

**CATHOLIC CHARITIES OF THE
DIOCESE OF GREENSBURG, PENNSYLVANIA**

FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

WITH

INDEPENDENT AUDITOR'S REPORT



MaherDuessel

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CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

YEARS ENDED JUNE 30, 2025 AND 2024

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Independent Auditor's Report

Board of Trustees

Catholic Charities of the Diocese of Greensburg, Pennsylvania

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Catholic Charities of the Diocese of Greensburg, Pennsylvania (Catholic Charities), which comprise the statements of financial position as of June 30, 2025 and 2024, and the related statements of activities, functional expenses, and cash flows for the years 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 as of June 30, 2025 and 2024, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. 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, and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. 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 the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, 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' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Catholic Charities' 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.

Maher Duessel

Pittsburgh, Pennsylvania
October 24, 2025

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

STATEMENTS OF FINANCIAL POSITION

JUNE 30, 2025 AND 2024

	2025	2024
Assets		
<hr/>		
Current assets:		
Cash and cash equivalents in bank and on deposit:		
Checking	\$ 32,645	\$ 42,427
Money market funds	1,484,734	1,348,861
The Catholic Institute of Greensburg, Pennsylvania	47,026	45,939
Total cash and cash equivalents in bank and on deposit	1,564,405	1,437,227
Receivables:		
Due from contracted agencies	31,214	11,874
Investments:		
Certificate of deposit pledged	1,500	1,500
Due from other Diocesan entities	103,807	126
Total current assets	1,700,926	1,450,727
Noncurrent assets:		
Property, plant, and equipment:		
Equipment, furnishing, and improvements	320,250	320,250
Less accumulated depreciation	320,250	320,250
Property, plant, and equipment - net	-	-
Total Assets	\$ 1,700,926	\$ 1,450,727
Liabilities and Net Assets		
<hr/>		
Current Liabilities:		
Accounts payable and accrued expenses	\$ 9,387	\$ 62,389
Total current liabilities	9,387	62,389
Net Assets:		
Without donor restrictions:		
Undesignated	894,117	814,928
Designated	342,918	370,122
Total without donor restrictions	1,237,035	1,185,050
With donor restrictions - purpose restrictions	454,504	203,288
Total Net Assets	1,691,539	1,388,338
Total Liabilities and Net Assets	\$ 1,700,926	\$ 1,450,727

See accompanying notes to financial statements.

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

STATEMENTS OF ACTIVITIES

YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
NET ASSETS WITHOUT DONOR RESTRICTIONS:		
Support and Revenues:		
Support:		
Diocese of Greensburg, Pennsylvania	\$ 378,250	\$ 378,250
United Way organizations	80,754	74,794
Family and Children Services Collection	117,791	110,631
Contributions and gifts	145,335	95,783
Total support	722,130	659,458
Revenues:		
Program service revenue:		
Counseling services	200,536	102,797
Pregnancy services	-	149
Special events, net of expense of \$112,500 and \$104,251, respectively	120,742	139,891
Investment and endowment income	256,323	253,096
Miscellaneous income	1,504	-
Total revenues	579,105	495,933
Released from restrictions	194,696	164,183
	773,801	660,116
Total support and revenues	1,495,931	1,319,574
Expenses:		
Programs	1,082,249	990,477
Management and general	237,586	204,875
Fundraising	99,111	94,450
Total expenses	1,418,946	1,289,802
Transfer to other Diocesan entities	25,000	25,000
Change in net assets without donor restrictions	51,985	4,772
NET ASSETS WITH DONOR RESTRICTIONS:		
Revenues:		
Contributions	445,912	232,379
Net assets released from restrictions	(194,696)	(164,183)
Change in net assets with donor restrictions	251,216	68,196
Change in Net Assets	303,201	72,968
Net Assets:		
Beginning of year	1,388,338	1,315,370
End of year	\$ 1,691,539	\$ 1,388,338

See accompanying notes to financial statements.

