

**THE CENTRAL ADMINISTRATIVE OFFICES OF
THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX,
OFFICES AND INSTITUTIONS**

Audits of Consolidated Financial Statements

June 30, 2018 and 2017

(With Independent Auditors' Report Thereon)



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Independent Auditor's Report

His Excellency
Most Reverend Shelton Fabre, D.D.
Bishop of the Diocese of Houma-Thibodaux

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (the Diocese), which comprise the consolidated statement of financial position as of June 30, 2018, and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the financial statements (collectively, the financial statements).

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

LOUISIANA • TEXAS

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions as of June 30, 2018, 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.

Report on Supplementary Information

Our audits were conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information included in Schedules 1 to 14 as listed in the table of contents, which is the responsibility of management, is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Diocese. Such information, except for Schedule 13, which is marked "unaudited," was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. That information has been subjected to the auditing procedures applied in the audit of the basic 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 basic financial statements as a whole. The Schedule of Operations of Parishes and Institutions on page 46 (Schedule 13) marked "unaudited" has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

Prior Period Financial Statements

The financial statements, as of and for the year ended June 30, 2017, were audited by other auditors whose report dated December 15, 2017 expressed an unmodified opinion on those statements.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated December 21, 2018 on our consideration of the Diocese's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Diocese's internal control over financial reporting and compliance.



A Professional Accounting Corporation

Houma, LA
December 21, 2018

**THE CENTRAL ADMINISTRATIVE OFFICEES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Consolidated Statements of Financial Position
June 30, 2018 and 2017

	2018	2017
Assets		
Current Assets		
Cash and Cash Equivalents	\$ 3,894,403	\$ 2,903,808
Accounts Receivable	576,294	813,711
ABA Receivable	172,449	197,702
Accrued Interest and Mineral Royalties Receivable	221,547	195,689
Prepaid Expenses	58,976	68,549
Current Maturities of Parish and School Loans	23,000	13,000
Investments In Marketable Debt Securities Expected to be Sold or to Mature to Fund Current Expected Deposit Withdrawals	21,600,000	21,300,000
Total Current Assets	26,546,669	25,492,459
Investments, Net of Current Expected Sales and Maturities	27,087,901	26,285,011
Parish and School Loans Receivable	2,043,994	2,017,670
Less Current Maturities	(23,000)	(13,000)
Total Loans Less Current Maturities	2,020,994	2,004,670
Property and Equipment, at Cost	24,119,839	23,370,543
Less Accumulated Depreciation	(13,682,703)	(13,230,347)
Total Property and Equipment	10,437,136	10,140,196
Other Assets	2,441,028	2,435,368
Total Assets	\$ 68,533,728	\$ 66,357,704

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

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Consolidated Statements of Financial Position (Continued)
June 30, 2018 and 2017

	2018	2017
Liabilities And Net Assets		
Current Liabilities		
Deposits in Central Finance, Current Expected Withdrawals		
Parishes	\$ 814,000	\$ 703,000
Cemetery Operating Deposits	232,000	300,000
Institutional Deposits, Principally Prepaid Tuition	21,600,000	21,300,000
Accounts Payable, Undistributed Funds, and Other Accruals	1,483,798	1,665,365
Deferred Grant Revenues	130,200	260,699
	<hr/>	<hr/>
Total Current Liabilities	24,259,998	24,229,064
	<hr/>	<hr/>
Deposits of Parishes, Schools and Institutions, Net of Current Expected Withdrawals	17,121,174	18,621,072
Third-Party Endowments	18,047,459	18,177,607
Insurance Program Reserves	497,922	518,551
Accrued Pension Liability	71,556	877,886
Accrued Other Postretirement Benefits	10,897,732	11,694,393
	<hr/>	<hr/>
Total Liabilities	70,895,841	74,118,573
	<hr/>	<hr/>
Net Assets (Deficit)		
Restricted by Donors		
Temporarily Restricted Net Assets	1,467,472	1,382,061
Permanently Restricted Net Assets	5,051,371	4,893,997
Unrestricted		
Designated	13,945,883	11,636,896
Undesignated	(22,826,839)	(25,673,823)
	<hr/>	<hr/>
Total Unrestricted Net Assets (Deficit)	(8,880,956)	(14,036,927)
	<hr/>	<hr/>
Total Net Assets (Deficit)	(2,362,113)	(7,760,869)
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Total Liabilities and Net Assets	\$ 68,533,728	\$ 66,357,704
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The accompanying notes are an integral part of these consolidated financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**
Consolidated Statements of Activities
For the Years Ended June 30, 2018 and 2017

	2018	2017
Changes in Unrestricted Net Assets		
Revenues and Other Support		
Cathedraticum	\$ 2,567,304	\$ 2,529,800
Donations and Special Collections	2,385,037	2,151,523
Grants	992,288	1,072,561
Investment Income		
Central Finance	1,287,126	887,733
Other Investment Income	50,253	50,696
Oil and Gas Royalties	391,858	426,298
Program Service and Other Income	12,758,346	13,075,925
Net Assets Released from Restrictions	40,165	51,357
Total Revenues and Other Support	20,472,377	20,245,893
Expenses		
Program Expenses		
Formation Ministries	2,093,777	1,771,380
Social Ministries	2,000,471	1,973,822
Clergy and Religious	2,045,702	2,083,004
Administration Ministries	10,479,636	11,093,017
General and Administrative Expenses	1,001,422	2,917,992
Stewardship Expenses	331,889	307,661
Total Expenses	17,952,897	20,146,876
Change in Net Assets from Operations	2,519,480	99,017
Non-Operating Activities		
Pension and Postemployment Benefit Related Changes Other than Net Periodic Pension and Benefit Cost	2,636,492	1,501,539
Increase in Unrestricted Net Assets	5,155,972	1,600,556
Changes in Temporarily Restricted Net Assets		
Contributions	55,982	-
Interest Income	69,594	37,184
Less Net Assets Released from Restrictions	(40,165)	(51,357)
Increase (Decrease) in Temporarily Restricted Net Assets	85,411	(14,173)
Changes in Permanently Restricted Net Assets		
Contributions	157,373	138,065
Increase in Permanently Restricted Net Assets	157,373	138,065
Increase in Net Assets	5,398,756	1,724,448
Net Assets, Beginning of Year	(7,760,869)	(9,485,317)
Net Assets, End of Year	\$ (2,362,113)	\$ (7,760,869)

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

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**
Consolidated Statements of Cash Flows
For the Years Ended June 30, 2018 and 2017

	2018	2017
Cash Flows from Operating Activities		
Change in Net Assets	\$ 5,398,756	\$ 1,724,448
Adjustments to Reconcile Change in Net Assets to Net Cash Flows Provided by Operating Activities		
Unrealized Gains on Investments, Net Change	(34,399)	(28,440)
Realized Gains on Investments	(499,150)	(177,207)
Contributions Restricted for Long-Term Investment	(157,374)	(138,065)
Depreciation Expense	452,356	429,940
Amortization of Bond Issuance Cost	-	3,741
Loss on Disposal of Fixed Assets	29,279	-
Loss on Early Redemption of Bonds	-	155,225
Changes in:		
Accounts Receivable	237,417	81,435
ABA Receivable	25,253	(29,525)
Accrued Interest and Mineral Royalties Receivable	(25,858)	1,589
Prepaid Expenses and Other Assets	3,913	158,689
Accrued Pension and Postretirement Benefits	(1,552,991)	(369,829)
Accounts Payable	(202,196)	(178,297)
Deferred Grant Revenues	(130,499)	27,092
Net Cash Provided by Operating Activities	3,544,507	1,660,796
Cash Flows from Investing Activities		
Purchases of Property and Equipment	(778,575)	(134,317)
Purchases of Investments	(110,428,336)	(73,020,778)
Proceeds from Sale of Investments	109,858,995	74,253,218
(Increase) Decrease in Loans to Parishes and Institutions, Net	(26,324)	120,069
Net Cash (Used in) Provided by Investing Activities	(1,374,240)	1,218,192
Cash Flows from Financing Activities		
Proceeds from Contributions Restricted for:		
Contributions to Seminary Burses	59,424	80,587
Contributions to Endowment Funds	63,050	36,878
Perpetual Care of Cemetery Crypts	34,900	20,600
	157,374	138,065
Other Financing Activities		
Principal Payments on Bonds Payable	-	(4,415,000)
Contribution to Pension Trust	(50,000)	(58,500)
(Decrease) Increase in Central Finance Deposits	(1,156,898)	741,230
(Decrease) Increase in Endowments Held for Third Parties	(130,148)	22,937
	(1,337,046)	(3,709,333)
Net Cash Used in Financing Activities	(1,179,672)	(3,571,268)
Net Increase (Decrease) in Cash and Cash Equivalents	990,595	(692,280)
Cash and Cash Equivalents, Beginning of Year	2,903,808	3,596,088
Cash and Cash Equivalents, End of Year	\$ 3,894,403	\$ 2,903,808
Supplemental Disclosures of Cash Flow Information		
Cash Paid for Interest During the Year on Central Finance Deposits	\$ 493,401	\$ 492,585
Cash Paid for Interest on Long-Term Debt	\$ -	\$ 185,063
Cash Payment for Termination of Interest Rate Swap Agreement	\$ -	\$ 1,225,000

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

THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization

The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux (the Diocese), a not-for-profit corporation established under the laws of the State of Louisiana, operates as a religious organization. The Diocese is dedicated to acting as a centralized ministry that coordinates several ministerial, outreach and administrative programs and functions for church parishes and other Diocesan related operations located within the Diocese's boundaries encompassing the civil parishes of Terrebonne, Lafourche, parts of St. Mary, St. Martin and Iberia, and Grand Isle, Louisiana.

The Diocese derives support for its administrative operations primarily through Cathedraticum paid by Diocesan parishes to the Diocese. Cathedraticum is an assessment on parish ordinary income and certain extraordinary income. The Cathedraticum amount is set each year by the Diocese based on the prior years reported income. Support for other Diocesan operations is provided by several sources including, but not limited to: grants from other non-profit entities; special Diocesan-wide collections; individual contributors; governmental grants; and Diocesan subsidies, transfers, grants, and interest, dividends and net capital gains or (losses) earned and recognized on investments.

