OF AGRICULTURE					<u>-</u>	<u>1,023,486</u>

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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

<u>Federal, State Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Term of Grant</u>	<u>Contract Number</u>	<u>Award</u>	<u>Passed Through to Subrecipients</u>	<u>Contract Expenditures</u>
DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT						
Passed through City of Camarillo - Community Development Department Camarillo OASIS - CDBG-CV	14.218	7/1/2021-9/30/2023	Agreement	\$ 30,000	\$ -	\$ 23,590
Passed through City of Glendale- Community Services & Parks Department Glendale Community Services - Loaves and Fishes Homeless Prevention Program - CDBG	14.218	7/1/2021-6/30/2022	8001399	41,409	-	41,409
Glendale Community Services - Loaves and Fishes Food Pantry - CDBG- CV3	14.218	7/1/2021-6/30/2022	8001427	140,000	-	140,000
Glendale Community Services - Loaves and Fishes Homeless Prevention Program - ESG	14.231	7/1/2021-6/30/2022	8001544	26,027	-	21,148
Glendale Community Services - Loaves and Fishes Homeless Prevention Program - ESG-CV2 CARES	14.231	1/1/2021-9/30/2022	800188	263,188	-	127,384
Passed through City of Lompoc - Community Development Division Lompoc - MERG-ERG CDBG	14.218	7/1/2021-6/30/2022	Agreement	50,000	-	44,011
Lompoc Community Services - CDBG	14.218	7/1/2021-6/30/2022	Agreement	15,500	-	15,500
Passed through City of Long Beach - Health and Human Services Department Long Beach Community Services - Transition in Place Families - CoC	14.267	7/1/2021-6/30/2022	36007	251,015	-	251,015
Passed through City of Hawthorne - Housing Department St. Margaret's Center - Emergency Assistance Program - CDBG	14.218	7/1/2021-6/30/2022	Agreement	25,450	-	21,254
Passed through City of Los Angeles - Housing and Community Investment Department Good Shepherd Shelter - DV Operations	14.218	7/1/2021-7/30/22	138709	223,743	-	220,640
Passed through City of Santa Maria - Community Development Department Santa Maria Community Service - Santa Maria Food Pantry - CDBG	14.218	7/1/2021-6/30/2022	Agreement	20,000	-	20,000

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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

<u>Federal, State Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Term of Grant</u>	<u>Contract Number</u>	<u>Award</u>	<u>Passed Through to Subrecipients</u>	<u>Contract Expenditures</u>
Passed through County of Ventura - Community Development Department Moorpark Community Service - Moorpark Pantry Plus - CDBG	14.218	7/1/2021-6/30/2022	CD21202101	\$ 20,000	\$ -	\$ 20,000
Passed through Los Angeles Homeless Services Authority Good Shepherd Center - COVID Recovery Rehousing Program - ESG	14.231	7/1/2021-7/31/2022	AD-RRH-RR-021-03	708,303	-	686,612
Long Beach - COVID Recovery Rehousing Program - ESG	14.231	7/1/2021-6/30/2022	AD-RRH-RR-029-02	1,502,156	-	1,418,008
Passed through Harbor Interfaith Services Elizabeth Ann Serton - Coordinated Entry System Families SPA 8	14.218	7/1/2021-6/30/2022	Agreement	128,746	-	97,010
Passed through P.F. Bresee Foundation Immigration - Immigration Legal Services	14.218	7/1/2021-6/30/2022	2021-22 A	23,152	-	<u>23,152</u>
TOTAL DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT					<u>-</u>	<u>3,170,733</u>

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards  
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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
DEPARTMENT OF LABOR						
Directly from Department of Labor						
Passed through County of Los Angeles - Workforce Development, Aging & Community Services						
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Adult Program SD1	17.258	7/1/2021-6/30/2022	1720-WF100-EW	\$ 1,288,125	\$ 297,841	\$ 1,125,221
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Adult Program SD2	17.258	7/1/2021-6/30/2022	1720-WF100-SL	512,113	100,362	412,844
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Youth Program SD1	17.259	7/1/2021-6/30/2022	1720-WF100-EW	1,078,300	-	1,065,916
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Youth Program SD2	17.259	7/1/2021-6/30/2022	1720-WF100-SL	399,300	-	324,906
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Dislocated Worker Program SD1	17.278	7/1/2021-6/30/2022	1720-WF100-EW	391,000	100,684	350,683
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Dislocated Worker Program SD2	17.278	7/1/2021-6/30/2022	1720-WF100-SL	154,000	45,432	112,024
Passed through City of Los Angeles - Economic & Workforce Development Department						
Archdiocesan Youth Employment Services - WIOA YouthSource System - Central LA	17.259	7/1/2021-6/30/2022	138563	656,430	-	656,430
Archdiocesan Youth Employment Services - WIOA YouthSource System - South LA	17.259	7/1/2021-6/30/2022	138562	656,430	-	505,459
TOTAL DEPARTMENT OF LABOR					<u>544,319</u>	<u>4,553,483</u>

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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

<u>Federal, State Grantor/Pass-Through Grantor/Program Title</u>	<u>Federal AL Number</u>	<u>Term of Grant</u>	<u>Contract Number</u>	<u>Award</u>	<u>Passed Through to Subrecipients</u>	<u>Contract Expenditures</u>
DEPARTMENT OF HEALTH AND HUMAN SERVICES						
Passed through City of Inglewood - South Bay Workforce Investment Board Employment Support Partnership - Transitional Subsidized Employment Program	93.558	3/1/2019 - 6/30/2022	19-W057	\$ 210,581	\$ -	\$ 60,238
Archdiocesan Youth Employment Services - Transitional Subsidized Employment - GAIN	93.558	3/1/2019 - 6/30/2022	19-W057	3,600	-	1,200
Passed through City of Los Angeles - Economic & Workforce Development Department						
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central - CalWORKS	93.558	7/1/2021-6/30/2022	138860	121,653	-	71,053
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South - CalWORKS	93.558	7/1/2021-6/30/2022	138880	121,653	-	28,914
Passed through City of Los Angeles - Housing and Community Investment Department						
Good Shepherd Shelter - Domestic Violence Services CSBG-CARES	93.569	8/1/20 - 5/31/2022	137353	165,214	-	129,709
Passed through County of Los Angeles - Workforce Development Aging and Community Services						
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work CalWORKS SD1	93.558	7/1/2021-6/30/2022	1720-WF100-EW	267,300	-	267,300
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work CalWORKS SD2	93.558	7/1/2021-6/30/2022	1720-WF100-SL	147,200	-	31,992
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - GROW SD1	93.558	7/1/2021-6/30/2022	1720-WF100-EW	87,000	-	29,726
Passed through County of Los Angeles Department of Public Social Services						
Archdiocesan Youth Employment Services - Employment Partnership Services SD2 CSBG CARES	93.569	3/22/2021-8/31/2022	2EE2110JEC	15,000	-	6,700
Employment Support Partnership Program - Employment Services SD5 CSBG	93.569	2/1/2021-12/31/2021	5EMP2110JS	66,634	-	27,225
Employment Support Partnership Program - Employment Services SD5 CSBG	93.569	1/1/2022-12/31/2022	5EMP2110JS	39,420	-	19,050
Employment Support Partnership Program - Employment Services SD2 CSBG	93.569	4/1/2021-9/25/2022	5EE2110JSC	74,280	-	40,200

