Catholic Charities of Southwestern Ohio and Subsidiary

Consolidated Financial Statements with Supplementary Information
December 31, 2024 with Summarized Comparative Totals for 2023
With Independent Auditors' Report

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

December 31, 2024
With Summarized Comparative Totals for December 31, 2023

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Independent Auditors' Report

The Board of Directors
Catholic Charities of Southwestern Ohio and Subsidiary
Cincinnati, Ohio

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Catholic Charities of Southwestern Ohio and Subsidiary (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Catholic Charities of Southwestern Ohio and Subsidiary as of December 31, 2024, and the changes in net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

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

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

Independent Auditors' Report
(Continued)

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

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Catholic Charities of Southwestern Ohio and Subsidiary's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Catholic Charities of Southwestern Ohio and Subsidiary's ability to continue as a going concern for a reasonable period of time.

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

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

Report on Summarized Comparative Information

We have previously audited Catholic Charities of Southwestern Ohio and Subsidiary's 2023 consolidated financial statements, and we expressed an unmodified audit opinion on those audited financial statements in our report dated July 19, 2024. In our opinion, the summarized comparative information presented herein as of and for the year ended December 31, 2023, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Independent Auditors' Report
(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated June 30, 2025, on our consideration of Catholic Charities of Southwestern Ohio and Subsidiary's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of Catholic Charities of Southwestern Ohio and Subsidiary's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Catholic Charities of Southwestern Ohio and Subsidiary's internal control over financial reporting and compliance.

Barnes, Dennig & Co., Ltd.

Cincinnati, Ohio
June 30, 2025

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Consolidated Statement of Financial Position
December 31, 2024
With Summarized Comparative Totals for December 31, 2023

	2024	2023
Assets		
Cash and cash equivalents	$ 1,222,209	$ 452,593
Accounts and grants receivable, net	1,165,595	858,396
Contributions receivable, net	2,144,553	250,143
Prepaid expenses	129,149	96,365
Investments	6,848,682	6,196,397
Investments restricted by donors for endowment	250,000	250,000
Property and equipment, net	94,181	129,105
Right-of-use asset, net - operating leases	1,086,588	1,309,985
Total assets	$ 12,940,957	$ 9,542,984
Liabilities and Net Assets		
Liabilities		
Accounts payable and accrued expenses	$ 565,417	$ 371,965
Lease liability - operating leases	1,141,341	1,374,502
Total liabilities	1,706,758	1,746,467
Net Assets		
Without donor restrictions	8,275,808	6,683,982
With donor restrictions	2,958,391	1,112,535
Total net assets	11,234,199	7,796,517
Total liabilities and net assets	$ 12,940,957	$ 9,542,984

See accompanying notes to consolidated financial statements

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Consolidated Statement of Activities
Year Ended December 31, 2024
With Summarized Comparative Totals for Year Ended December 31, 2023

	Without Donor Donor Restrictions	With Donor Restrictions	2024 Total	2023 Total
Revenue, gains and other support				
Donations, grants and planned giving	$ 4,142,913	$ 2,194,159	$ 6,337,072	$ 2,909,486
United Way of Greater Cincinnati	380,442	152,913	533,355	495,807
Donated food for distribution	1,013,015	-	1,013,015	989,405
Governmental grants and fees	4,486,820	-	4,486,820	3,353,430
Program service fees	1,392,220	-	1,392,220	1,032,025
In-kind donations	106,276	-	106,276	69,912
Investment income, net	197,588	-	197,588	142,551
Special events	170,794	-	170,794	157,444
Other revenue and support	97	-	97	3,580
Net assets released from restriction	551,831	(551,831)	-	-
Total revenue, gains and other support	12,441,996	1,795,241	14,237,237	9,153,640
Expenses				
Salaries and related expenses	7,431,827	-	7,431,827	6,039,619
Donated food expense	1,119,291	-	1,119,291	1,059,317
Individual assistance	1,011,892	-	1,011,892	677,739
Other direct	752,844	-	752,844	669,609
Senior volunteer costs	404,447	-	404,447	367,298
Occupancy	379,496	-	379,496	343,281
Communication	70,310	-	70,310	62,753
Depreciation	53,696	-	53,696	52,816
Transportation	54,847	-	54,847	40,852
Total expenses	11,278,650	-	11,278,650	9,313,284
Change in net assets before other changes	1,163,346	1,795,241	2,958,587	(159,644)
Other changes:				
Net realized and unrealized gains on invesments	428,480	50,615	479,095	765,760
Change in net assets	1,591,826	1,845,856	3,437,682	606,116
Net assets, beginning of year	6,683,982	1,112,535	7,796,517	7,190,401
Net assets, end of year	$ 8,275,808	$ 2,958,391	$ 11,234,199	$ 7,796,517