The accompanying financial statements include the programs and operations maintained by and directly under the administration of the Central Administrative Offices of the Diocese of Houma-Thibodaux, H-T Publishing Company (The Bayou Catholic), Lumen Christi Retreat Center, St. Joseph Cemetery, and the programs of Catholic Charities of the Diocese of Houma-Thibodaux, and also include certain assets which are owned by the Diocese and used in the operations of certain affiliates. These statements exclude the financial position and transactions of the parishes and missions, schools, cemeteries and other organizations which maintain separate accounts and carry on their own services and programs. These operations, which may or may not be separate corporations under civil law, are directly managed and controlled by their pastors or other responsible parties. Only those operations and offices that are directly controlled, managed, administered and financed through the Diocese Central Administrative Offices are included in these financial statements.

Internal transactions and balances, except for interest paid on funds deposited with Central Finance, have been eliminated in consolidation.

Basis of Accounting

The accompanying financial statements of the Diocese have been prepared on the accrual basis of accounting.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Basis of Presentation

The Diocese reports information regarding its financial position and activities according to three classes of net assets:

Unrestricted Net Assets – Net assets which are not restricted by donors.

Temporarily Restricted Net Assets – Net assets for which the use by the Diocese are restricted by the donors (a) to later periods of time or after specified dates or (b) to specific purposes.

Permanently Restricted Net Assets – Net assets that must be maintained in perpetuity due to donor-imposed restrictions that will neither expire with the passage of time nor be removed by meeting certain requirements. Income earned on these investments may be restricted for specific purposes.

Investments

Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets. For investments other than marketable securities with readily determinable fair values, the carrying value is either cost or fair value at the date of donation.

Investments in marketable debt and equity securities are diversified among high-credit quality securities in accordance with the investment policy of the Diocese. Investments are not insured by the trustee, Federal Deposit Insurance Corporation, or any other government agency.

Contributions and Pledges Receivable

The Diocese recognizes all contributions as income in the period received. Contributions are reported as unrestricted or restricted depending on the existence of donor stipulations that limit the use of the contribution. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Diocese reports the support as unrestricted. Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the contributions are recorded as unrestricted support. Contributed services are recognized at fair value, except for the work of volunteers for which no monetary value has been assigned.

Unconditional promises to give are recognized as revenue and as assets in the period in which the promise is made, and are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-free interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. Conditional promises to give are not included as support until the conditions are substantially met. Allowances for uncollectible promises to give, if any, are based on management's evaluation of the collectability of such amounts.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 1. Nature of Organization and Summary of Significant Accounting Policies (Continued)

Property and Equipment

Property and equipment are recorded at cost or, when donated, at fair value. Additions and improvements are capitalized, while expenditures for maintenance and repairs are expensed as incurred. Depreciation expense is computed principally by the straight-line method over the useful lives of the depreciable assets.

Functional Expenses

The costs of providing various programs and other activities of the Diocese have been summarized on a functional basis in the statement of activities. Accordingly, certain costs have been allocated among the programs and supporting services benefited.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, cash equivalents consist of cash in banks and highly liquid short-term investments with an original maturity of three months or less. Concentrations of credit risk with respect to cash and cash equivalents are considered limited due to the combination of federally-insured deposits and financial strength of the institutions that hold Diocesan deposits. The Diocese held bank deposits in excess of FDIC insurance in the amounts of \$3,128,119 and \$1,769,523 for the years ended June 30, 2018 and 2017, respectively.

Income Taxes

The Diocese is exempt from income taxes under the provisions of Internal Revenue Code Section 501(c)(3).

Accounting standards require an entity to disclose and recognize the financial statement impact of uncertain tax positions when it is more likely than not that the position will not be sustained on examination. Management of the Diocese believes it has appropriate support for any tax positions taken, and therefore, does not have any uncertain income tax positions that are material to the financial statements.

Use of Estimates

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

Note 2. Central Finance

Under Diocesan Central Finance policies, the Parishes, Schools and Institutions within the Diocese are required to deposit all funds not immediately needed for current operations into the Diocese Central Finance Program. Balances on deposit earned interest at a rate of .5% per annum through June 30, 2018. Endowment funds may also be established by Parishes, Schools and Institutions within the Diocese.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 2. Central Finance (Continued)

The establishment of endowment funds is governed by the Diocesan policy on endowments, and must be deposited with Central Finance. The deposits must be of a permanent nature and have restrictions as to the withdrawal of principal. Endowment funds earned interest at 1.5% per annum through June 30, 2018.

Certain Diocesan programs also receive interest on surplus funds held by the Central Finance Program at the same rates earned by Parishes, Schools and Institutions. The interest received by these programs is reported as revenue in the statements of activities.

Loans are available through the Central Finance Program. Parishes, Schools and Institutions pay 5% interest on outstanding loan balances to the Central Finance Program. Any surplus funds deposited into Central Finance by a Parish, School or Institution with an outstanding loan balance are applied as principal payments on the loan balance until the loan is paid in full.

Interest rates on Central Finance loans and deposits are set by management and are based on the expected rate of return on Diocesan investments, net of investment fees and expenses. Net investment income in excess of interest paid on funds on deposit may be paid to the Parishes, Schools and Institutions as additional interest at the end of the year at the discretion of the Bishop. The amount of additional interest paid to each Parish, School or Institution is based on the weighted average deposit balance of the Parish, School or Institution during the year and is called "profit sharing." Endowment funds are not eligible for profit sharing distributions. There were no profit sharing distributions for the years ended June 30, 2018 and 2017. The statements of activities and schedule below present investment return as interest and dividends earned and capital gains recognized. The full amount of interest expense incurred during the years ended June 30, 2018 and 2017 is reflected below and is included on the statement of activities.

	2018	2017
Interest Income		
Parish and School Loans	\$ 26,287	\$ 92,272
Investments and Cash Reserves	686,657	551,586
Dividend Income	40,633	38,228
Realized Gains on Investments, Net	34,399	177,207
Change in Unrealized Gains and Losses on Investments, Net	499,150	28,440
Total Central Finance Investment Income	1,287,126	887,733
Other Income - Catholic Extension Grants	14,595	16,405
Total Central Finance Income	1,301,721	904,138
Interest Expense		
Parish Deposits	41,431	40,109
Cemetery Deposits	28,784	28,283
Parish and School Endowments	270,318	272,076
Diocesan Endowments and Programs	46,551	44,247
School and Institution Deposits	106,317	107,870
External Money Management and Bank Fees	145,067	135,229
Total Central Finance Expenses and Subsidies	638,468	627,814
Change in Net Assets - Central Finance	\$ 663,253	\$ 276,324

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 3. Funded Operations

The Diocese maintains several operations (some of which are separately incorporated) that are funded through separate collections and revenues. These collections and revenues are segregated in separate accounts in the Diocesan accounting system. The revenues and expenses incurred by the operations are kept separate for internal Diocesan reporting. The Diocese has adopted the policy to internally subsidize these operations when applicable. Funded operations having revenues in excess of expenditures are carried on the Diocese's balance sheet as unrestricted - designated net assets to be used in future operations of the particular funded operation.

Note 4. Pledges Receivable - Annual Bishop's Appeal (ABA)

The ABA receivable represents commitments or unconditional promises to give from individuals as a result of the Annual Bishop's Appeal. Management considers the commitments to be fully collectible and accordingly, no allowance for uncollectible commitments is deemed necessary. All ABA receivables are due to be collected within one year of the balance sheet date.

Note 5. Investments

Investments are summarized as follows:

Carrying Value at June 30	2018	2017
Temporary Cash Investments		
Money Market Mutual Funds and Commercial Paper	\$ 15,213,762	\$ 16,934,749
Marketable Equity Securities		
Common Stocks and REITS	4,039,145	3,058,804
Marketable Debt Securities		
Corporate Bonds	9,179,117	8,637,471
U.S. Treasury Securities	9,094,948	8,558,269
U.S. Government Agency Bonds	4,522,289	4,255,435
Mortgage-Backed Securities	3,242,112	3,050,800
Other Investments		
Mission Diocese Investment Pool	3,301,637	2,994,592
Real Estate and Other Miscellaneous Investments	94,891	94,891
Total Investments	48,687,901	47,585,011
Less Investments in Marketable Debt Securities Expected to be Sold to Fund Current Expected Deposit Withdrawals	(21,600,000)	(21,300,000)
Investments, Net of Current Expected Withdrawals	\$ 27,087,901	\$ 26,285,011

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 5. Investments (Continued)

Total investment return, which is reported as unrestricted income in the statements of activities, includes the components of Central Finance income reported in Note 2, plus interest earned on investments held outside the Central Finance program, as follows for the years ended June 30, 2018 and 2017:

	2018	2017
Central Finance Investments	\$ 1,287,126	\$ 887,733
Other Interest Income	50,253	50,696
Total Investment Return	\$ 1,337,379	\$ 938,429

Note 6. Property and Equipment

The following is a summary of property and equipment, at June 30, 2018 and 2017:

	2018	2017
Depreciable Property		
Buildings and Improvements	\$ 17,575,516	\$ 17,053,492
Equipment	2,505,413	2,298,141
Vehicles	79,652	79,652
Total Depreciable Property	20,160,581	19,431,285
Less: Accumulated Depreciation	(13,682,703)	(13,230,347)
Net Depreciable Property	6,477,878	6,200,938
Non-Depreciable Property		
Archives Art Collection	238,000	238,000
Land	3,437,847	3,417,847
Land - Future Parish Sites	283,411	283,411
Net Property and Equipment	\$ 10,437,136	\$ 10,140,196

For the years ended June 30, 2018 and 2017, depreciation expense was reported in the statements of activities by functional category as follows:

	2018	2017
Depreciation Expense by Function		
Program Services	\$ 179,469	\$ 143,696
Supporting Services	272,887	286,244
Total	\$ 452,356	\$ 429,940

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 7. Other Assets

Other assets are comprised of the following at June 30, 2018 and 2017:

	2018	2017
Perpetual Care Deposits in Cemeteries Trust	\$ 2,390,518	\$ 2,355,618
Mausoleum Inventory	50,510	79,750
Total	\$ 2,441,028	\$ 2,435,368

Note 8. Insurance and Risk Management

The Diocese operates several self-insurance programs in which the Diocese, its parishes, schools and apostolates participate. Following is a description of each:

Severance Pay Plan - The Diocese has established a Severance Pay Plan (SPP) covering all eligible employees of the Diocese, its parishes, schools and apostolates. Under the plan, eligible employees include all full-time or regular part-time employees with more than one year of service. Severance benefits are paid upon the termination of employment of an eligible employee by reason of lack of funds, lack of work, or the restructuring of or closing of a parish, school, department or apostolate. Under the plan, benefits range from two weeks' pay to six weeks' pay based on the employee's years of service. Premiums in excess of claims collected from the parishes, schools and apostolates are reported as a liability.