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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
San Gabriel Region - Emergency Services SD1-CSBG	93.569	1/1/2021-12/31/2021	1EMG2110RU	\$ 100,000	\$ -	\$ 11,676
San Gabriel Region-Emergency Services SD1-CSBG	93.569	1/1/2022-12/31/2022	1EMG2110RU	45,000	-	29,945
San Gabriel Region-Emergency Services SD1-CSBG CARES	93.569	3/15/2021-5/31/2022	1EM2110RUC	139,770	-	62,558
San Pedro Emergency Services	93.569	1/1/2021-12/31/2021	4EMG2110RU	69,000	-	11,374
San Pedro-Emergency Services-CSBG SD4	93.569	1/1/2022-12/31/2022	4EMG2110RU	69,000	-	12,556
San Pedro Region-Emergency Services SD4-CSBG CARES	93.569	2/15/2021-5/31/2022	4EM2110PFC	20,000	-	10,860
Passed through Harbor Interfaith Services						
Elizabeth Ann Seton - Coordinated Entry System Families	93.558	7/1/2021 - 6/30/2022	Agreement	46,528	-	35,058
Passed through Lutheran Immigration and Refugee Services						
Angel's Flight - FY 2021 Home Studies and Post Release Services	93.676	1/1/2021 - 12/31/2021	357-21-00	524,224	-	151,255
Angel's Flight - FY2022 Home Studies and Post Release Services	93.676	1/1/2022 - 12/31/2022	357-22-00	532,843	-	158,161
Immigration - FY2021 Safe Release Support Services	93.676	2/1/2021-1/31/2022	358-21-CCLA-00	638,544	-	367,646
Immigration - FY2022 Safe Release Support Services	93.676	2/1/2022 - 1/31/2023	358-21-CCLA-00	649,515	-	221,507
Immigration - FY2021 Safe Release Support Services	93.676	5/1/2021 - 6/30/2022	358-21-00	120,910	-	120,910
Passed through P.F. Breese Foundation						
Immigration - Immigration Legal Services	93.569	7/1/2021-6/30/2022	2021-22 A	16,181	-	16,181
Passed through State of California Department of Social Services						
El Santo Niño Adeste - Child Development Program	93.596	7/1/2021-6/30/2022	CCTR-1078	35,743	-	35,743
El Santo Niño Adeste - Child Development Programs	93.575	7/1/2021-6/30/2022	CCTR-1078	32,166	-	32,166
El Santo Niño Adeste - Child Development Program CRRSA Stipend	93.575	4/9/2021 - 6/30/2022	CRRSA Stipend	22,050	-	18,823
El Santo Niño Adeste - Child Development Program - ARPA Stipend	93.575	11/1/2021-9/30/2024	ARPA Stipend	24,000	-	1,330
El Santo Niño Adeste - Child Development Program - Licensed Facility Stipend	93.575	9/1/2021 - 9/30/2024	Facility Stipend	18,000	-	1,140
Passed through US Committee for Refugees and Immigrants						
Employment Support Partnership - Trafficking Victim Assistance Program	93.598	9/30/2018 - 9/29/2022	MOU	291,488	-	108,691
Passed through United States Conference of Catholic Bishops						
Angel's Flight - Safe Passages II - Home Study and Post Release Services	93.676	1/1/2021-12/31/2021	SPII-21-07	402,799	-	187,917
Angel's Flight - Safe Passages II - Home Study and Post Release Services	93.676	1/1/2022-12/31/2022	SPII-22-07	410,855	-	189,246
TOTAL DEPARTMENT OF HEALTH AND HUMAN SERVICES					-	2,498,050

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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
DEPARTMENT OF HOMELAND SECURITY						
Passed through Catholic Charities of California						
Ventura Region - Disaster Case Management Program	97.088	10/16/2020 - 10/16/2022	20-STD-7032	\$ 2,265,728	\$ -	\$ 317,414
Passed through United Way of Los Angeles						
EFSP (FEMA) - Los Angeles	97.024	1/1/2020 - 10/31/2021	PHASE 37 LA	248,800	-	41,720
EFSP (FEMA) - Los Angeles	97.024	1/1/2020 - 10/31/2021	PHASE 38 LA	221,000	-	221,000
EFSP (FEMA) - Los Angeles	97.024	1/27/2020 - 10/31/2021	PHASE CARE LA	500,000	-	135,511
Passed through United Way of Ventura						
EFSP (FEMA) - Ventura	97.024	1/1/2020 - 8/31/2021	PHASE 38 VT	90,772	-	15,790
EFSP (FEMA) - Ventura	97.024	1/1/2021-1/31/2023	PHASE 39 VT	50,837	-	45,978
EFSP (FEMA) - Ventura	97.024	11/1/2021-4/30/2023	PHASE ARPAR VT	115,000	-	79,008
Passed through United Way of Santa Barbara						
EFSP (FEMA) - Santa Barbara	97.024	1/1/2020-10/31/2021	PHASE 38 SB	66,136	-	20,612
EFSP (FEMA) - Santa Barbara	97.024	11/1/2021-4/30/2023	PHASE 39 SB	50,000	-	14,232
EFSP (FEMA) - Santa Barbara	97.024	11/1/2021-4/30/2023	PHASE ARPAR SB	107,000	-	29,543
TOTAL DEPARTMENT OF HOMELAND SECURITY					<u>-</u>	<u>920,808</u>
DEPARTMENT OF THE TREASURY						
Passed through City of Pomona - Housing Division						
Pomona Community Services - Rental Assistance Supportive Services	21.023	6/1/2021-2/28/2022	Agreement	30,000	-	29,082
Passed through Los Angeles Homeless Services Authority						
Long Beach - COVID Recovery Rehousing Program - CRF	21.019	7/1/2021-12/31/2021	AD-RRH-RR-029-02	304,000	-	304,000
Good Shepherd Center - COVID Recovery Rehousing Program - CRF	21.019	7/1/2021 - 12/31/2021	AD-RRH-RR-021-03	45,000	-	13,125
TOTAL DEPARTMENT OF THE TREASURY					<u>-</u>	<u>346,207</u>
TOTAL FEDERAL AWARDS					<u>544,319</u>	<u>12,512,767</u>