See accompanying notes to consolidated financial statements

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Consolidated Statement of Functional Expenses
Year Ended December 31, 2024
With Summarized Comparative Totals for Year Ended December 31, 2023

	Mental Health Services	Family Services	Refugee Resettlement	Language Services	Su Casa Hispanic Center	Food For All	Volunteer Services	Immigration Legal Services	Total Program Services	Management and General	Fundraising	2024 Totals	2023 Totals
Salaries and wages	$ 378,329	$ 484,655	$ 1,113,451	$ 184,044	$ 724,312	$ 31,099	$ 387,315	$ 545,077	$ 3,848,282	$ 850,862	$ 307,551	$ 5,006,695	$ 4,144,106
Employee benefits	65,804	85,736	264,034	48,607	202,177	2,340	89,002	96,217	853,917	101,752	71,216	1,026,885	882,087
Professional fees	52,701	27,592	210,703	412,709	35,441	1,071	13,144	41,472	794,833	62,353	164,485	1,021,671	681,377
Payroll taxes	28,355	36,668	85,181	13,755	54,204	2,411	29,640	40,864	291,078	62,694	22,804	376,576	332,049
	525,189	634,651	1,673,369	659,115	1,016,134	36,921	519,101	723,630	5,788,110	1,077,661	566,056	7,431,827	6,039,619
Donated food and in-kind	-	-	103,626	-	2,650	1,013,015	-	-	1,119,291	-	-	1,119,291	1,059,317
Individual assistance	1,510	-	849,511	-	11,879	67,016	-	8,615	938,531	73,361	-	1,011,892	677,739
Other direct	63,940	57,220	106,997	28,174	82,712	4,135	47,123	41,245	431,546	199,505	121,793	752,844	669,609
Occupancy	28,602	45,597	113,428	23,575	52,017	2,220	27,140	40,535	333,114	56,018	15,315	404,447	367,298
Volunteer cost	-	-	-	-	-	-	379,496	-	379,496	-	-	379,496	343,281
Communication	5,450	5,734	16,034	4,730	11,085	3,051	4,908	6,119	57,111	10,774	2,425	70,310	62,753
Transportation	720	7,092	20,401	717	9,032	1,463	5,759	4,014	49,198	5,134	515	54,847	40,852
	625,411	750,294	2,883,366	716,311	1,185,509	1,127,821	983,527	824,158	9,096,397	1,422,453	706,104	11,224,954	9,260,468
Depreciation	2,905	3,380	14,597	161	9,440	5,538	2,222	5,105	43,348	7,609	2,739	53,696	52,816
Total 2024 expenses	$ 628,316	$ 753,674	$ 2,897,963	$ 716,472	$ 1,194,949	$ 1,133,359	$ 985,749	$ 829,263	$ 9,139,745	$ 1,430,062	$ 708,843	$ 11,278,650	
Total 2023 expenses	$ 568,126	$ 602,890	$ 1,903,357	$ 663,912	$ 1,082,572	$ 1,127,298	$ 938,064	$ 568,829	$ 7,455,048	$ 1,299,763	$ 558,473		$ 9,313,284

See accompanying notes to consolidated financial statements

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Consolidated Statement of Cash Flows
Year Ended December 31, 2024
With Summarized Comparative Totals for Year Ended December 31, 2023