Louisiana Catholic Workers' Compensation Pool (LCWCP) - The Diocese participates in a cost-sharing, risk pool with three other Dioceses to cover claims resulting from employment-related accidents and injuries. Premiums are paid to the pool by the Dioceses based on total payroll costs for covered workers. The pool has entered into a stop-loss agreement with an insurance company to limit its losses to \$1,150,000 per occurrence and \$4,615,081 per policy year. After all outstanding claims are settled for a policy year, any excess of premiums collected over claims and other costs are refunded to the participating Dioceses in proportion to premiums paid to the pool for that policy year.

Mausoleum Insurance Program - This plan covers repairs and damage caused by fire or natural disasters to mausoleums at cemeteries operated by the parishes of the Diocese. The Diocesan Property and Casualty Insurance program covers damage caused by vandalism. The reserve is funded through premiums paid through the Diocesan Property and Casualty Insurance Program. At the end of the year, reserve adequacy is assessed. If reserves are adequate, the premiums credited to the reserve during the year are charged against the reserve and the balance is credited as a source of revenue to the Funded Operation- Cemeteries Office.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 8. Insurance and Risk Management (Continued)

Property and Casualty Insurance Program - This plan covers repairs and damage caused by fire, natural disasters or other casualties to buildings and property owned by the Diocese and all parishes, schools and institutions within the Diocese. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$25,000 on individual claims and \$200,000 in the aggregate for the fiscal year ended June 30, 2018. The Diocesan property and casualty insurance program is reported as a funded operation and the ending balance is included in unrestricted net assets.

Hospitalization Insurance Plan - Hospitalization insurance premiums are paid into the program by the Diocese, its parishes and institutions via a third-party administrator to provide coverage for employees, retirees, and their families. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$175,000 on individual claims. From time to time during the year, the Diocese remits funds from this reserve to the third-party administrator to pay claims. When the third-party administrator accumulates excess funds, the funds are remitted to the Diocese for deposit into the reserve. The estimated liability for known and incurred but not reported claims was \$450,777 and \$619,492 for the years ended June 30, 2018 and 2017, respectively, and is included in accrued liabilities on the statement of financial position. The hospitalization insurance program is reported under Administration Ministries in the Statements of Activities and the ending balance is included in unrestricted net assets.

Note 9. Restrictions on Net Assets

Temporarily restricted net assets are the net assets of the Diocese that are restricted by donors for: (a) support of a particular operating activity, (b) investment for a specified term, (c) use in a specified future period, or (d) acquisition of long-lived assets.

Permanently restricted net assets represent the net assets of the Diocese restricted by donors for holdings of (a) assets, such as land or works of art, donated with stipulations that they be used for a specified purpose, be preserved, and not be sold, or (b) assets donated with the stipulation that they be invested to provide a permanent source of income.

Temporarily restricted net assets are available for the following purposes or periods, at June 30, 2018 and 2017:

	2018	2017
Perpetual Care Maintenance Reserve	\$ 207,106	\$ 180,272
Disaster Relief Fund	376,477	389,777
Future Parish Sites	218,600	218,600
Lafourche Charities Fund	282,700	282,700
Norma Liner Diaconate Fund	10,021	9,921
CCHT Reserves	57,295	-
Msgr. Amedee Seminarian Education Fund	315,273	300,791
Total	\$ 1,467,472	\$ 1,382,061

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Notes to Consolidated Financial Statements

Note 9. Restrictions on Net Assets (Continued)

Permanently restricted net assets are restricted for the following purposes at June 30, 2018 and 2017:

	2018	2017
Seminary Burse Funds	\$ 1,712,082	\$ 1,652,658
Perpetual Care Deposit - Cemeteries Trust	2,390,518	2,355,618
Priest Retirement Endowment	277,125	227,125
Lumen Christi Endowment	94,421	94,421
Catholic Social Services Endowments	577,225	564,175
Total	\$ 5,051,371	\$ 4,893,997

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors for permanent diaconate expenses and disaster relief in the amounts of \$40,165 and \$51,537 for the years ended June 30 2018 and 2017, respectively.

Note 10. Designated Net Assets

Designated net assets represent net assets that have no donor-imposed restrictions but have been designated by management for the following at June 30, 2018 and 2017:

	2018	2017
Priest Pension Fund	\$ 888,224	\$ 888,224
Evangelization Fund	61,521	61,159
Bishop's Grant Fund	1,075	1,075
Vehicle Replacement Fund	77,611	62,611
	1,028,431	1,013,069
Net Assets of Funded Operations	12,917,452	10,623,827
Total	\$ 13,945,883	\$ 11,636,896

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OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS**

Notes to Consolidated Financial Statements

Note 11. Pension and Other Postretirement Benefit Plans

The Diocese maintains several plans providing pension and other postretirement benefits to employees as follows.

Defined Contribution Plans

The Diocese sponsors two defined contribution plans as follows:

401(a) Plan - The Diocese established a defined contribution 401(a) plan to accept rollover contributions from the participants in the Defined Benefit Plan that was terminated in 1997. No further employee or employer contributions will be made to this plan.

403(b) Plan - For all eligible employees, the Diocese will contribute 2% of salary to the plan and an additional 2% of salary to the plan if the employee agrees to participate at the minimum level of 2% of salary. The Diocesan contribution to the plan increases, based on length of service, to a maximum of 5% for employees with 20 or more years of service. Diocesan contributions to the plan were \$138,036 and \$142,598, for the years ended June 30, 2018 and 2017, respectively.

Priests' Pension Fund

The Diocese provides pension benefits to the retired priests of the Diocese under a plan that is not a qualified plan under the Internal Revenue Code and is not required to comply with the Employee Retirement Income Security Act of 1974.

Summary of Principal Plan Provisions

All incardinated priests of the Diocese of Houma-Thibodaux are eligible for participation in the plan. The normal retirement eligibility requirement is attainment of age 65. Under normal retirement, the participant is paid for life at a rate of \$61 per month times the participant's years of service up to 25 years. If the participant remains in service beyond age 65, an additional accrued benefit of \$75 per month will be accrued for each year of continued service. The monthly benefit paid to retirees and the monthly accrued benefits for active participants are generally adjusted every other year. Early retirement requires attainment of age 55. The benefit for early retirement is calculated in the same manner as that of normal retirement, but reduced by 5% for each year early retirement proceeds normal retirement. Participants are 100% vested in their accrued benefits after 5 years of service.

On October 12, 2007, the Diocese established the Priest Retirement Trust to hold plan assets. The proceeds of the 2007 Series bonds and investments previously designated for the payment of priest retirement benefits were deposited into the trust.

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Notes to Consolidated Financial Statements

Note 11. Pension and Other Postretirement Benefit Plans (Continued)

Priests' Pension Fund (Continued)

Summary of Principal Plan Provisions (Continued)

Current plan benefits are funded by periodic employer contributions in conformance with minimum funding recommendations and maximum suggested limitations and earnings on plan assets. Additional funding is also provided by voluntary contributions by the Diocese from excess reserves, proceeds of life insurance policies on priests and private donations.

Information regarding the Plan's change in benefit obligation, change in plan assets, and the funded status of the Plan for the years ended June 30, 2018 and 2017 follow:

	2018	2017
Change in Benefit Obligation		
Accumulated Benefit Obligation - Beginning of Year	\$ 8,018,257	\$ 8,184,910
Service Cost	154,030	160,239
Interest Cost	290,791	265,715
Actuarial Gain	(700,126)	(324,551)
Benefits Paid	(321,014)	(268,056)
	7,441,938	8,018,257
Change in Plan Assets		
Fair Value of Plan Assets - Beginning of Year	7,140,371	6,824,068
Employer Contributions	50,000	58,500
Actual Return on Assets	501,025	525,859
Benefits Paid	(321,014)	(268,056)
	7,370,382	7,140,371
Funded Status (Deficit)	\$ (71,556)	\$ (877,886)

The actuarial present value of the accumulated benefit obligation was computed using discount rates of 4.1% and 3.7% for the years ended June 30, 2018 and 2017, respectively. The net periodic pension cost was computed using discount rates of 3.7% and 3.3% for the years ended June 30, 2018 and 2017, respectively. Benefit payments are based on years of service rather than compensation levels, and therefore, no expected annual compensation increases are included in the valuation.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Notes to Consolidated Financial Statements

Note 11. Pension and Other Postretirement Benefit Plans (Continued)

Priests' Pension Fund (Continued)

Summary of Principal Plan Provisions (Continued)

Net periodic pension cost for the years ended June 30, 2018 and 2017 included the following components:

	2018	2017
Service Cost	\$ 154,030	\$ 160,239
Interest Cost	290,791	265,715
Expected Return on Plan Assets	(487,946)	(468,095)
Amortization of Transition Obligation	62,705	62,705
Total	<u>\$ 19,580</u>	<u>\$ 20,564</u>

Pension changes other than net periodic pension costs are reported in the statements of activities as a change in unrestricted net assets for the years ended June 30, 2018 and 2017 follow:

	2018	2017
Net Actuarial Gain	\$ (713,205)	\$ (382,315)
Amortization of Transition Obligation	(62,705)	(62,705)
Increase in Net Assets	<u>\$ (775,910)</u>	<u>\$ (445,020)</u>

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years are as follows:

Year Ending June 30,	Amount
2019	\$ 414,000
2020	414,000
2021	418,000
2022	403,000
2023	448,000
2024-2028	2,201,000

Plan Assets

The assets of the plan are invested primarily in a diversified mix of equities and fixed income securities. The assets are managed by independent investment managers in accordance with stated investment policies. The investment objective of the pension fund is to equal or exceed a benchmark rate of return comprised of appropriate marked indices and to achieve above-median ranking in a universe of balanced funds with similar investment policies over reasonable measurement periods.