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Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
<b>STATE OF CALIFORNIA</b>						
CA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT Passed through City of Glendale - Community Services & Parks Department Glendale Community Center - CESH 2019 Homeless Prevention	N/A	7/1/2020-6/30/2022	8001098	\$ 83,200	\$ -	\$ 48,049
CA BUSINESS CONSUMER SERVICES and HOUSING AGENCY Passed through Los Angeles Homeless Services Authority Project Achieve Bridge Housing Program	N/A	7/1/2021-6/30/2022	AD-BH-BH-007-01	616,692	-	603,790
CA DEPARTMENT OF SOCIAL SERVICES El Santo Niño Adeste - Child Development Program	N/A	7/1/2021 - 6/30/2022	CCTR-1078	104,424	-	104,424
Esperanza Immigrant Rights Project - Opportunities For Youth-OFY Passed through Catholic Charities of California	N/A	10/15/2020-12/31/2022	OFY2020-CCLA	499,979	-	196,858
San Gabriel P-EBT Client Education and Communication Campaign	N/A	5/31/2021 - 12/31/2021	20-3165	10,828	-	10,828
St. Margaret's P-EBT Client Education and Communication Campaign	N/A	5/31/2021 - 12/31/2021	20-3165	15,734	-	15,734
TOTAL STATE OF CALIFORNIA					-	979,683
<b>CALIFORNIA COUNTIES</b>						
<b>LOS ANGELES COUNTY</b>						
County of Los Angeles - Department of Health Services Good Shepherd-Intensive Case Management Services Permanent Supportive Housing ICMS	N/A	7/1/2021-6/30/2022	101-HFH-ICMS	250,350	-	250,350
County of Los Angeles - Workforce Department Aging and Community Services Archdiocesan Youth Employment Services - LA County ELAC Specialized AJCC	N/A	7/1/2021-6/30/2022	1720-WF100-EW	120,000	-	58,186
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Homeless Initiative SD1	N/A	7/1/2021/6/30/2022	1720-WF100-EW	112,000	24,522	35,256
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Probation-Invest SD1	N/A	7/1/2021-6/30/2022	1720-WF100-EW	454,000	-	298,822

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Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work Foster Youth SD1	N/A	7/1/2021-6/30/2022	1720-WF100-EW	\$ 85,300	\$ -	\$ 64,169
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work Other Undeserved Youth SD1	N/A	7/1/2021-6/30/2022	1720-WF100-EW	536,800	-	505,112
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work Probation SD1	N/A	7/1/2021-6/30/2022	1720-WF100-EW	42,300	-	41,326
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work-System Involved Youth SD1	N/A	7/1/2021-6/30/2022	1720-WF100-EW	153,600	-	149,274
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work CalWORKS SD1	N/A	7/1/2021-6/30/2022	1720-WF100-EW	166,900	-	11,053
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Homeless Initiative SD2	N/A	7/1/2021-6/30/2022	1720-WF100-SL	71,000	4,281	5,485
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Probation-Invest SD2	N/A	7/1/2021-6/30/2022	1720-WF100-SL	454,000	-	282,826
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work Foster Youth SD2	N/A	7/1/2021-6/30/2022	1720-WF100-SL	29,800	-	10,764
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Other Undeserved Youth SD2	N/A	7/1/2021-6/30/2022	1720-WF100-SL	183,800	-	170,078
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work Probation Youth SD2	N/A	7/1/2021-6/30/2022	1720-WF100-SL	14,500	-	6,912
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Youth @ Work - System Involved Youth SD2	N/A	7/1/2021-6/30/2022	1720-WF100-SL	55,100	-	33,685
Passed through City of Los Angeles - Economic and Workforce Development Department						
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central Foster Youth	N/A	7/1/2022-6/30/2022	138860	33,428	-	31,342
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central Other Underserved Youth	N/A	7/1/2022-6/30/2022	138860	166,598	-	78,447
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central System Involved Youth	N/A	7/1/2022-6/30/2022	138860	70,435	-	66,723
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South System Involved Youth	N/A	7/1/2021-6/30/2022	138880	58,696	-	58,696

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards are an integral part of this schedule.

Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
Archdiocesan Youth Employment Services - LA County Youth@Work Program - WBL South JJCPA	N/A	7/1/2021-6/30/2022	138880	\$ 23,872	\$ -	\$ 7,161
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South Foster Youth	N/A	7/1/2021-6/30/2022	138880	33,428	-	7,232
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South Other Underserved Youth	N/A	7/1/2021-6/30/2022	138880	166,598	-	74,947
Archdiocesan Youth Employment Services-LA Regional Initiative for Social Enterprise LA RISE 7.0	N/A	7/1/2021 - 6/30/2022	139007	81,000	-	74,140
Passed through City of Hawthorne - Dept of Recreation and Community Services						
St. Margaret Center - Homeless Services - City Implementation Grant	N/A	9/15/2019 - 6/30/2021	Agreement	100,000	-	11,564
Passed through Community Partners - Safe Place for Youth						
The Landing - Safe Place for Youth (SPY) Community Capacity Building Services	N/A	7/1/2021-6/30/2022	Agreement	136,614	-	136,614
Passed through Harbor Interfaith Services						
Elizabeth Ann Seton - Coordinated Entry System Families SPA 8	N/A	7/1/2021-6/30/2022	Agreement	67,531	-	50,885
St. Margaret Center - Coordinated Entry Systems Individuals and Youth SPA 8	N/A	7/1/2021-6/30/2022	Agreement	146,779	-	140,407
St. Margaret Center - Coordinated Entry Systems Youth Rapid Re-Housing and Placement SPA 8	N/A	7/1/2021 - 6/30/2022	Agreement	62,680	-	62,680
Passed through Los Angeles Homeless Services Authority						
Good Shepherd Center Bridge Housing Individual Adults SPA 4	N/A	7/1/2021-6/30/2022	AD-BH-BH-001-01	365,000	-	355,754
Good Shepherd Center Crisis Housing Individual Adults SPA 4	N/A	7/1/2021-6/30/2022	AD-CH-CH-001-01	292,000	-	285,488
Good Shepherd Center Enhanced Bridge Housing Older Adults SPA 4	N/A	7/1/2021-6/30/2022	AD-BH-EOA-055-01	438,000	-	398,973
Project Achieve Bridge Housing Program	N/A	7/1/2021-6/30/2022	AD-BH-BH-007-01	113,308	-	113,308
Elizabeth Ann Seton - Crisis Housing Family SPA 8	N/A	7/1/2021 - 6/30/2022	AD-CH-CH-030-01	700,800	-	699,008
Passed through The People Concern						
Good Shepherd - Rapid Re-Housing Individual Adults	N/A	7/1/2021-6/30/2022	2021RRHIA14-CCLA	429,917	-	366,876
TOTAL LOS ANGELES COUNTY					<u>28,803</u>	<u>4,943,543</u>