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2025

	Programs				Management and General	Fundraising	Total
	Counseling	Information and Referral	Pregnancy	Total			
Assistance to individuals	\$ 254	\$ 331,950	\$ 2,402	\$ 334,606	\$ -	\$ -	\$ 334,606
Salaries and wages	304,015	159,885	6,857	470,757	151,333	55,812	677,902
Pension and 403(b)	14,455	17,968	-	32,423	13,787	7,532	53,742
Other employee benefits	35,792	53,824	211	89,827	38,846	14,251	142,924
Payroll taxes	14,155	11,254	-	25,409	11,871	4,109	41,389
Accounting	980	1,814	518	3,312	518	280	4,110
Other fees	13,763	14,086	5,550	33,399	4,281	4,100	41,780
Office expenses	7,882	7,152	323	15,357	4,124	4,080	23,561
Information technology	5,719	5,719	1,646	13,084	1,646	1,646	16,376
Occupancy	16,149	16,149	4,614	36,912	4,614	4,614	46,140
Travel	230	1,186	80	1,496	2,892	52	4,440
Conferences and meetings	4,681	1,324	288	6,293	1,252	213	7,758
Insurance	8,476	8,476	2,422	19,374	2,422	2,422	24,218
Total expenses	<u>\$ 426,551</u>	<u>\$ 630,787</u>	<u>\$ 24,911</u>	<u>\$ 1,082,249</u>	<u>\$ 237,586</u>	<u>\$ 99,111</u>	<u>\$ 1,418,946</u>

See accompanying notes to financial statements.

**CATHOLIC CHARITIES OF THE
DIOCESE OF GREENSBURG, PENNSYLVANIA**

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2024

	Programs				Management and General	Fundraising	Total
	Counseling	Information and Referral	Pregnancy	Total			
Assistance to individuals	\$ 785	\$ 302,932	\$ 1,000	\$ 304,717	\$ -	\$ -	\$ 304,717
Salaries and wages	253,159	173,194	-	426,353	142,017	55,344	623,714
Pension and 403(b)	10,805	19,142	-	29,947	8,746	7,101	45,794
Other employee benefits	31,002	64,029	-	95,031	25,378	12,081	132,490
Payroll taxes	14,030	11,991	-	26,021	11,313	4,105	41,439
Accounting	875	1,586	453	2,914	453	250	3,617
Other fees	7,322	7,647	3,656	18,625	2,433	2,092	23,150
Office expenses	5,601	5,294	284	11,179	4,068	4,225	19,472
Information technology	6,475	6,475	1,862	14,812	1,862	1,862	18,536
Occupancy	18,029	18,029	5,151	41,209	5,151	5,151	51,511
Travel	539	993	82	1,614	554	82	2,250
Conferences and meetings	659	1,461	189	2,309	932	189	3,430
Insurance	6,889	6,889	1,968	15,746	1,968	1,968	19,682
Total expenses	\$ 356,170	\$ 619,662	\$ 14,645	\$ 990,477	\$ 204,875	\$ 94,450	\$ 1,289,802

See accompanying notes to financial statements.

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2025 AND 2024

	2025	2024
Cash Flows From Operating Activities:		
Change in net assets	\$ 303,201	\$ 72,968
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
Change in operating assets and liabilities:		
Accounts receivable	(19,340)	(1,626)
Accounts payable and accrued expenses	(53,002)	11,905
Total adjustments	(72,342)	10,279
Net cash provided by (used in) by operating activities	230,859	83,247
Cash Flows From Investing Activities:		
Decrease (increase) in due from other Diocesan entities	(103,681)	20,814
Net Increase (Decrease) in Cash and Cash Equivalents	127,178	104,061
Cash and Cash Equivalents:		
Beginning of year	1,437,227	1,333,166
End of year	\$ 1,564,405	\$ 1,437,227

See accompanying notes to financial statements.

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

1. Summary of Significant Accounting Policies

Organization

Catholic Charities of the Diocese of Greensburg, Pennsylvania (Catholic Charities) is a not-for-profit, tax-exempt corporation incorporated under the laws of the Commonwealth of Pennsylvania on August 27, 1954. Catholic Charities provides a broad spectrum of counseling services and family life services to all residents of the Diocese of Greensburg (Diocese).

Catholic Charities, rooted in the Gospel and social teachings of the Church, is the primary social service agency of the Diocese. Its mission is to serve the human needs of individuals and families, regardless of their religious affiliation, and to provide leadership in building collaborative efforts with parishes and communities in addressing these needs.

The goal of Catholic Charities is to apply the Gospel command to love to the social systems, structures, and institutions of society. Catholic Charities exists to assist the Bishop in his work of protecting and supporting the dignity of the human person. Guided by the rich tradition of the Roman Catholic Church's social teachings, Catholic Charities is called upon to be a beacon to society in God's name by identifying social as well as spiritual needs within the community and demonstrating the appropriate Christian response.

Social issues and needs are addressed through advocacy, convening, and direct service. This models the approach adopted by Catholic Charities USA at the national level. Any social concern or issue that comes to the attention of the Diocese can be addressed in one or all of these areas.

In order to function effectively in this changing social environment, Catholic Charities will convene groups around emerging social concerns, advocacy for change, empowering others to help themselves, and where necessary, providing direct services to the needy.