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Notes to Consolidated Financial Statements

Note 11. Pension and Other Postretirement Benefit Plans (Continued)

Priests' Pension Fund (Continued)

Plan Assets (Continued)

The following tables summarize the plan assets within the fair value hierarchy (see Note 12), at June 30:

June 30, 2018	Level 1	Level 2	Level 3	Total
Cash Equivalents	\$ 498,369	\$ -	\$ -	\$ 498,369
US Government Securities	356,637	-	-	356,637
Common Stocks	2,013,659	-	-	2,013,659
Institutional Mutual Funds				
Equity Funds and REITS	1,728,921	-	-	1,728,921
Fixed Income Funds	2,412,542	-	-	2,412,542
Asset-Backed Securities	-	360,254	-	360,254
Total Investments	\$ 7,010,128	\$ 360,254	\$ -	\$ 7,370,382

June 30, 2017	Level 1	Level 2	Level 3	Total
Cash Equivalents	\$ 577,620	\$ -	\$ -	\$ 577,620
US Government Securities	-	365,165	-	365,165
Common Stocks	2,858,221	-	-	2,858,221
Institutional Mutual Funds				
Equity Funds	2,248,649	-	-	2,248,649
Fixed Income Funds	717,186	-	-	717,186
Asset-Backed Securities	-	373,530	-	373,530
Total Investments	\$ 6,401,676	\$ 738,695	\$ -	\$ 7,140,371

The actual asset allocations and the target allocation ranges by asset category for pension plan assets were as follows for the year ended June 30, 2018:

	Actual	Target Allocation Range
Cash and Cash Equivalents	6%	0% - 10%
Equity Securities	51%	50% - 65%
Fixed Income Securities	43%	35% - 50%

The expected long-term rate of return assumption of 7.0% is selected by management as a reasonable expectation based on historical performance of both the pension fund and the investment markets in general. The selection of the rate is periodically evaluated by the Diocese as the administrator of the pension plan.

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Notes to Consolidated Financial Statements

Note 11. Pension and Other Postretirement Benefit Plans (Continued)

Priests' Other Postretirement Benefits

The Diocese provides health insurance, long-term care benefits, and long-term disability benefits for its retired priests. The benefits provided are coordinated with Medicare and/or are supplemented with other insurance policies provided by the Diocese. The benefits are funded on a pay-as-you-go basis.

Information regarding the Plan's change in benefit obligation, change in plan assets, and the funded status of the Plan for the years ended June 30, follows:

	2018	2017
Change in Benefit Obligation		
Accumulated Benefit Obligation - Beginning of Year	\$ 11,694,393	\$ 11,639,766
Service Cost	375,917	404,481
Interest Cost	463,688	416,002
Actuarial Gain	(1,447,601)	(610,485)
Benefits Paid	(188,665)	(155,371)
Accumulated Benefit Obligation - End of Year	10,897,732	11,694,393
Change in Plan Assets		
Fair Value of Plan Assets - Beginning of Year	-	-
Employer Contributions	188,665	155,371
Benefits Paid	(188,665)	(155,371)
Fair Value of Plan Assets - End of Year	-	-
Funded Status (Deficit)	\$ (10,897,732)	\$ (11,694,393)

Changes to the benefit obligation other than net periodic benefit costs are reported in the statement of activities as a change in unrestricted net assets for the years ended June 30, 2018 and 2017 follow:

	2018	2017
Items Not Yet Recognized as a Component of		
Net Periodic Pension Cost		
Transition Obligation	\$ 6,194,713	\$ 6,607,694
Net Actuarial (Gain) Loss	(503,754)	943,847
Total	\$ 5,690,959	\$ 7,551,541

The actuarial present value of the accumulated benefit obligation was computed using discount rates of 4.2% and 4.0% for the years ended June 30, 2018 and 2017, respectively. The net periodic pension cost was computed using discount rates of 4.0% and 3.6% for the years ended June 30, 2018 and 2017, respectively.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Notes to Consolidated Financial Statements

Note 11. Pension and Other Postretirement Benefit Plans (Continued)

Priests' Other Postretirement Benefits (Continued)

Net periodic benefit cost for the years ended June 30, included the following components:

	2018	2017
Service Cost	\$ 375,917	\$ 404,481
Interest Cost	463,688	416,002
Amortization of Experience Loss	-	33,053
Amortization of Transition Obligation	412,981	412,981
Total	<u>\$ 1,252,586</u>	<u>\$ 1,266,517</u>

Benefit obligation changes other than net periodic benefit costs are reported in the statements of activities as a change in unrestricted net assets as follows:

	2018	2017
Net Actuarial Gain	\$ (1,447,601)	\$ (643,538)
Amortization of Transition Obligation	(412,981)	(412,981)
Increase in Net Assets	<u>\$ (1,860,582)</u>	<u>\$ (1,056,519)</u>

The initial annual healthcare cost trend rate is 8.0%, decreasing annually by 0.75% to an ultimate rate of 5% per year. A one-percentage-point change in the assumed health care cost trend rates would have the following effects as of June 30, 2018:

	Increase of 1%	Current Rate	Decrease of 1%
Service Cost	\$ 492,991	\$ 375,917	\$ 289,618
Interest Cost	561,505	463,688	387,562
Accumulated Benefit Obligation	13,076,824	10,897,732	9,188,452

Future benefit payments expected to be paid in each of the next five fiscal years and in the aggregate for the following five years are as follows:

Year Ending June 30,	Amount
2019	\$ 241,000
2020	274,000
2021	313,000
2022	347,000
2023	378,000
2024-2028	2,379,000

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Notes to Consolidated Financial Statements

Note 12. Fair Value Measurements

The Diocese follows the provisions of the *Fair Value Measurement* Topic of the FASB ASC. Accordingly, fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The *Fair Value Measurement* Topic of the FASB ASC establishes a fair value hierarchy for inputs used in measuring fair market value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring the most observable inputs to be used when available. Observable inputs are those that market participants would use in pricing the asset or liability based on the best information available in the circumstances. The inputs in the three levels of this hierarchy are described as follows:

- Level 1 Quoted prices in active markets for identical assets or liabilities. An active market is one in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.
- Level 2 Observable inputs other than Level 1 prices. This would include quoted prices for similar assets or liabilities, quoted prices in markets that are not active, or other inputs that are observable or can be corroborated by observable market data.
- Level 3 Unobservable inputs, to the extent that observable inputs are unavailable. This allows for situations in which there is little or no market activity for the asset or liability at the measurement date.

In some instances, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such instances, an investment's level within the fair value hierarchy is based on the lowest level of input that is significant to the fair value measurement.

Recurring Fair Value Measurements

The following table sets forth by level, within the fair value hierarchy, the Diocese's assets at fair value as of June 30, 2018 :

June 30, 2018	Total	Level 1	Level 2	Level 3
Investment Securities				
Temporary Cash Investments	\$ 15,213,762	\$ 7,004,247	\$ 8,209,515	\$ -
Marketable Debt Securities	26,038,466	18,334,093	7,704,373	-
Marketable Equity Securities	4,039,145	4,039,145	-	-
Pooled Investment Fund at NAV (a)	3,301,637	-	-	-
Land and Other Investments, at Cost (b)	94,891	-	-	-
Total Investments Reported at Fair Value	\$ 48,687,901	\$ 29,377,485	\$ 15,913,888	\$ -

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Notes to Consolidated Financial Statements

Note 12. Fair Value Measurements (Continued)

Recurring Fair Value Measurements (Continued)

The following table sets forth by level, within the fair value hierarchy, the Diocese's assets at fair value as of June 30, 2017:

June 30, 2017	Total	Level 1	Level 2	Level 3
Investment Securities				
Temporary Cash Investments	\$ 16,934,749	\$ -	\$ 16,934,749	\$ -
Marketable Debt Securities	24,501,975	-	24,501,975	-
Marketable Equity Securities	3,058,804	3,058,804	-	-
Pooled Investment Fund at NAV (a)	2,994,592	-	-	-
Land and Other Investments, at Cost (b)	94,891	-	-	-
Total Investments Reported at Fair Value	\$ 47,585,011	\$ 3,058,804	\$ 41,436,724	\$ -

- (a) Certain investments measured at fair value using the net asset value per share (or its equivalent) practical expedient have not been categorized in the fair value hierarchy. The fair value amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.
- (b) Land and other investments without readily determinable fair values have not been categorized in the fair value hierarchy. The amounts presented in this table are intended to permit reconciliation of the fair value hierarchy to the amounts presented in the statements of financial position.

Investments in Certain Entities that are Measured at Net Asset Value Per Share as a Practical Expedient

The FASB issued a standards update pertaining to *Fair Value Measurements and Disclosures for Investments in Certain Entities that Calculate Net Asset Value per Share*. Fair values of certain investments are determined by the use of calculated net asset value per ownership share.

The Diocese's investments at June 30, 2018 that feature net asset value per share include membership interests in a pooled investment fund that is open only to certain Catholic dioceses and related entities as defined by the fund manager. The fund's investment objective is to preserve the capital and purchasing power of its Members, anticipating a real return of 5% over the rate of inflation over the long term through a diversified asset allocation strategy. Redemptions or withdrawals can be made quarterly with 75 days prior notice.

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Notes to Consolidated Financial Statements

Note 13. Endowments

Endowment funds consist of net assets held in perpetuity pursuant to donor-imposed restrictions for the purposes of priest retirement costs, seminary tuition and other expenses related to the education of candidates for the priesthood, perpetual care of mausoleums, Catholic Charities programs, and operating expenses of Lumen Christi Retreat Center, and unrestricted net assets designated for priest retirement costs by management. The endowment funds are held in pooled investment accounts, along with other Diocesan funds and funds held for affiliates. Interest is paid on Diocesan endowment funds in accordance with Central Finance policies as explained in Note 2.

The Diocese has interpreted state law as requiring the preservation of original corpus of the permanent endowment funds unless explicit donor stipulations specify how net appreciation must be used. The long-term objective of the Diocese's investment policy is to preserve the purchasing power of the net assets and maintain an average annual total return at or above the level of spending and fees. Adequate liquidity shall be maintained to provide distributions as stipulated in the endowment agreement.

Changes in endowment fund net assets for the years ended June 30, 2018 and 2017 are as follows:

	Unrestricted	Permanently Restricted	Total
Net Assets, June 30, 2016	\$ 829,724	\$ 4,755,932	\$ 5,585,656
Contributions	58,500	138,065	196,565
Investment Interest	30,409	-	30,409
Appropriation for Expenditure	(30,409)	-	(30,409)
Net Assets, June 30, 2017	888,224	4,893,997	5,782,221
Contributions	-	157,374	157,374
Investment Interest	39,545	-	39,545
Appropriation for Expenditure	(39,545)	-	(39,545)
Net Assets, June 30, 2018	<u>\$ 888,224</u>	<u>\$ 5,051,371</u>	<u>\$ 5,939,595</u>

Note 14. Commitments

The Diocese has contractual obligations and commitments outstanding at June 30, 2018 for renovations or additions to Diocesan parishes, schools and institutions properties for approximately \$3,111,000. Of the total contract obligations, approximately \$458,000 had been paid as of June 30, 2018 and \$2,653,000 remains to be advanced to the parishes and institutions by way of Central Finance deposit withdrawals or loans.