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards are an integral part of this schedule.

Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures
<b>SANTA BARBARA COUNTY</b>						
County of Santa Barbara - Housing and Community Development						
Santa Barbara Community Service Program	N/A	7/1/2021-6/30/2022	Agreement	\$ 30,000	\$ -	\$ 30,000
<b>TOTAL SANTA BARBARA COUNTY</b>					<u>-</u>	<u>30,000</u>
<b>TOTAL CALIFORNIA COUNTIES</b>					<u>28,803</u>	<u>4,973,543</u>
<b>CALIFORNIA CITIES</b>						
<b>BURBANK</b>						
City of Burbank - Dept of Parks, Recreation and Community Services						
Burbank - Day Labor	N/A	12/11/2020-12/10/2021	133938	107,389	-	45,220
Burbank - Day Labor	N/A	12/11/2021-12/10/2022	133938	108,592	-	68,348
<b>TOTAL BURBANK</b>					<u>-</u>	<u>113,568</u>
<b>COVINA</b>						
City of Covina - Covina Housing Authority						
The McGill Street House - Transitional Housing Program for Families	N/A	7/1/2021-6/30/2022	Agreement	137,242	-	132,398
<b>HAWTHORNE</b>						
St. Margaret's Center Homeless Coordination Services	N/A	7/1/2021-6/30/2022	Agreement	73,771	-	73,771

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards  
are an integral part of this schedule.

Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
For the Year Ended June 30, 2022

Federal, State Grantor/Pass-Through Grantor/Program Title	Federal AL Number	Term of Grant	Contract Number	Award	Passed Through to Subrecipients	Contract Expenditures	
LOS ANGELES							
Direct for City of Los Angeles							
City of Los Angeles - Economic & Workforce Development Department							
Archdiocesan Youth Employment Services - Los Angeles College Promise Works	N/A	7/1/2021-6/30/2022	139416	\$ 80,000	\$ -	\$ 37,692	
Archdiocesan Youth Employment Services - Los Angeles Reconnections Career Academy (LARCA) 2.0	N/A	7/1/2021-6/27/2022	131188	200,000	-	178,381	
Archdiocesan Youth Employment Services - Los Angeles Student to Student (S2S) Program - Central	N/A	7/1/2021-6/30/2022	139099	88,500	-	53,341	
Archdiocesan Youth Employment Services - Summer Youth Employment Program - Central	N/A	7/1/2021-6/30/2022	138798	252,000	-	242,455	
Archdiocesan Youth Employment Services - Summer Youth Employment Program - South	N/A	7/1/2021-6/30/2022	138848	252,200	-	209,860	
Passed through P.F. Bresee Foundation							
Immigration - Immigration Legal Services	N/A	7/1/2021-6/30/2022	2021-22 A	10,667	-	10,667	
TOTAL LOS ANGELES					<u>-</u>	<u>732,396</u>	
TOTAL CALIFORNIA CITIES						<u>-</u>	<u>1,052,133</u>
TOTAL GOVERNMENT GRANTS AND AWARDS					<u>\$ 573,122</u>	<u>\$ 19,518,126</u>	

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards  
are an integral part of this schedule.



Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
All City of Los Angeles Awards - Passed Through and Direct  
For the Year Ended June 30, 2022

Summarized contract information for City of Los Angeles: Community Development Department	Federal AL Number	Term of Grant	Contract Number	Fiscal Contract Expenditures	Subcontractors	Fiscal Required Match	Match and Other Expenses
All City of Los Angeles Awards - Passed Through and Direct							
Direct from City of Los Angeles							
Economic and Workforce Development Department							
Archdiocesan Youth Employment Services - Los Angeles College Promise Works	N/A	7/1/2021 - 6/30/2022	139416	\$ 37,692	No	No	N/A
Archdiocesan Youth Employment Services - Los Angeles Reconnections Career Academy (LARCA) 2.0	N/A	7/1/2021-6/27/2022	131188	178,381	Yes	No	N/A
Archdiocesan Youth Employment Services - Los Angeles Student to Student (S2S) Program - Central	N/A	7/1/2021 - 6/30/2022	139099	53,341	No	No	N/A
Archdiocesan Youth Employment Services - Summer Youth Employment Program - Central	N/A	7/1/2021-6/30/2022	138798	242,455	No	No	N/A
Archdiocesan Youth Employment Services - Summer Youth Employment Program - South	N/A	7/1/2021-6/30/2022	138848	209,860	No	No	N/A
From Department of Housing and Urban Development							
Good Shepherd Center - COVID Recovery Rehousing Program - ESG	14.231	7/1/2021-7/31/2022	AD-RRH-RR-021-03	686,612	No	No	N/A
Good Shepherd Shelter - DV Operations	14.218	7/1/2021-7/31/2022	138709	220,640	No	No	N/A
Immigration - Immigration Legal Services	14.218	7/1/2021-6/30/2022	2021-22 A	10,667	No	No	N/A
Long Beach - COVID Recovery Rehousing Program - ESG	14.231	7/1/2021-6/30/2022	AD-RRH-RR-029-02	1,418,008	No	No	N/A
From Department of Labor							
Archdiocesan Youth Employment Services - WIOA YouthSource System - Central LA	17.259	7/1/2021-6/30/2022	138860	656,430	No	No	N/A
Archdiocesan Youth Employment Services - WIOA YouthSource System - South LA	17.259	7/1/2021-6/30/2022	138562	505,459	No	No	N/A
From Department of Health and Human Services							
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central - CalWORKS	93.558	7/1/2021-6/30/2022	138860	71,053	No	No	N/A
Archdiocesan Youth Employment Services - LA County Youth@Work Program - WBL South - CalWORKS	93.558	7/1/2021-6/30/2022	138880	28,914	No	No	N/A
Good Shepherd Shelter - Domestic Violence Services CSBG-CARES	93.569	8/1/2020-5/31/2022	137323	129,709	No	No	N/A
From County of Los Angeles - Workforce Development Aging and Community Services							
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central Foster Youth	N/A	7/1/2021-6/30/2022	138860	31,342	No	No	N/A

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards are an integral part of this schedule.

Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
All City of Los Angeles Awards - Passed Through and Direct  
For the Year Ended June 30, 2022

Summarized contract information for City of Los Angeles: Community Development Department	Federal AL Number	Term of Grant	Contract Number	Fiscal Contract Expenditures	Subcontractors	Fiscal Required Match	Match and Other Expenses
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central Other Underserved Youth	N/A	7/1/2021-6/30/2022	138860	78,447	No	No	N/A
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL Central System Involved Youth	N/A	7/1/2021-6/30/2022	138860	66,723	No	No	N/A
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South System Involved Youth	N/A	7/1/2021-6/30/2022	138880	58,696	No	No	N/A
Archdiocesan Youth Employment Services - LA County Youth@Work Program - WBL South JJCPA	N/A	7/1/2021-6/30/2022	138880	7,161	No	No	N/A
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South Foster Youth	N/A	7/1/2021-6/30/2022	138880	7,232	No	No	N/A
Archdiocesan Youth Employment Services - LA County Youth@Work Program WBL South Other Underserved Youth	N/A	7/1/2021-6/30/2022	138880	74,947	No	No	N/A
Archdiocesan Youth Employment Services-LA Regional Initiative for Social Enterprise LA RISE 7.0	N/A	7/1/2021-6/30/2022	139007	<u>74,140</u>	No	No	N/A
<b>TOTAL AWARDS</b>				<b><u>\$ 4,847,909</u></b>			

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards  
are an integral part of this schedule.

Catholic Charities of Los Angeles, Inc.  
Schedule of Expenditures of Federal, State, County and City Awards  
Sub-Recipients of Government Grants  
For the Year Ended June 30, 2022

Subrecipients of Government Grants and Sub-contracted amount	Federal AL Number	Contract Number	Sub-Contracted Amount
From the Department of Labor			
Passed through County of Los Angeles - Workforce Development, Aging & Community Services			
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Adult Program SD1			
UAW-Labor Employment And Training Corporation	17.258	1720-WF100-EW	\$ 297,841
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Adult Program SD2			
Jewish Vocational Services	17.258	1720-WF100-SL	100,362
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Adult Program SD2			
UAW-Labor Employment And Training Corporation	17.278	1720-WF100-EW	100,684
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - WIOA Title I Dislocated Worker Program SD2			
Jewish Vocational Services	17.278	1720-WF100-SL	<u>45,432</u>
Total Department of Labor			<u>544,319</u>
From County of Los Angeles - Workforce Development, Aging & Community Services			
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Homeless Initiatives SD1			
UAW-Labor Employment And Training Corporation	N/A	1720-WF100-EW	24,522
Archdiocesan Youth Employment Services - LA County One Stop Operator for the AJCC - Homeless Initiative SD2			
JVS SoCal	N/A	1720-WF100-SL	<u>4,281</u>
Total City of Los Angeles			<u>28,803</u>
<b>TOTAL GOVERNMENT SUB-RECIPIENTS</b>			<b><u>\$ 573,122</u></b>

The accompanying notes to the Schedule of Expenditures of Federal, State, County and City Awards are an integral part of this schedule.

Catholic Charities of Los Angeles, Inc.  
Notes to Schedule of Expenditures of Federal, State, County and City Awards  
June 30, 2022

1. BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal, state, county and city awards (the "Schedule") includes all government grant expenditure activity of Catholic Charities of Los Angeles, Inc. ("Catholic Charities") for the year ended June 30, 2022, and is presented using the accrual basis of accounting in accordance with generally accepted accounting principles in the United States of America. The federal 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").

For the purposes of the Schedule, awards include all grants, contracts, and similar agreements entered into directly and indirectly between Catholic Charities, agencies, and departments of the federal government. This includes cash and non-cash items.

Because the Schedule presents only a selected portion of the operations of Catholic Charities, it is not intended to and does not present the financial position, changes in net assets, or cash flows of Catholic Charities.

2. CONTRACT NUMBER

Catholic Charities received passed through grants from various municipal and other agencies. These grants do not have identifiable contract numbers and are identified as "Agreement" in the accompanying Schedule.

3. INDIRECT COST RATE

Catholic Charities uses an approved federal indirect cost rate from its cognizant agency, Department of Health and Human Services, which is sometimes capped below the approved rate in certain grants. Catholic Charities has elected to not use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

Catholic Charities of Los Angeles, Inc.  
Notes to Schedule of Expenditures of Federal, State, County and City Awards  
June 30, 2022

4. AWARDS LISTED BY ASSISTANCE LISTING NUMBER

Federal financial assistance is reported in the financial statements of Catholic Charities for the year ended June 30, 2022, as follows:

<u>Program Title</u>	<u>Federal AL Number</u>	<u>Expenditures of Federal Awards</u>
Department of Agriculture		
SNAP Cluster		
State Administrative Matching Grants for the Supplemental Nutrition Assistance Program	10.561	\$ 353,983
Food Distribution Cluster		
Emergency Food Assistance Program (Food Commodities)	10.569	643,835
State Pandemic Electronic Benefit Transfer (P-EBT) Administrative Costs Grants	10.649	<u>25,668</u>
Total Department of Agriculture		<u>1,023,486</u>
Department of Housing and Urban Development		
CDBG - Entitlement Grants Cluster		
Community Development Block Grants/Entitlement Grants	14.218	666,566
Emergency Solutions Grant Program	14.231	2,253,152
Continuum of Care Program	14.267	<u>251,015</u>
Total Department of Housing and Urban Development		<u>3,170,733</u>
Department of Labor		
WIOA Cluster		
WIOA Adult Program	17.258	1,538,065
WIOA Youth Activities	17.259	2,552,711
WIOA Dislocated Worker Formula Grants	17.278	<u>462,707</u>
Total Department of Labor		<u>4,553,483</u>