	2024	2023
Cash flows from operating activities		
Change in net assets	$ 3,437,682	$ 606,116
Adjustments to reconcile change in net assets to net cash from operating activities:		
Depreciation	53,696	52,816
Net realized and unrealized gains on investments	(479,095)	(765,087)
In-kind donations of food for distribution	(1,013,015)	(989,405)
Distribution of food received in-kind	1,013,015	989,405
Non-cash lease benefit	(9,764)	(11,629)
Changes in:		
Accounts and grants receivable, net	(307,199)	(135,037)
Contributions receivable, net	(1,894,410)	(45,842)
Prepaid expenses	(32,784)	55,432
Accounts payable and accrued expenses	193,452	3,372
Net cash provided by (used in) operating activities	961,578	(239,859)
Cash flows from investing activities		
Purchase of property and equipment	(18,772)	(1,563)
Purchase of investments	(7,262,143)	(5,873,095)
Proceeds from sale of investments	7,088,953	6,008,693
Net cash provided by (used in) investing activities	(191,962)	134,035
Net change in cash and cash equivalents	769,616	(105,824)
Cash and cash equivalents, beginning of year	452,593	558,417
Cash and cash equivalents, end of year	$ 1,222,209	$ 452,593

See Note 6 for supplemental cash flow information related to leases

See accompanying notes to consolidated financial statements

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Notes to the Consolidated Financial Statements

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Catholic Charities of Southwestern Ohio and Subsidiary (the Organization) is a ministry of the Archdiocese of Cincinnati serving the poor and vulnerable of the community. The Organization's mission is to enlighten, serve and empower their clients, benefactors and others who join with the Organization in living the mission of Christ.

Su Casa Hispanic Center, LLC (an Ohio limited liability corporation) was formed in 2013 and is a wholly owned subsidiary of Catholic Charities of Southwestern Ohio. Su Casa Hispanic Center was formed for the purpose of separating the operations of the Su Casa Hispanic Center from the general operations of Catholic Charities of Southwestern Ohio.

The Organization seeks revenues adequate to support its programs. Principal providers of funds are the United Way, the Archdiocese of Cincinnati and the Catholic Ministries Appeal, the federal government in the form of grants, other governmental agencies and many legacies, bequests and donations. The stated mission and purpose of its programs are as follows:

Mental Health Services are provided to individuals that exhibit symptoms that could require mental health counseling. These services are provided to individuals, families and groups. A sliding cost of service is available to those who are eligible and meet certain income requirements to help subsidize the costs.

Family Services finds ways to heal broken families and hurting children by providing programs for early childhood mental health intervention, parenting education, and personal and family growth.

Refugee Resettlement provides services to resettle refugees who are fleeing war, persecution, and economically devastated lands. The goal is to provide these individuals with the resources they need to be self-sustainable through housing, employment and language skills.

Language Services coordinates language professionals from the Organization to provide face-to-face interpretation services to non-English speakers or individuals with limited English proficiency to ensure they can access legal, educational, healthcare and other social services.

Su Casa Hispanic Center is the primary provider of social, educational, language, employment and health care federal services to the Hispanic/Latino community in Greater Cincinnati. The mission of Su Casa is to promote self-sufficiency for the Hispanic/Latino immigrant community that comes to the U.S. looking for a better way of life for their families.

Food For All serves individuals through the operation of mobile food pantries and direct cash assistance to individuals in need.

Volunteer Services provides meaningful opportunities for community members to serve in various programs and for seniors to remain active though the stipend AmeriCorps Seniors Foster Grandparents and Senior Companion Programs.

Immigration Legal Services provides immigration legal services to low-income families and individuals.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Principles of Consolidation

The accompanying financial statements include the assets, liabilities and financial activities of Catholic Charities of Southwestern Ohio and Su Casa Hispanic Center, LLC (collectively, the Organization). All significant inter-organizational balances and transactions have been eliminated for purposes of this presentation.

Financial Statement Presentation

The financial statements include certain prior year summarized comparative information that does not constitute a presentation in conformity with accounting principles generally accepted in the United States of America. This includes summarized revenues, expenses, gains and losses in total but not by net asset class as well as summarized expenses by nature and by function separately rather than in one location. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended December 31, 2023 from which the comparative information was derived.

The consolidated financial statements have been prepared on the accrual basis of accounting in accordance with generally accepted accounting principles (GAAP). The Organization is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions, which are available for use in general operations and not subject to donor restrictions; and net assets with donor restrictions, which are either temporary in nature, such as those that will be met by the passage of time or other events specified by the donor, or are perpetual in nature, where the donor stipulates that resources be maintained in perpetuity.