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Notes to Consolidated Financial Statements

Note 15. Contingencies

The Diocese is named as defendant in various lawsuits arising from its operations. While the outcome of these lawsuits and threatened litigation cannot be predicted with certainty, management does not expect these matters to have a material adverse effect on the financial condition of the Diocese.

There is no loss accrual provision associated with litigation or threatened litigation contained in the financial statements as management cannot reasonably estimate the range of possible loss, if any.

Note 16. Stewardship and Development

The Diocese has three stewardship and development programs. The first is the Annual Bishop's Appeal, the second is the Stewardship Program for the benefit of parishes within the Diocese and the third is the Catholic School Development Program. The Annual Bishop's Appeal is a program to raise funds for discretionary use by the Diocese in support of various diocesan, school and parish programs. The Stewardship Program is coordinated by the Diocesan Stewardship Office to assist Parishes of the Diocese in implementing a sacrificial giving program for the benefit of the Parishes. The Catholic School Development Program is coordinated by the Diocesan Office of Catholic Schools to assist the schools of the Diocese in their development efforts.

Note 17. Program Expenses

Program expenses are grouped by the Diocesan Departments of the Curia as reported in the Diocesan Catholic Directory as follows:

Formation Ministries are focused on catechesis and evangelization. The ministries and offices included in the Department of Formation Ministries provide support to the parishes and schools throughout the Diocese for the formation of the people of God into vibrant, Eucharistic communities.

Social Ministries provide compassionate service to people in need, promote Catholic social teaching, advocate for those whose voice is not heard, organize people who feel powerless to improve their lives, and call the entire church and all people of good will to establish a more just society.

The Department of Clergy and Religious provides for the continuing education of the clergy, permanent diaconate, men and women religious, and seminarians.

Administration Ministries provide administrative support and assistance to parishes, schools, institutions and other departments within the Diocese.

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Notes to Consolidated Financial Statements

Note 18. Impact of Recently Issued Accounting Pronouncements

Accounting Standards Update (ASU) 2014-09, *Revenue from Contracts with Customers*, was issued to introduce a comprehensive, principles-based framework for recognizing revenue. Existing standards for recognition of revenue from contributions by nonprofit organizations will be retained, but recognition of other types of revenue may be affected by the new standard. The ASU will be effective for years beginning after December 15, 2018. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

ASU 2016-01, *Financial Instruments-Overall: Recognition and Measurement of Financial Assets and Financial Liabilities*, was issued to improve the recognition, measurement, presentation, and disclosure of financial instruments. The ASU will be effective for years beginning after December 15, 2018. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

ASU 2016-02, *Leases*, requires the recognition of lease assets and lease liabilities by lessees, including for those leases classified as operating leases under current standards, along with disclosure of key information about leasing arrangements. The ASU will be effective for years beginning after December 15, 2019. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

ASU 2016-14, *Not-for-Profit Entities: Presentation of Financial Statements of Not-for-Profit Entities*, amends the standards for the presentation and accompanying disclosures of the financial statements of nonprofit organizations. The ASU will be effective for years beginning after December 15, 2017. The impact of the implementation of this ASU on the Diocese's financial statements has not been assessed at this time.

Note 19. Subsequent Events

Management has evaluated subsequent events through the date that the consolidated financial statements were available to be issued, December 21, 2018, and determined that no events occurred that require disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Schedule of Revenues and Functional Expenses
For the Year Ended June 30, 2018

	Program Revenues and Expenses					General and Administrative	Stewardship	Total
	Formation Ministries	Social Ministries	Clergy and Religious	Administration Ministries	Total Program			
Revenues								
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,567,304	\$ -	\$ 2,567,304
Donations and Grants	899,783	993,793	399,637	35,794	2,329,007	131,813	916,505	3,377,325
Investment Income	-	18,920	25,271	1,293,188	1,337,379	-	-	1,337,379
Oil and Gas Royalties	-	-	-	-	-	391,858	-	391,858
Program Service and Other Income	519,296	838,528	13,855	11,129,937	12,501,616	256,730	-	12,758,346
Net Assets Released from Restrictions	-	13,300	-	26,865	40,165	-	-	40,165
Total Revenues	1,419,079	1,864,541	438,763	12,485,784	16,208,167	3,347,705	916,505	20,472,377
Expenses								
Salaries - Lay Personnel	461,187	645,777	11,423	692,976	1,811,363	176,881	35,555	2,023,799
Salaries - Religious	118,969	34,637	58,580	20,000	232,186	18,429	-	250,615
Payroll Taxes	32,410	46,852	870	45,157	125,289	12,448	2,467	140,204
Group Insurance	136,710	176,159	4,429	168,102	485,400	48,387	7,383	541,170
Group Insurance - Retired Priests	-	-	1,284,816	-	1,284,816	-	-	1,284,816
Pension and Benefits	25,452	35,593	21,621	42,126	124,792	10,961	2,283	138,036
Business Allowance/Reimbursement	42,415	34,234	41,203	32,564	150,416	19,813	1,215	171,444
Conference and Travel	39,987	43,709	12,096	6,789	102,581	12,956	2,109	117,646
Program Expenses	882,238	287,889	542,429	8,445,827	10,158,383	25,251	280,877	10,464,511
Supplies	10,076	43,096	12,768	72,856	138,796	14,744	-	153,540
Maintenance and Repair	798	86,163	11,813	99,881	198,655	91,866	-	290,521
Insurance	-	32,656	-	-	32,656	-	-	32,656
Occupancy Expenses	5,000	80,257	7,679	88,454	181,390	50,655	-	232,045
Other Operating Expenses	71,346	66,426	11,037	190,808	339,617	112,497	-	452,114
Copying and Printing	120,206	262	3,835	-	124,303	42,568	-	166,871
Papal Quota and Catholic Conference	-	-	-	-	-	71,755	-	71,755
Contributions and Grants	130,000	-	-	-	130,000	7,238	-	137,238
Depreciation	16,983	61,282	20,509	80,695	179,469	272,887	-	452,356
Central Finance Interest Expense	-	-	-	493,401	493,401	-	-	493,401
Emergency Assistance and Disaster Relief	-	299,630	-	-	299,630	-	-	299,630
Telephone	-	25,849	594	-	26,443	12,086	-	38,529
Bond Interest and Amortization	-	-	-	-	-	-	-	-
Total Expenses	2,093,777	2,000,471	2,045,702	10,479,636	16,619,586	1,001,422	331,889	17,952,897
Excess (Deficiency) of Revenues Over Expenses	\$ (674,698)	\$ (135,930)	\$ (1,606,939)	\$ 2,006,148	\$ (411,419)	\$ 2,346,283	\$ 584,616	\$ 2,519,480

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Schedule of Revenues and Expenses - Formation Ministries
For the Year Ended June 30, 2018

	Family Ministries	Worship	Catholic Schools	Religious Education	Strategic Planning	Evangelization
Revenues						
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and Grants	100	-	170,960	3,200	377,817	295,972
Investment Income	-	-	-	-	-	-
Oil and Gas Royalties	-	-	-	-	-	-
Program Service and Other Income	109,100	3,343	117,782	7,109	-	2,396
Net Assets Released from Restrictions	-	-	-	-	-	-
Total Revenues	109,200	3,343	288,742	10,309	377,817	298,368
Expenses						
Salaries - Lay Personnel	73,785	6,241	99,459	-	66,403	-
Salaries - Religious	-	1,404	-	-	-	117,565
Payroll Taxes	5,384	474	7,531	-	3,469	-
Group Insurance	19,730	-	12,009	-	18,584	56,228
Group Insurance - Retired Priests	-	-	-	-	-	-
Pension and Benefits	3,830	-	3,976	-	1,887	4,687
Business Allowance/Reimbursement	8,151	-	3,924	-	-	12,660
Conference and Travel	524	2,053	20,911	660	-	820
Program Expenses	142,965	3,500	177,789	6,367	276,649	164,353
Supplies	139	337	355	-	515	-
Maintenance and Repair	-	-	-	-	798	-
Insurance	-	-	-	-	-	-
Occupancy Expenses	-	-	-	-	-	-
Other Operating Expenses	273	4,987	20,953	839	-	450
Copying and Printing	-	-	-	-	-	-
Papal Quota and Catholic Conference	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	-	-
Depreciation	367	-	-	-	15,886	-
Central Finance Interest Expense	-	-	-	-	-	-
Emergency Assistance and Disaster Relief	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Bond Interest and Amortization	-	-	-	-	-	-
Total Expenses	255,148	18,996	346,907	7,866	384,191	356,763
Excess (Deficiency) of Revenues Over Expenses	\$ (145,948)	\$ (15,653)	\$ (58,165)	\$ 2,443	\$ (6,374)	\$ (58,395)

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Revenues and Expenses - Formation Ministries (Continued)
For the Year Ended June 30, 2018**

	Youth Ministries	ABA Grant Program	Communications	Bayou Catholic	Total
Revenues					
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and Grants	5,770	-	14,940	31,024	899,783
Investment Income	-	-	-	-	-
Oil and Gas Royalties	-	-	-	-	-
Program Service and Other Income	54,405	-	-	225,161	519,296
Net Assets Released from Restrictions	-	-	-	-	-
Total Revenues	60,175	-	14,940	256,185	1,419,079
Expenses					
Salaries - Lay Personnel	45,268	-	687	169,344	461,187
Salaries - Religious	-	-	-	-	118,969
Payroll Taxes	3,368	-	51	12,133	32,410
Group Insurance	6,288	-	203	23,668	136,710
Group Insurance - Retired Priests	-	-	-	-	-
Pension and Benefits	2,677	-	27	8,368	25,452
Business Allowance/Reimbursement	7,570	-	-	10,110	42,415
Conference and Travel	15,019	-	-	-	39,987
Program Expenses	35,226	-	58,521	16,868	882,238
Supplies	6,020	-	178	2,532	10,076
Maintenance and Repair	-	-	-	-	798
Insurance	-	-	-	-	-
Occupancy Expenses	5,000	-	-	-	5,000
Other Operating Expenses	38,848	-	815	4,181	71,346
Copying and Printing	-	-	-	120,206	120,206
Papal Quota and Catholic Conference	-	-	-	-	-
Contributions and Grants	-	130,000	-	-	130,000
Depreciation	230	-	500	-	16,983
Central Finance Interest Expense	-	-	-	-	-
Emergency Assistance and Disaster Relief	-	-	-	-	-
Telephone	-	-	-	-	-
Bond Interest and Amortization	-	-	-	-	-
Total Expenses	165,514	130,000	60,982	367,410	2,093,777
Excess (Deficiency) of Revenues Over Expenses	\$ (105,339)	\$ (130,000)	\$ (46,042)	\$ (111,225)	\$ (674,698)