Catholic Charities of Los Angeles, Inc.  
Notes to Schedule of Expenditures of Federal, State, County and City Awards  
June 30, 2022

4. AWARDS LISTED BY ASSISTANCE LISTING NUMBER (continued)

Program Title	Federal AL Number	Expenditures of Federal Awards
Department of Health and Human Services		
Temporary Assistance for Needy Families	93.558	\$ 525,481
Community Services Block Grant	93.569	378,034
Services to Victims of a Severe Form of Trafficking	93.598	<u>108,691</u>
		<u>1,012,206</u>
CCDF Cluster		
Child Care and Development Block Grant	93.575	53,459
Child Care Mandatory and Matching Funds of the Child Care and Development fund	93.596	<u>35,743</u>
Total CCDF Cluster		<u>89,202</u>
Unaccompanied Alien Children Program	93.676	<u>1,396,642</u>
Total Department of Health and Human Services		<u>2,498,050</u>
Department of Homeland Security		
Emergency Food and Shelter National Board Program	97.024	603,394
Disaster Assistance Projects	97.088	<u>317,414</u>
Total Department of Homeland Security		<u>920,808</u>
Department of the Treasury		
Coronavirus Relief Fund	21.019	317,125
Emergency Rental Assistance	21.023	<u>29,082</u>
Total Department of the Treasury		<u>346,207</u>
Total Expenditures of Federal Awards		<u>\$ 12,512,767</u>

Catholic Charities of Los Angeles, Inc.  
 Schedule of Findings and Questioned Costs  
 For the Year Ended June 30, 2022

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?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	None reported
Noncompliance material to financial statements noted?	No

Federal Awards

Internal control over major programs:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified that are not considered to be material weaknesses?	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)?	No

Identification of major programs:

<u>Name of Federal Program or Cluster</u>	<u>Federal AL Number</u>
Emergency Food Solutions Program	14.231
Unaccompanied Alien Children Program	93.676
Dollar threshold used to distinguish between Type A and Type B programs	\$750,000
Auditee qualified as low-risk auditee?	Yes

Catholic Charities of Los Angeles, Inc.  
Schedule of Findings and Questioned Costs  
For the Year Ended June 30, 2022

SECTION II - SUMMARY OF FINANCIAL STATEMENT FINDINGS

There are no financial statement findings to be reported.

SECTION III - SUMMARY OF FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There are no federal award findings to be reported.



Catholic Charities of Los Angeles, Inc.  
Summary Schedule of Prior Audit Findings  
For the Year Ended June 30, 2022

There were no prior year findings.

SUPPORTING SCHEDULES REQUIRED BY THE CALIFORNIA DEPARTMENT OF EDUCATION



INDEPENDENT AUDITOR'S REPORT ON SUPPORTING SCHEDULES REQUIRED  
BY THE CALIFORNIA DEPARTMENT OF EDUCATION

Board of Trustees  
Catholic Charities of Los Angeles, Inc.  
Los Angeles, California

We have audited the financial statements of Catholic Charities of Los Angeles, Inc. ("Catholic Charities") as of and for the year ended June 30, 2022, and have issued our report thereon dated November 8, 2022, which contained an unmodified opinion on those financial statements. Our audit was performed for the purpose of forming an opinion on the financial statements as a whole.

The accompanying supplemental information for the year ended June 30, 2022, is presented for the purposes of additional analysis and is in conformity with the *CDE Audit Guide* issued by the California Department of Education. These supplemental schedules are not a required part of the basic 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 United States *Government Auditing Standards*. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

A handwritten signature in black ink that reads "Armanino LLP". The signature is written in a cursive, flowing style.

Armanino<sup>LLP</sup>  
Los Angeles, California

November 8, 2022



An independent firm  
associated with Moore  
Global Network Limited

APPENDIX A  
CHILD CARE SUPPLEMENTAL INFORMATION

Catholic Charities of Los Angeles, Inc.  
General Information  
For the Year Ended June 30, 2022

Full official name of the agency	Catholic Charities of Los Angeles, Inc.
Program names and contract numbers Child Care and Development Block Grant Center	CCTR-1078
Type of Agency	Nonprofit Corporation
Address of agency headquarters	1531 James M. Wood Blvd. Los Angeles, California 90015-0095
Name of Executive Director	Msgr. Gregory Cox
Regional Coordinator	Ms. Lorri Perreault
Corporate Telephone Number El Santo Niño Community Center's Number	(213) 251-3400 (213) 748-9006
Period Covered by Examination	July 1, 2021 through June 30, 2022
Number of Days of Operation of Agency	250
Scheduled Hours of Operation Each Day	El Santo Niño Community Center July through June 7:00 a.m. - 6:00 p.m.
CDE Audit Finding	None

Catholic Charities of Los Angeles, Inc.  
Adeste Child Development Program  
Project Number 19-0T385-00-0  
Schedule of Expenditures by State Categories  
Contract Number CCTR 1078  
For the Year Ended June 30, 2022

	Child Care and Development Block Grant Center CCTR-1078	Not- Reimbursable	Total Reimbursable	Total Not- Reimbursable
<b>1000 Certified Salaries</b>				
1100 Teacher's salaries	\$ 84,519	\$ -	\$ 84,519	\$ -
1200 Administrators salaries	-	-	-	-
1300 Supervisors salaries	50,503	-	50,503	-
1400 Other certified salaries	-	-	-	-
<b>2000 Classified Salaries</b>				
2100 Instructional aide's salaries	-	-	-	-
2300 Clerical and other office personnel salaries	-	-	-	-
2400 Maintenance/operations salaries	-	-	-	-
2500 Food service salaries	-	-	-	-
<b>3000 Employee Benefits</b>				
3300 Social Security (old age, survivor's disability)	9,984	-	9,984	-
3400 Health and welfare benefits	15,594	-	15,594	-
3500 State Unemployment Benefits	995	-	995	-
3600 Workers' compensation insurance	6,152	-	6,152	-
3900 Other benefits	9,376	-	9,376	-
<b>4000 Books, Supplies and Equipment</b>				
4200 Books Other than Text Books	-	-	-	-
4300 Instructional material and supplies	1,431	-	1,431	-
4600 Pupil transportation supplies	-	-	-	-
4710 Food	82	-	82	-
4720 Other food services supplies	-	-	-	-
<b>5000 Services/Other Operating Expenses</b>				
5100 Contracts for personnel services	5,803	-	5,803	-
5200 Travel, conferences, and other	1,395	-	1,395	-
5400 Insurance	5,159	-	5,159	-
5500 Utilities and waste collections	-	-	-	-
5600 Contracts, rents and leases	2,000	-	2,000	-
5700 Legal, election and audit	919	-	919	-
5800 Other services and operating expenses	14,658	3,872	14,658	-
<b>6000 Capital Outlay</b>				
6200 Building and improvements of building	-	-	-	-
6400 Equipment (program-related)	-	-	-	-
START-UP/CLOSE-DOWN EXPENSES	-	-	-	-
DEPRECIATION OR USE ALLOWANCE	-	-	-	-
INDIRECT COST	20,857	8,656	20,857	8,656
<b>Total of reimbursable and non-reimbursable expenditures</b>	<u>\$ 229,427</u>	<u>\$ 12,528</u>	<u>\$ 229,427</u>	<u>\$ 8,656</u>