Fair Value Measurements

GAAP has a three-level hierarchy for fair value measurements based on transparency of valuation inputs as of the measurement date. The hierarchy is based on the lowest level of input that is significant to the fair value measurement. The three levels are defined as follows: Level 1 inputs are unadjusted quoted prices for identical assets in active markets; Level 2 inputs are observable quoted prices for similar assets in active markets; Level 3 inputs are unobservable and reflect management's best estimate of what market participants would use as fair value.

Cash and Cash Equivalents

The Organization considers all liquid investments with original maturities of three months or less to be cash and cash equivalents. At December 31, 2024 and 2023, cash and cash equivalents consisted primarily of deposits in the Archdiocese of Cincinnati pooled investment fund. The Archdiocese of Cincinnati maintains a cash management system in which certain parishes and related organizations of the Archdiocese of Cincinnati may participate. This money management system is administered by a bank trust department and funds deposited by each participant are swept into a pooled investment fund on a daily basis. The Archdiocese of Cincinnati pooled investment fund consisted of cash, money market funds and long-term securities.

The Organization maintains its cash in bank deposit accounts which, at times, exceed federally insured limits. The Organization has not experienced any losses in such accounts and management believes it is not exposed to any significant credit risk.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Account Receivable and Allowance for Credit Losses

The Organization states its accounts receivable net of an allowance for credit losses. The Organization provides an allowance for credit losses, which is based upon a review of outstanding receivables, historical collection information, existing and future economic conditions. Accounts receivable, net, from all contracts with customers as of December 31, 2024, 2023, and 2022 was $137,320, $109,517 and $95,173, respectively. The allowance for credit losses was $6,100 and $8,455 at December 31, 2024 and 2023, respectively.

Investments and Investment Return

Investments in equity securities having a readily determinable fair value and all debt securities are carried at fair value. Other investments are valued at the lower of cost or fair value. Investment return includes dividends, interest and realized and unrealized gains and losses on investments, net of investment expenses.

Interest in trust investments consist of investments in unregistered investment pools, which are not valued upon quoted market prices. The unregistered investment pools invest in various equity and debt securities and other vehicles to generate its investment return. These funds record investments at net asset value per share (NAV) as reported by fund managers, which represent the Organization's proportionate interest in the capital of the invested funds.

Investment return that is initially restricted by donor stipulation and for which the restriction will be satisfied in the same year is included in net assets without donor restrictions. Other investment return is reflected in the statement of activities as net assets without donor restrictions or net assets with donor restrictions based upon the existence and nature of any donor or legally imposed restrictions.

Risks and Uncertainties

The Organization's investments are exposed to various risks, such as credit, market and interest rate. Due to the level of uncertainty related to changes in interest rates, market volatility and credit risks, it is at least reasonably possible that changes in these risks could materially affect the fair value of the investments reported in the statement of financial position at December 31, 2024. However, the diversification of the Organization's investments among various asset classes should mitigate the impact of any adverse changes on any one asset class. Investments are managed by the Board of Trustees with advice and assistance from investment professionals.

Property and Equipment

Property and equipment are recorded at cost or, if donated or impaired, at fair value at the time of the gift or determination. Depreciation is calculated on a straight-line basis over the estimated useful lives of the respective assets. Major improvements are capitalized, while maintenance and repairs are expensed as incurred.

In accordance with GAAP, the Organization assesses the recoverability of the carrying amount of property and equipment if certain events or changes occur, such as a significant decrease in market value of the assets or a significant change in operating conditions. Based on its most recent analysis, the Organization believes no impairments existed at December 31, 2024 and 2023.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Donations and Planned Giving

Gifts of cash and other assets received without donor stipulations are reported as revenue without donor restrictions. Gifts received with a donor stipulation that limits their use are reported as revenues with donor restrictions. When a donor stipulated time restriction ends or purpose restriction is accomplished, net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions. Gifts having donor stipulations which are satisfied in the period the gift is received are reported as revenue without donor restrictions.

Gifts of long-lived assets with explicit restrictions that specify how the assets are to be used and gifts of cash or other assets that must be used to acquire long-lived assets are reported as revenue with donor restrictions. In the absence of explicit donor stipulations about how long-lived assets must be maintained, the Organization reports expirations of donor restrictions when the donated or acquired long-lived assets are placed in service.