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Schedule of Revenues and Expenses - Social Ministries
For the Year Ended June 30, 2018

	Hospital Chaplain	Assisi Bridge House	St. Lucy Child Care Center	Disaster Services	Catholic Housing	Micro Enterprise	Foster Grandparent	Food Banks	Catholic Social Services	Total
Revenues										
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and Grants	-	101,466	78,954	340	26,731	100	275,845	159,572	350,785	993,793
Investment Income	-	-	-	-	1,944	1,195	70	4,743	10,968	18,920
Oil and Gas Royalties	-	-	-	-	-	-	-	-	-	-
Program Service and Other Income	-	324,468	313,823	-	2,440	240	-	168,622	28,935	838,528
Net Assets Released from Restrictions	-	-	-	13,300	-	-	-	-	-	13,300
Total Revenues	-	425,934	392,777	13,640	31,115	1,535	275,915	332,937	390,688	1,864,541
Expenses										
Salaries - Lay Personnel	-	141,421	163,814	-	19,967	19,750	43,000	51,539	206,286	645,777
Salaries - Religious	34,637	-	-	-	-	-	-	-	-	34,637
Payroll Taxes	-	10,519	11,938	-	1,261	1,245	2,655	4,989	14,245	46,852
Group Insurance	24,830	29,745	60,122	-	4,933	4,933	9,866	9,866	31,864	176,159
Group Insurance - Retired Priests	-	-	-	-	-	-	-	-	-	-
Pension and Benefits	8,460	5,917	6,011	-	1,325	1,325	2,580	-	9,975	35,593
Business Allowance/Reimbursement	20,090	1,103	882	-	373	17	1,926	39	9,804	34,234
Conference and Travel	-	7,467	-	-	385	-	29,786	3,281	2,790	43,709
Program Expenses	360	50	49,950	-	235	-	169,982	246	67,066	287,889
Supplies	-	1,663	15,089	15	7,357	150	3,737	8,317	6,768	43,096
Maintenance and Repair	-	38,817	24,440	315	-	-	5,642	8,445	8,504	86,163
Insurance	-	13,392	-	-	-	-	1,000	13,400	4,864	32,656
Occupancy Expenses	-	20,801	14,150	-	3,500	1,440	2,090	33,711	4,565	80,257
Other Operating Expenses	-	48,537	3,025	-	1,060	341	889	2,825	9,749	66,426
Copying and Printing	-	-	-	-	-	-	262	-	-	262
Papal Quota and Catholic Conference	-	-	-	-	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	-	-	-	-	-	-
Depreciation	-	25,347	4,505	-	209	209	458	25,553	5,001	61,282
Central Finance Interest Expense	-	-	-	-	-	-	-	-	-	-
Emergency Assistance and Disaster Relief	-	8,830	-	13,225	9,000	-	-	206,309	62,266	299,630
Telephone	-	3,816	4,901	85	1,521	1,521	1,756	4,912	7,337	25,849
Bond Interest and Amortization	-	-	-	-	-	-	-	-	-	-
Total Expenses	88,377	357,425	358,827	13,640	51,126	30,931	275,629	373,432	451,084	2,000,471
Excess (Deficiency) of Revenues Over Expenses	\$ (88,377)	\$ 68,509	\$ 33,950	\$ -	\$ (20,011)	\$ (29,396)	\$ 286	\$ (40,495)	\$ (60,396)	\$ (135,930)

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Revenues and Expenses - Clergy and Religious
For the Year Ended June 30, 2018**

	Seminarian Formation	Vocations	Permanent Diaconate	Continuing Education	Bishop's Residence	Bishop Emeritus	Retirement and Other Clergy Benefits	Total
Revenues								
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and Grants	393,383	-	-	6,254	-	-	-	399,637
Investment Income	25,271	-	-	-	-	-	-	25,271
Oil and Gas Royalties	-	-	-	-	-	-	-	-
Program Service and Other Income	-	-	-	13,855	-	-	-	13,855
Net Assets Released from Restrictions	-	-	-	-	-	-	-	-
Total Revenues	418,654	-	-	20,109	-	-	-	438,763
Expenses								
Salaries - Lay Personnel	-	-	-	-	11,423	-	-	11,423
Salaries - Religious	-	-	-	-	-	-	58,580	58,580
Payroll Taxes	-	-	-	-	870	-	-	870
Group Insurance	-	-	-	-	4,429	-	-	4,429
Group Insurance - Retired Priests	-	-	-	-	-	-	1,284,816	1,284,816
Pension and Benefits	-	-	-	-	457	-	21,164	21,621
Business Allowance/Reimbursement	-	-	-	-	-	8,100	33,103	41,203
Conference and Travel	7,373	-	366	3,719	-	638	-	12,096
Program Expenses	509,008	7,715	3,939	21,767	-	-	-	542,429
Supplies	2,283	59	36	-	6,439	3,951	-	12,768
Maintenance and Repair	-	-	-	-	7,854	3,959	-	11,813
Insurance	-	-	-	-	-	-	-	-
Occupancy Expenses	-	-	-	-	3,197	4,482	-	7,679
Other Operating Expenses	4,932	1,706	1,519	-	2,880	-	-	11,037
Copying and Printing	-	2,335	-	-	-	-	1,500	3,835
Papal Quota and Catholic Conference	-	-	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	-	-	-	-
Depreciation	-	-	-	-	8,060	12,449	-	20,509
Central Finance Interest Expense	-	-	-	-	-	-	-	-
Emergency Assistance and Disaster Relief	-	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	594	-	594
Bond Interest and Amortization	-	-	-	-	-	-	-	-
Total Expenses	523,596	11,815	5,860	25,486	45,609	34,173	1,399,163	2,045,702
Excess (Deficiency) of Revenues Over Expenses	\$ (104,942)	\$ (11,815)	\$ (5,860)	\$ (5,377)	\$ (45,609)	\$ (34,173)	\$ (1,399,163)	\$ (1,606,939)

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS
Schedule of Revenues and Expenses – Administration Ministries
For the Year Ended June 30, 2018**

	Computer and Technology Support	Construction	Archives	Tribunal	Safe Environment	Cemeteries Trust	Cemeteries Office
Revenues							
Cathedraicum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and Grants	-	-	-	-	-	-	-
Investment Income	-	-	-	-	-	-	-
Oil and Gas Royalties	-	-	-	-	-	-	-
Program Service and Other Income	122,274	-	8,026	2,930	-	29,200	76,624
Net Assets Released from Restrictions	-	-	-	-	-	-	-
Total Revenues	122,274	-	8,026	2,930	-	29,200	76,624
Expenses							
Salaries - Lay Personnel	93,498	36,000	23,119	32,829	30,437	16,873	41,505
Salaries - Religious	-	-	-	-	20,000	-	-
Payroll Taxes	6,799	2,731	1,760	2,388	1,837	1,045	2,859
Group Insurance	18,500	6,146	9,866	9,867	6,980	3,103	8,395
Group Insurance - Retired Priests	-	-	-	-	-	-	-
Pension and Benefits	5,336	2,625	1,156	2,298	2,131	663	2,250
Business Allowance/Reimbursement	8,365	4,981	-	-	365	506	5,624
Conference and Travel	345	-	-	1,572	2,141	-	-
Program Expenses	39,674	-	-	-	27,386	-	-
Supplies	15,536	21	1,413	895	607	-	416
Maintenance and Repair	-	-	6,286	675	-	-	492
Insurance	-	-	-	-	-	-	-
Occupancy Expenses	-	-	9,275	-	-	-	-
Other Operating Expenses	168	20	705	16,785	11,360	7,010	-
Copying and Printing	-	-	-	-	-	-	-
Papal Quota and Catholic Conference	-	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	-	-	-
Depreciation	-	-	724	-	-	-	-
Central Finance Interest Expense	-	-	-	-	-	-	-
Emergency Assistance and Disaster Relief	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	-
Bond Interest and Amortization	-	-	-	-	-	-	-
Total Expenses	188,221	52,524	54,304	67,309	103,244	29,200	61,541
Excess (Deficiency) of Revenues Over Expenses	\$ (65,947)	\$ (52,524)	\$ (46,278)	\$ (64,379)	\$ (103,244)	\$ -	\$ 15,083

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Revenues and Expenses - Administration Ministries (Continued)
For the Year Ended June 30, 2018**

	St. Joseph Cemetery	Property and Casualty Insurance	Central Finance	Lumen Christi	HR and Employee Benefits	Total
Revenues						
Cathedraticum	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Donations and Grants	-	-	14,595	21,199	-	35,794
Investment Income	4,646	-	1,287,126	1,416	-	1,293,188
Oil and Gas Royalties	-	-	-	-	-	-
Program Service and Other Income	382,835	2,813,698	-	293,965	7,400,385	11,129,937
Net Assets Released from Restrictions	26,865	-	-	-	-	26,865
Total Revenues	414,346	2,813,698	1,301,721	316,580	7,400,385	12,485,784
Expenses						
Salaries - Lay Personnel	124,187	56,414	-	75,762	162,352	692,976
Salaries - Religious	-	-	-	-	-	20,000
Payroll Taxes	5,558	3,731	-	5,610	10,839	45,157
Group Insurance	33,663	10,230	-	29,599	31,753	168,102
Group Insurance - Retired Priests	-	-	-	-	-	-
Pension and Benefits	9,603	3,561	-	3,227	9,276	42,126
Business Allowance/Reimbursement	-	2,835	-	-	9,888	32,564
Conference and Travel	-	(49)	-	-	2,780	6,789
Program Expenses	99,607	2,650,677	-	62,835	5,565,648	8,445,827
Supplies	13,777	-	-	40,191	-	72,856
Maintenance and Repair	46,175	-	-	46,253	-	99,881
Insurance	-	-	-	-	-	-
Occupancy Expenses	14,002	-	-	65,177	-	88,454
Other Operating Expenses	4,063	-	145,067	-	5,630	190,808
Copying and Printing	-	-	-	-	-	-
Papal Quota and Catholic Conference	-	-	-	-	-	-
Contributions and Grants	-	-	-	-	-	-
Depreciation	61,556	-	-	18,283	132	80,695
Central Finance Interest Expense	-	-	493,401	-	-	493,401
Emergency Assistance and Disaster Relief	-	-	-	-	-	-
Telephone	-	-	-	-	-	-
Bond Interest and Amortization	-	-	-	-	-	-
Total Expenses	412,191	2,727,399	638,468	346,937	5,798,298	10,479,636
Excess (Deficiency) of Revenues Over Expenses	\$ 2,155	\$ 86,299	\$ 663,253	\$ (30,357)	\$ 1,602,087	\$ 2,006,148