As a not-for-profit corporation, Catholic Charities relies on grants from various organizations. A significant concentration of total support and revenues without donor restrictions for the years ended June 30, 2025 and 2024, respectively, was provided by the Diocese, at 25% and 29%.

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Basis of Accounting

The financial statements of Catholic Charities include the accounts of its administrative offices and affiliated offices from the various locations within the four counties of the Diocese. The financial statements are prepared using the accrual basis of accounting. Accordingly, revenues and support are recorded when earned and expenses are recognized when the liabilities are incurred.

Allowance for Credit Losses

The allowance for credit losses estimate is derived from a review of Catholic Charities' historical losses based on the aging of accounts receivable. This estimate is adjusted for management's assessment of current conditions, reasonable and supportable forecasts regarding future events, and any other factors deemed relevant by Catholic Charities. Management of the Catholic Charities holds the opinion that all accounts receivable are materially collectible. Accordingly, no allowance for credit losses is included in the financial statements.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results could differ from those estimates.

Equipment

Fixed assets are stated at historical cost. Depreciation of office furnishings is provided over the estimated useful lives of the respective assets on a straight-line basis.

Accounting for Net Assets

Catholic Charities reports unconditional contributions as without donor restrictions unless the donor explicitly stipulates when or how the donated assets must be used. Gifts of such assets with explicit donor restrictions that specify when or how the assets are to be used and gifts of cash and other assets that must be used to acquire long-lived assets are reported as net assets with donor restrictions. Catholic Charities reports expirations of

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

donor restrictions when the donated or acquired long-lived assets are placed in service. Donor restrictions that are satisfied result in net assets with donor restrictions being reclassified to net assets without donor restrictions and are reported in the statements of activities as net assets released from restrictions.

A portion of the net assets without donor restrictions of Catholic Charities is designated by its Board of Trustees as outlined in the following table:

	2025	2024
Special programs for material assistance	\$ 192,974	\$ 225,995
Unemployment fund	53,043	51,956
Ministry for seniors	96,901	92,171
	\$ 342,918	\$ 370,122

Net assets with donor restrictions are available for the following purposes:

	2025	2024
Rosemarie Fund	\$ 107,486	\$ 88,896
Pregnancy programs	21,722	14,773
Disaster Relief	36,488	10,330
Counseling program	10,611	10,322
Fuel funds	1,521	1,007
Penn State United Way	16,411	4,411
Ukrainian newcomers	81,365	55,691
Diocesan Poverty Relief Fund	114,009	-
Ministry for seniors	5,562	3,358
Emergency Food and Shelter Grants	33,514	14,500
Restricted for fiscal year 25-26	25,815	-
	\$ 454,504	\$ 203,288

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Revenue and Revenue Recognition

Contributions consist of cash, securities or other assets, unconditional promises to give, or notifications of beneficial interest received. 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. There were no conditional promises to give at June 30, 2025 and 2024.

Program service revenues from counseling and pregnancy services are reported at the amount that reflects the consideration to which Catholic Charities expects to be entitled in exchange for providing services. Revenue is recognized as the performance obligations are satisfied when the services are provided. Catholic Charities does not believe it is required to provide additional services related to the revenue being recognized. Catholic Charities determines the transaction price based on a negotiated rate per unit of service. Opening and closing contract receivables for the year ended June 30, 2025 were \$11,874 and \$31,214, respectively. Opening and closing contract receivables for the year ended June 30, 2024 were \$10,248 and \$11,874, respectively.

Statements of Cash Flows

Cash and cash equivalents include currency on hand and demand deposits with financial institutions and short-term, highly liquid investments whose maturity is one year or less at the time of purchase.

Credit Risk

At year-end, and at various times throughout the years, cash balances held in checking accounts and money market funds were maintained in excess of the federally insured limits for the years ended June 30, 2025 and 2024. The deposits were held at various financial institutions. The solvency of the financial institutions is monitored by management and is not a concern at this time.

Income Taxes

Catholic Charities is listed in the Official Catholic Directory (OCD). All organizations listed in the OCD are exempt from federal income tax under the provisions of Section 501(c)(3) of the Internal Revenue Code. In accordance with accounting principles generally accepted in

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

the United States of America, Catholic Charities accounts for uncertain tax positions, if any, as required.

Expense Allocation

Expenses directly related to a specific program are charged to that program. The financial statements report certain categories of expenses that are attributed to more than one program or supporting function. Therefore, expenses require allocation on a reasonable basis that is consistently applied. The expenses that are allocated include expenses reported under the staff and operational overhead categories, which are allocated based on estimates of time and effort.