Catholic Charities of Los Angeles, Inc.  
Adeste Child Development Program  
Schedule of Claimed Administrative Costs  
For the Year Ended June 30, 2022

	Child Care and Development Block Grant Center CCTR-1078	Total CDE
Claimed Administrative Costs		
Salaries	\$ -	\$ -
Employee benefits	-	-
Books and Supplies	-	-
Services and other operating expense	919	919
Depreciation on Non-CDE-funded assets used in program	-	-
Indirect costs	20,857	20,857
	\$ 21,776	\$ 21,776

Catholic Charities of Los Angeles, Inc.  
Adeste Child Development Program  
Combining Statement of Activities  
For the Year Ended June 30, 2022

	CCTR-1078	Non- Reimbursable CCTR-1078	Total CDE CD Contracts	Non-CDE Programs	Eliminating Entries	Total
Revenue and support						
Government contracts	\$ 174,803	\$ -	\$ 174,803	\$ 19,343,323	\$ -	\$ 19,518,126
Unrestricted contributions and other income	54,624	12,528	67,152	20,637,595	-	20,704,747
Interest income	-	-	-	5,909	-	5,909
Total revenue and support	<u>229,427</u>	<u>12,528</u>	<u>241,955</u>	<u>39,986,827</u>	<u>-</u>	<u>40,228,782</u>
Expenses						
Provider payments	-	-	-	-	-	-
Salaries	135,022	-	135,022	17,609,818	-	17,744,840
Employee benefits	42,101	-	42,101	4,470,508	-	4,512,609
Books and supplies	1,513	-	1,513	556,595	-	558,108
Rents and leases	2,000	-	2,000	1,019,120	-	1,021,120
Other operating expenses	27,934	3,872	31,806	20,981,141	(219,676)	20,793,271
Building repairs and maintenance	-	-	-	364,194	-	364,194
Depreciation	-	-	-	668,665	-	668,665
In-kind contribution expense	-	-	-	7,795,357	-	7,795,357
General, administrative, and indirect	20,857	8,656	29,513	4,131,114	(4,160,627)	-
Total expenses	<u>229,427</u>	<u>12,528</u>	<u>241,955</u>	<u>57,596,512</u>	<u>4,380,303</u>	<u>53,458,164</u>
Changes in net assets	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (17,609,685)</u>	<u>\$ 4,380,303</u>	<u>\$ (13,229,382)</u>



Catholic Charities of Los Angeles, Inc.  
 Adeste Child Development Program  
 Schedule of Claimed Equipment Expenditures  
 For the Year Ended June 30, 2022

	Child Development Program <u>CCTR-1078</u>
Unit cost under \$7,500	\$ -
Unit cost over \$7,500 with CDD approval	-
Unit cost over \$7,500 without CDD Approval	<u>-</u>
Total equipment expenditures	<u><u>\$ -</u></u>

Catholic Charities of Los Angeles, Inc.  
Adeste Child Development Program  
Schedule of Claimed Expenditures for Renovation and Repair  
For the Year Ended June 30, 2022

	Child Development Program <u>CCTR-1078</u>
Unit cost under \$10,000	\$ -
Unit cost over \$10,000 with CDD approval	-
Unit cost over \$10,000 without CDD approval	<u>-</u>
Total renovation and repair expenditures	<u><u>\$ -</u></u>

Catholic Charities of Los Angeles, Inc.  
Notes to the Child Development Contract Supplemental Information  
For the Year Ended June 30, 2022

1. No interest expense was claimed to a child development contract for the year ended June 30, 2022.
2. Related party rent expense in the amount of \$2,000 was claimed to a child development contract for the year ended June 30, 2022. The rents are paid to a related entity, the Catholic Archdiocese of Los Angeles.
3. No bad debt expense was claimed to a child development contract for the year ended June 30, 2022.

**APPENDIX B**  
**AUDITED FINAL ATTENDANCE AND FISCAL REPORT FORMS**

# AUDITED ATTENDANCE AND FISCAL REPORT FOR CHILD DEVELOPMENT PROGRAMS

Fiscal Year Ending **June 30, 2022**

Contract Number **CCTR-1078**

Vendor Code **T385**

Full Name of Contractor **Catholic Charities of Los Angeles, Inc.**

## Section 1 - Days of Enrollment Certified Children

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Infants (up to 18 months) Full-time-plus				2.8792	
Infants (up to 18 months) Full-time				2.4400	
Infants (up to 18 months) Three-quarters-time (July to December 2021)				1.8300	
Infants (up to 18 months) One-half-time				1.3420	
Toddlers (18 up to 36 months) Full-time-plus				2.1240	
Toddlers (18 up to 36 months) Full-time				1.8000	
Toddlers (18 up to 36 months) Three-quarters-time (July to December 2021)				1.3500	
Toddlers (18 up to 36 months) One-half-time				0.9900	
Three Years and Older Full-time-plus				1.1800	
Three Years and Older Full-time				1.0000	
Three Years and Older Three-quarters-time (July to December 2021)				0.7500	
Three Years and Older One-half-time Total Standard Rate (July 2021 through June 2022)				0.5500	
Three Years and Older One-half-time Total Direct Service Counties (January 2022 through June 2022)*				Direct Service Counties	
Exceptional Needs Full-time-plus				1.8172	
Exceptional Needs Full-time	157		157	1.5400	241.78
Exceptional Needs Three-quarters-time (July to December 2021)	78	-41	37	1.1550	42.735
Exceptional Needs One-half-time	562	41	603	0.8470	510.741