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Other Undistributed Funds
June 30, 2018**

	Other Undistributed Funds			
	Beginning Balance	Receipts	Distributions and Transfers	Ending Balance*
<u>Diocesan and National Collections:</u>				
Campaign for Human Development	\$ 1,976	\$ 30,932	\$ 32,908	\$ -
Bishop's Welfare Fund	47,183	39,126	86,309	-
Holy Land	36,433	33,346	69,779	-
Peter's Pence	4,728	33,589	38,168	149
Latin American Church	1,271	31,697	32,968	-
Communications	11,231	30,780	27,071	14,940
Rice Bowl	20,399	27,983	22,704	25,678
Catholic University	991	23,689	23,518	1,162
Catholic Home Mission	28,931	33,871	31,737	31,065
Special Disaster Collections	11,670	291,886	303,232	324
Black and Indian Missions	2,614	33,431	36,045	-
Military Services Special Collections	37,291	1,382	38,673	-
Total Undistributed Funds - Other	<u>\$ 204,718</u>	<u>\$ 611,712</u>	<u>\$ 743,112</u>	<u>\$ 73,318</u>

* Included in Accounts Payable, Undistributed Funds, and Other Accruals on Consolidated Statement of Financial Position.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Seminary Burse Funds
June 30, 2018 and 2017**

The following is a listing of burse funds that have been received by the Diocese since the burse program was instituted by the Diocese. These funds are permanently restricted and the principal amount is to remain intact with only the income being used for the purposes of educating seminarians.

	2018	2017
Harry Booker	\$ 19,138	\$ 19,138
Judge & Mrs. L. P. Caillouet	15,000	15,000
Harvey Peltier	460,487	460,487
Endowment fund	119,137	119,137
Fr. Kasimir Chmielewski	4,839	4,839
Mr. George Fakier, Sr.	10,200	9,600
Fr. Peter Nies	6,000	6,000
Mr. & Mrs. John Marmande	3,500	2,500
Mr. Eledier Broussard	15,000	15,000
Msgr. Joseph Wester	15,000	15,000
Mr. & Mrs. Caliste Duplantis	50,000	50,000
Rev. Charles Menard	15,000	15,000
Rev. Kermit Trahan	15,000	15,000
H. Clay Duplantis, Sr. and Evelida Daspit Duplantis	25,000	25,000
Msgr. Raphael C. Labit	26,320	26,320
Dr. & Mrs. H. P. St. Martin	20,000	20,000
C. Remie Duplantis	25,000	25,000
Rev. Clemens Schneider	1,000	1,000
St. Jude	3,000	3,000
Mrs. Marie E. Duplantis	25,000	25,000
Maude and Edith Daspit	25,000	25,000
Rev. Henry Naquin	4,311	4,311
Rev. Anthony Russo	1,250	1,200
Rev. Adrian J. Caillouet	15,000	15,000
Rev. William M. Fleming	5,000	5,000
Bishop Warren L. Boudreaux	46,000	46,000
Msgr. George A. Landry	10,000	10,000
Diocesan K of C	17,895	17,895
Fr. Victor Toth	7,000	7,000
Catholic Daughters	6,620	5,995
Claude Bergeron	250	250
Anawim Community	3,700	3,700
J.R. Occhipinti	3,400	3,400
St. Joseph Italian Society	12,643	12,643

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Seminary Burse Funds (Continued)
June 30, 2018 and 2017**

	2018	2017
Mr. & Mrs. Arthur Naquin, Sr.	150	150
Mr. & Mrs. Galip Jacobs	3,060	3,060
Robert Wright, Jr.	15,000	15,000
Warren J. Harang, Jr.	17,500	17,300
Bishop L. Abel Caillouet	15,000	15,000
Monsignor Lucien J. Caillouet	15,000	15,000
Father James Louis Caillouet	15,000	15,000
Vincent Cannata, Sr.	15,000	15,000
Rev. Peter H Brewerton	2,600	2,600
Rev. Msgr. John L. Newfield	1,200	1,200
Orleans & Louelle Pitre	15,000	15,000
Minor Sr. and Lou Ella Cheramie	15,000	15,000
Mr. & Mrs. Anthony Cannata	500	500
Kelly Curole Frazier	3,611	3,611
Msgr. Stanislaus Manikowski	1,525	1,525
Mrs. Ayres A. Champagne	5,000	5,000
Harold & Gloria Callais Family	15,000	15,000
Joseph "Jay" Fertitta	4,450	4,450
Rev. Msgr. William Koninkx	7,200	6,600
Deacon Edward J. Blanchard	700	700
James J. Buquet Jr.	15,000	2,650
Msgr. John G. Keller	1,050	1,000
Msgr. Emile J. Fossier	1,545	1,545
Rev. H.C. Paul Daigle	1,900	1,900
Richard Peltier	15,300	15,300
Brides of the Most Blessed Trinity	6,598	6,598
Deacon Robert Dusse'	1,450	1,450
Deacon Willie Orgeron	800	800
Donald Peltier	58,000	58,000
St. Bernadette Men's Club	15,000	15,000
Peter W. Callais	15,000	15,000
Rev. Robert J. Sevigny	1,600	1,600
Msgr. Francis J. Legendre	16,645	16,645
Mr./Mrs. Love W. Pellegrin	5,000	5,000
Sidney J. & Lydie C. Duplantis	13,000	13,000
Deacon Raymond Lebouef	550	550
Paul Abdon Callais	15,000	15,000

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Seminary Burse Funds (Continued)
June 30, 2018 and 2017**

	2018	2017
Deacon Roland Dufrene	750	750
Rev. Gerard Hayes	5,786	4,786
Deacon Harold Kurtz	300	300
Abdon J. & Ada B. Callais	15,000	15,000
Dr. William Barletta	1,525	1,525
Mr./Mrs. C. Thomas Bienvenu	15,000	15,000
Rev. Guy Zeringue	5,900	5,600
Rev. Hubert C. Broussard	1,550	1,550
Mr./Mrs. Elie Klingman	15,000	9,140
Deacon Eldon Frazier	50	50
Deacon Nick Messina	50	50
The Peltier Foundation	75,000	75,000
Rev. Msgr. James B. Songy	4,075	4,075
Mrs. Shirley Conrad	15,000	15,000
Jacob Marcello	1,400	1,400
Ronnie Haydel	1,535	1,035
Willie & Emelda St. Pierre	2,000	2,000
Rev. Warren Chasoniol	100	50
Dr./Mrs. M V Marmande & Family	15,000	15,000
Juliette & Eugene Wallace	700	700
Deacon Connely Duplantis	1,700	1,675
Deacon Pedro Pulals	100	100
Rev. John Gallen	1,950	1,600
Ruby Pierce	800	800
Joseph Waitz Sr.	10,100	10,100
JDG Louis & Shirley Watkins	1,550	1,050
Anne Veron Aguirre	380	380
Alfrances Martin	1,650	1,650
Bernice Harang	800	600
Preston & Gladys Webre	2,350	1,650
Society of St. Joseph	22,500	15,000
Rev Msgr. Francis Amedee	5,350	5,150
Leighton Delahaye	15,000	15,000
Edna Disalvo	900	750
Bishop Shelton Fabre	15,000	15,000
Dean Joseph Chiasson	500	400
Rev. Joseph Tu Tran	16,094	16,094
Elizabeth Hebert	15,000	15,000

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAux, OFFICES AND INSTITUTIONS
Schedule of Seminary Burse Funds (Continued)
June 30, 2018 and 2017**

	2018	2017
Callais Family Foundation	15,000	15,000
Robert W. Walsh	500	500
Claude & Lucy Mahler Family	10,500	-
Julius & Marie Pauline	15,000	-
Leo & Ethel Hebert	863	-
Fr. Michael Finnegan	150	-
	<u>\$ 1,712,082</u>	<u>\$ 1,652,659</u>

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAux, OFFICES AND INSTITUTIONS
Schedule of Parish Deposits
June 30, 2018 and 2017**

		2018	2017
01	Amelia, St. Andrew	\$ 69,075	\$ 103,080
02	Chacahoula, St. Lawrence	146,515	119,229
03	Chackbay, Our Lady of Prompt Succor	253,791	210,083
05	St. Charles Community, St. Charles Borromeo	399,825	407,554
06	Morgan City, Holy Cross	52,447	154,925
07	Morgan City, Sacred Heart	604,934	553,338
08	Schriever, St. Bridget	26,922	27,344
09	Thibodaux, St. Genevieve	270,797	518,584
10	Thibodaux, St. John	207,350	204,871
11	Thibodaux, St. Joseph	701,445	672,936
12	Kraemer, St. Lawrence the Martyr	12,381	8,430
14	Mathews, St. Hilary of Poitiers	279,314	294,656
16	Larose, Our Lady of the Rosary	128,523	136,304
17	Cut Off, Sacred Heart	69,077	141,944
18	Galliano, St. Joseph	368,203	387,789
19	Golden Meadow, Our Lady of Prompt Succor	680,130	672,869
20	Grand Isle, Our Lady of the Isle	416,918	418,415
21	Bayou Black, St. Anthony	7,966	30,773
23	Bourg, St. Ann	312,334	343,681
24	Chauvin, St. Joseph	149,079	14,757
25	Houma, Holy Family	122,231	159,816
26	Houma, Annunziata	84,096	62,980
27	Houma, Holy Rosary	92,680	66,997
28	Houma, Maria Immacolata	327,583	293,458
30	Houma, St. Francis de Sales	591,379	863,439
31	Houma, St. Gregory	61,214	76,429
32	Montegut, Sacred Heart	138,134	126,366
34	Theriot, St. Eloi	126,429	114,907
35	Thibodaux, St. Thomas	182,101	181,721
37	Choctaw, St. James Mission	2,975	12,734
38	Thibodaux, St. Luke	42,058	56,822
39	Amelia, Thanh Gia (Holy Family)	471,151	491,815
40	Stephensville, St. Rosalie Mission	73,522	80,468
41	Gheens, The Community of St. Anthony	156,984	136,048
42	Thibodaux, Christ the Redeemer	401,000	358,149
43	Houma, St. Lucy	87,974	82,975
		\$ 8,118,537	\$ 8,586,686

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Parish and School Loans Receivable
June 30, 2018 and 2017**