Subsequent Events

Subsequent events have been evaluated through the Independent Auditor's Report date, which is the date the financial statements were available to be issued.

2. Unemployment Benefits

Catholic Charities has elected to self-insure unemployment compensation benefits. Catholic Charities was required to assign all right, title, and interest in the certificate of deposit pledged to the Pennsylvania Unemployment Compensation Fund as security for any unpaid tax obligation.

3. Pension Benefits

Catholic Charities participates in the defined benefit pension plan (Plan) provided to employees by the Diocese. The Plan was available to full-time employees who had completed at least two years of service. Annual pension expense paid to the Diocese amounted to \$20,735 and \$15,471 for the years ended June 30, 2025 and 2024, respectively.

As of July 1, 2015, the Diocese froze the Plan described above and enacted a significant enhancement to its existing 403(b) defined contribution plan. The new plan has the same

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

eligibility requirements as the Plan above, but the defined contribution will be based on a combination of the employee's age plus years of service, as calculated each July 1.

Each year of the employee's age for the 403(b) plan is equal to one point, as is each year of service. Employees with less than 55 total points will receive a contribution of 2% of their pay into the plan. Employees with 55 – 79 points will receive a contribution of 4% of their pay. Employees with 80 and over points will receive a contribution of 6% of their pay. Annual expense paid to the Diocese amounted to \$11,863 and \$10,887 for the years ended June 30, 2025 and 2024, respectively.

4. Related Party Transactions

Due to their affiliation with the Diocese, Catholic Charities receives financial and management support. Although Catholic Charities pays its utilities and an allocation for maintenance and insurance, rent is not charged for office space provided by the Diocese.

The amounts due from the Diocese at June 30, 2025 and 2024 were \$103,807 and \$126, respectively.

5. Fundraising Events

Catholic Charities schedules several events during the year for fundraising purposes. Fundraising events are detailed as follows for the years ended June 30:

	June 30,	
	2025	2024
The Communities of Salt and Light Dinner	\$ 110,057	\$ 150,066
Golf Event	84,047	59,742
Purse Bash	39,138	25,064
Other events	-	9,270
	233,242	244,142
Less cost of events	112,500	104,251
Total	\$ 120,742	\$ 139,891

CATHOLIC CHARITIES OF THE DIOCESE OF GREENSBURG, PENNSYLVANIA

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

6. Commitments and Contingencies

The Diocese announced a Comprehensive Reconciliation Initiative (Initiative) in February 2019, to help survivors of clergy sexual abuse, which included the adoption of a Survivors' Compensation Program. Although the Survivors' Compensation Program has since closed, the Initiative continues and is ongoing. The Initiative has resulted, to date, in settlements with approximately 80 survivors, totaling in excess of \$8 million. The Diocese Self-Insurance Fund is absorbing the expense of this Initiative, and because Catholic Charities is a separate corporate entity, its assets would not be subject to the reach of the Diocese's general creditors.

7. Liquidity and Availability

Catholic Charities manages its liquid resources by focusing on fundraising efforts to ensure the entity has adequate contributions and grants to cover the programs that are being conducted. Catholic Charities prepares very detailed budgets and has been very active in fiscal management to ensure the entity remains liquid.

Endowment funds consist of donor-restricted endowments. Donor-restricted endowment funds are not available for general use.

Board-designated funds are subject to annual appropriation to the operating budget, if and when approved annually by the Board of Trustees as part of its budget process.

As part of Catholic Charities' liquidity management, Catholic Charities invests its cash in excess of daily requirements in money market funds through its cash management plan. Catholic Charities manages its cash and money market funds to ensure that sufficient cash is available to cover operating expenditures and liabilities as they come due. This includes, among other items, material assistance from program initiatives, which may fluctuate greatly between years.

**CATHOLIC CHARITIES OF THE
DIOCESE OF GREENSBURG, PENNSYLVANIA**

NOTES TO FINANCIAL STATEMENTS

YEARS ENDED JUNE 30, 2025 AND 2024

Financial assets available for general expenditure, that is, without donor or other restrictions limiting their use, within one year of the balance sheet date, comprise the following:

	<u>2025</u>	<u>2024</u>
Financial assets, at year-end	\$ 1,700,926	\$ 1,450,727
Less:		
Board-designated funds	342,918	370,122
Donor-imposed restrictions:		
Restricted by donor with purpose restrictions	<u>454,504</u>	<u>203,288</u>
Financial assets available to meet cash needs for general expenditures within one year	<u>\$ 903,504</u>	<u>\$ 877,317</u>