**Contract Number** CCTR-1078

**Full Name of Contractor** Catholic Charities of Los Angeles, Inc.

**Section 1 - Days of Enrollment Certified Children (continued)**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit	Column D Adjustment Factor	Column E Adjusted Days per Audit
Limited and Non-English Proficient Full-time-plus	1	-1		1.2980	
Limited and Non-English Proficient Full-time	1,986	1	1,987	1.1000	2,185.7
Limited and Non-English Proficient Three-quarters-time (July to December 2021)	685	-420	265	0.8250	218.625
Limited and Non-English Proficient One-half-time	6,224	420	6,644	0.6050	4,019.62
At Risk of Abuse or Neglect Full-time-plus				1.2980	
At Risk of Abuse or Neglect Full-time				1.1000	
At Risk of Abuse or Neglect Three-quarters-time (July to December 2021)				0.8250	
At Risk of Abuse or Neglect One-half-time				0.6050	
Severely Disabled Full-time-plus				2.2774	
Severely Disabled Full-time				1.9300	
Severely Disabled Three-quarters-time (July to December 2021)				1.4475	
Severely Disabled One-half-time				1.0615	
<b>TOTAL CERTIFIED DAYS OF ENROLLMENT</b>	<b>9,693</b>		<b>9,693</b>	<b>N/A</b>	<b>7,219.201</b>
<b>DAYS OF OPERATION</b>	<b>250</b>		<b>250</b>	<b>N/A</b>	<b>N/A</b>
<b>DAYS OF ATTENDANCE</b>	<b>8,351</b>		<b>8,351</b>	<b>N/A</b>	<b>N/A</b>

\*If applicable, must attach AUD9500S days of enrollment supplemental pages for direct service counties

**NO NON-CERTIFIED CHILDREN** Check this box (omit pages 3-4) and continue to Revenue Section on page 5.

Contract Number

CCTR-1078

Full Name of Contractor Catholic Charities of Los Angeles, Inc.

Section 3 - Revenue

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Restricted Income - Child Nutrition Programs			
Restricted Income - County Maintenance of Effort (EC Section 8279)			
Restricted Income - American Rescue Plan Act (ARPA)		2,470	2,470
Restricted Income - Other:			
<b>Restricted Income - Subtotal</b>		<b>2,470</b>	<b>2,470</b>
Transfer From Reserve			
Waived Family Fees for Certified Children	1,193		1,193
Interest Earned on Child Development Apportionment Payments			
Unrestricted Income - Fees for Non-Certified Children			
Unrestricted Income - Head Start			
Unrestricted Income - Other: Fundraising		54,624	54,624
<b>Total Revenue</b>		<b>57,094</b>	<b>57,094</b>

Comments:

**Contract Number** **CCTR-1078**

**Full Name of Contractor** **Catholic Charities of Los Angeles, Inc.**

**Section 4 - Reimbursable Expenses**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Direct Payments to Providers (FCCH only)			
1000 Certificated Salaries	140,316	-5,294	135,022
2000 Classified Salaries			
3000 Employee Benefits	42,101		42,101
4000 Books and Supplies	82	1,431	1,513
5000 Services and Other Operating Expenses	25,703	4,231	29,934
6100/6200 Other Approved Capital Outlay			
6400 New Equipment (program-related)			
6500 Equipment Replacement (program-related)			
Depreciation or Use Allowance			
Start-up Expenses (service level exemption)			
Budget Impasse Credit			
Indirect Costs (include in Total Administrative Cost)	20,819	38	20,857
Non-Reimbursable (State use only)			
<b>Total Reimbursable Expenses</b>	<b>229,021</b>	<b>406</b>	<b>229,427</b>
Total Administrative Cost (included in Section 4 above)	21,528	248	21,776
Total Staff Training Cost (included in Section 4 above)		1,395	1,395

Approved Indirect Cost Rate:

NO SUPPLEMENTAL REVENUE / EXPENSES Check this box and omit page 7.



**Contract Number** **CCTR-1078**

**Full Name of Contractor** **Catholic Charities of Los Angeles, Inc.**

**Section 5 - Supplemental Revenue**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Enhancement Funding			
Other: Fundraising		8,656	8,656
Other: Foundation		3,872	3,872
<b>Total Supplemental Revenue</b>		<b>12,528</b>	<b>12,528</b>

**Section 6 - Supplemental Expenses**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
1000 Certificated Salaries			
2000 Classified Salaries			
3000 Employee Benefits			
4000 Books and Supplies			
5000 Services and Other Operating Expenses		3,872	3,872
6000 Equipment / Capital Outlay			
Depreciation or Use Allowance			
Indirect Costs		8,656	8,656
Non-Reimbursable Supplemental Expenses			
<b>Total Supplemental Expenses</b>		<b>12,528</b>	<b>12,528</b>

**Contract Number** **CCTR-1078**

**Full Name of Contractor** **Catholic Charities of Los Angeles, Inc.**

**Section 7 - Summary**

	Column A Cumulative CDNFS 9500	Column B Audit Adjustments	Column C Cumulative per Audit
Total Certified Days of Enrollment	9,693		9,693
Days of Operation	250		250
Days of Attendance	8,351		8,351
Restricted Program Income		2,470	2,470
Transfer from Reserve			
Waived Family Fees for Certified Children	1,193		1,193
Interest Earned on Child Development Apportionment Payments			
Direct Payments to Providers			
Start-up Expenses (service level exemption)			
Total Reimbursable Expenses	229,021	406	229,427
Total Administrative Cost	21,528	248	21,776
Total Staff Training Cost		1,395	1,395

Total Certified Adjusted Days of Enrollment

Total Non-Certified Adjusted Days of Enrollment

Independent auditor's assurances on agency's compliance with contract funding terms and conditions and program requirements for programs that transferred to the California Department of Social Services on July 1, 2021 pursuant to WIC Section 10203(b):

Eligibility, enrollment and attendance records are being maintained as required (select YES or NO from the drop-down box):

Reimbursable expenses claimed on page 6 are eligible for reimbursement, reasonable, necessary, and adequately supported (select YES or NO from the drop-down box):

Include any comments in the comments box on page 5. If necessary, attach additional sheets to explain adjustments.