		2018	2017
13	Raceland, St. Mary	\$ 1,583,401	\$ 1,606,241
15	Lockport, Holy Savior	70,524	30,706
22	Houma, St. Louis	61,341	57,973
29	Houma, St. Bernadette Soubirous	211,301	206,382
33	Pointe-aux-Chenes, St. Charles	105,825	105,652
38	Thibodaux, St. Luke	11,602	10,716
		\$ 2,043,994	\$ 2,017,670

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Schedule of Institutional Deposits
June 30, 2018 and 2017

		2018	2017
06	Morgan City, Holy Cross	\$ -	\$ 1,318,476
09	Thibodaux, St. Genevieve	2,717,745	2,546,698
11	Thibodaux, St. Joseph	3,549,687	3,390,173
13	Raceland, St. Mary's Nativity	247,593	822,765
15	Lockport, Holy Savior	502,380	571,753
16	Larose, Our Lady of the Rosary	801,680	936,989
28	Houma, Maria Immacolata	22,827	411,479
29	Houma, St. Bernadette Soubirous	1,577,303	1,457,830
30	Houma, St. Francis de Sales	3,363,317	3,322,001
31	Houma, St. Gregory	187,954	116,733
150	Central Catholic Elementary School	1,320,133	-
151	Central Catholic High School	568,375	422,402
152	Vandebilt Catholic High School	5,534,727	5,580,419
153	Edward Douglas White High School	6,105,749	6,371,642
151	Morgan City, Holy Cross Capital Campaign	12	12
130	St. Francis Prepaid Tuition	2,056	5,940
153	Edward Douglas White Foundation	346,007	332,271
		\$ 26,847,545	\$ 27,607,583

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Cemetery Operating Deposits
June 30, 2018 and 2017**

		2018	2017
01	Amelia, St. Andrew	\$ 60,200	\$ 58,517
02	Chacahoula, St. Lawrence	29,542	29,895
03	Chackbay, Our Lady of Prompt Succor	279,880	272,950
04	Gibson, St. Patrick	8,453	8,411
05	St. Charles Community, St. Charles Borromeo	153,388	149,173
08	Schriever, St. Bridget	166,761	161,124
10	Thibodaux, St. John the Evangelist	191,688	186,160
11	Thibodaux, St. Joseph	1,025,113	900,868
12	Kraemer, St. Lawrence the Martyr	59,917	56,644
13	Raceland, St. Mary's Nativity	615,605	554,579
14	Mathews, St. Hilary of Poitiers	372,785	370,094
15	Lockport, Holy Savior	168,565	146,521
16	Larose, Our Lady of the Rosary	267,453	235,568
17	Cut Off, Sacred Heart	92,471	249,355
18	Galliano, St. Joseph	24,337	21,962
19	Golden Meadow, Our Lady of Prompt Succor	37,365	32,532
22	Bayou Blue, St. Louis	85,615	71,854
23	Bourg, St. Ann	252,066	230,034
24	Chauvin, St. Joseph	892,208	887,380
25	Grand Caillou, Holy Family	63,381	61,216
27	Houma, Our Lady of the Most Holy Rosary	326,570	324,874
30	Houma, St. Francis de Sales	142,127	114,480
32	Montegut, Sacred Heart	69,516	71,452
33	Pointe-Aux-Chenes, St. Charles Borromeo	105,026	101,891
34	Theriot, St. Eloi	207,277	201,160
37	Choctaw, St. James Mission	91,088	95,542
41	Gheens, St. Anthony	37,808	36,322
		\$ 5,826,205	\$ 5,630,558

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Schedule of Parish and School Endowment Funds
June 30, 2018 and 2017**

		2018	2017
Parish Endowments:			
06	Morgan City, Holy Cross	\$ 180,000	\$ 180,000
08	Schriever, St. Bridget	145,000	145,000
09	Thibodaux, St. Genevieve	500,000	500,000
11	Thibodaux, St. Joseph	4,235,514	4,235,514
14	Matthews, St. Hilary	141,616	139,509
15	Lockport, Holy Savior	50,000	50,000
18	Galliano, St. Joseph	480,000	480,000
24	Chauvin, St. Joseph	2,091,179	2,266,179
27	Houma, Holy Rosary	25,841	25,841
30	Houma, St. Francis de Sales	550,030	550,030
Total Parish Endowments		\$ 8,399,180	\$ 8,572,073
School Endowments:			
06	Morgan City, Holy Cross	\$ -	\$ 1,210,000
09	Thibodaux, St. Genevieve	114,100	114,100
11	Thibodaux, St. Joseph	3,006,550	3,006,550
13	Raceland, St. Mary	17,044	17,044
15	Lockport, Holy Savior	100,000	100,000
16	Larose, Our Lady of the Rosary	336,367	336,117
29	Houma, St. Bernadette	216,869	215,259
30	Houma, St. Francis de Sales	132,659	130,379
130	St. Francis School	73,944	73,944
150	Central Catholic Elementary School	1,210,000	-
151	Central Catholic High School	1,151,000	1,151,000
152	Vandebilt Catholic High School	815,454	814,439
153	Edward Douglas White High School	1,554,473	1,554,473
153	Edward Douglas White Foundation	802,873	802,873
Total School Endowments		\$ 9,531,333	\$ 9,526,178

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS
Schedule of Operations of Parishes and Institutions (Unaudited)
June 30, 2018**

	Income	Expenditures	Excess (Deficiency) Of Income Over Expenditures
Amelia, Thanh Gia (Holy Family)	\$ 126,471	\$ 143,824	\$ (17,353)
Amelia, St. Andrew	191,083	211,629	(20,546)
Chacahoula, St. Lawrence	154,449	129,444	25,005
Chackbay, Our Lady of Prompt Succor	411,145	375,030	36,115
St. Charles Community, St. Charles Borromeo	285,424	349,876	(64,452)
Morgan City, Holy Cross	1,652,261	1,771,106	(118,845)
Stephensville, St. Rosalie Mission	20,995	28,093	(7,098)
Morgan City, Sacred Heart	573,697	529,197	44,500
Schriever, St. Bridget	324,282	302,261	22,021
Thibodaux, Christ the Redeemer	599,960	619,021	(19,061)
Thibodaux, St. Genevieve	2,687,862	2,931,569	(243,707)
Thibodaux, St. John	272,292	275,624	(3,332)
Thibodaux, St. Joseph	4,411,423	4,312,101	99,322
Kraemer, St. Lawrence	137,152	124,071	13,081
Choctaw, St. James Mission	39,560	60,787	(21,227)
Raceland, St. Mary	1,559,575	1,529,952	29,623
Mathews, St. Hilary	469,983	461,788	8,195
Lockport, Holy Savior	1,127,669	1,248,511	(120,842)
Gheens, St. Anthony	109,185	100,677	8,508
Larose, Our Lady of the Rosary	1,506,777	1,051,282	455,495
Cut Off, Sacred Heart	702,079	549,511	152,568
Galliano, St. Joseph	215,728	188,642	27,086
Golden Meadow, Our Lady of Prompt Succor	291,496	300,142	(8,646)
Grand Isle, Our Lady of the Isle	247,692	234,053	13,639
Bayou Black, St. Anthony	337,135	361,441	(24,306)
Bayou Blue, St. Louis	331,029	322,934	8,095
Bourg, St. Ann	314,959	338,527	(23,568)
Chauvin, St. Joseph	385,222	411,608	(26,386)
Grand Caillou, Holy Family	139,040	179,361	(40,321)
Houma, Annunziata	374,852	375,924	(1,072)
Houma, Holy Rosary	470,226	430,196	40,030
Houma, Maria Immacolata	1,593,801	1,517,679	76,122
Houma, St. Bernadette	3,052,948	3,037,132	15,816
Houma, St. Francis	3,951,552	4,137,658	(186,106)
Houma, St. Gregory	957,245	991,455	(34,210)
Montegut, Sacred Heart	165,153	160,850	4,303
Pointe-Aux-Chenes, St. Charles	123,686	118,273	5,413
Theriot, St. Eloi	214,395	203,156	11,239
Thibodaux, St. Thomas	505,239	445,491	59,748
Thibodaux, St. Luke	240,141	249,388	(9,247)
Houma, St. Lucy	136,251	158,195	(21,944)
Central Catholic High School	2,224,891	2,158,048	66,843
Edward Douglas White High School	6,615,801	6,627,350	(11,549)
Vandebilt Catholic High School	6,787,005	6,626,770	160,235
Grand Totals	\$ 47,038,811	\$ 46,679,627	\$ 359,184

**THE CENTRAL ADMININSTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU, OFFICES AND INSTITUTIONS
Schedule of Compensation, Benefits and Other Payments to Agency
Head or Chief Executive Officer
June 30, 2018 and 2017**

Agency Head Name

Most Rev. Shelton Fabre - Bishop of the Diocese of Houma-Thibodaux

No compensation, benefits, or other payments were made to Bishop Fabre from public funds received by the Diocese.

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

Independent Auditor's Report

His Excellency
Most Reverend Shelton Fabre, D.D.
Bishop of the Diocese of Houma-Thibodaux

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 consolidated financial statements of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (Diocese), which comprise the statement of financial position as of June 30, 2018, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated December 21, 2018.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Diocese's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Diocese's internal control. Accordingly, we do not express an opinion on the effectiveness of the Diocese'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 combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

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

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Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Diocese's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Diocese's internal control and compliance. Accordingly, this communication is not suitable for any other purpose. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.



A Professional Accounting Corporation

Houma, LA
December 21, 2018

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Schedule of Findings and Responses
For the Year Ended June 30, 2018

Section I - Summary of Auditor's Reports

a. Financial Statements: Auditors' report expresses an unmodified opinion.

b. Internal Control and Compliance:

Internal control over financial reporting:

• Material weaknesses identified Yes No

• Significant deficiencies identified Yes No

Noncompliance material to financial statements noted Yes No

c. Federal Awards - Not Applicable.

Section II - Financial Statement Findings - Not Applicable.

Section III - Federal Award Findings and Questioned Costs - Not Applicable.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Schedule of Prior Year Findings
For the Year Ended June 30, 2018

Section I Internal Control and Compliance Material to the Financial Statements

No findings were noted.

Section II Internal Control and Compliance Material to Federal Awards

Not applicable.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
Management's Corrective Action Plan
For the Year Ended June 30, 2018**

Section I Internal Control and Compliance Material to the Financial Statements

No findings were noted requiring a response from management.

Section II Internal Control and Compliance Material to Federal Awards

Not applicable.