Unconditional promises to give expected to be collected within one year are reported at their net realizable value. Unconditional gifts expected to be collected in future years are reported at the present value of estimated future cash flows. The resulting discount is amortized and reported as contribution revenue. Conditional promises to give are recognized as revenues when the conditions on which they depend are substantially met.

Government Fees and Grants

Revenues of the Organization consist primarily of federal, state, and local cost reimbursable grants. The grants are conditional on the Organization incurring allowable expenses in performance of the grants. At December 31, 2024 and 2023 the Organization had remaining available balances on federal and local government conditional grants and contracts of approximately $3,174,000 and $2,642,000, respectively. Grant revenue is recognized as support to the extent that the related expenses are incurred. Grant funds received in excess of expenses incurred result in the recognition of a refundable advance (liability). Allowable expenses incurred in excess of grant funds received results in recognition of grants receivable (asset).

In 2025, government grants and fees are expected to decrease due to sudden changes in public policies involving federal contract terminations, funding reductions, and non-renewals. The extent of this revenue shift is uncertain and will depend on future developments. The overall impact to the change in net assets will be managed through decreased expenses and acquisition of alternative funding with a commitment to continue serving affected clients in need as much as possible.

Concentration of Revenue

For the years ending December 31, 2024 and 2023, approximately 28% and 30%, respectively, of total revenue was obtained from grants that were funded, either directly or indirectly, by the United Stated Federal Government.

Income Taxes

The Organization is exempt from income taxes under Section 501 of the Internal Revenue Code and a similar provision of Ohio law. However, the Organization is subject to federal income tax on any unrelated business taxable income.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes (Continued)

The Organization's IRS Form 990 is subject to review and examination by federal and state authorities. The Organization 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.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the statement of functional expenses. Expenses have been classified based upon the actual direct expenditures and cost allocations. The most significant allocations are salaries and related expenses, which are allocated based on an estimate of time spent by personnel on the related activities, and occupancy, which are allocated to programs based on full time equivalents.

Use of Estimates

The preparation of financial statements 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 the revenues, expenses, gains, losses and other changes in net assets during the reporting period. Actual results could differ from those estimates.

Revenue Recognition

The Organization identifies a contract with a customer for revenue recognition when there is approval and commitment from both parties, the rights of the parties and payment terms are identified, the contract has commercial substance and the collectability of consideration is probable. The Organization evaluates each contract to determine the number of distinct performance obligations in the contract, which requires the use of judgment. To determine the proper revenue recognition method, the Organization evaluates whether two or more contracts should be combined and accounted for as one single contract and whether the combined or single contract should be accounted for as single or more than one performance obligation.

Revenue from contracts with customers is primarily recognized from program service fees for mental health and translation services during 2024 and 2023. These contracts consist of a single performance obligation as the promise to transfer the service is not separately identifiable from other promises in the contracts and, therefore, not distinct. These amounts are due from clients and third-party payors (including health insurers and government programs). Generally, the Organization bills third-party payors several days after the services are performed. Revenue from mental health and translation services is recognized by the Organization over the time its services are provided to the customer. The Organization generally uses the time elapsed method, an input measure, as it considers it to best depict the simultaneous consumption and delivery of its services. The determination of the method by which the Organization measures its progress towards the satisfaction of its performance obligations requires judgment.

The transaction price is stated in the contracts and is known at time of contract inception. There is no variable consideration associated with the Organization's contracts with customers. Contract service fees are generally due within 30 business days of invoicing.

NOTE 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Leases

The Organization determines if an arrangement is a lease at inception. Operating leases are included in right-of-use (ROU) asset - operating leases and lease liability - operating leases on the statement of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term.

The Organization has lease agreements with lease and non-lease components, which are generally accounted for separately. For certain leases, such as copier and postage leases, the Organization accounts for the lease and non-lease components as a single lease component. For arrangements accounted for as a single lease component, there may be variability in future lease payments as the amount of the non-lease components is typically revised from one period to the next. These variable lease payments, which are primarily comprised of copier and postage charges for excess usage and common area maintenance, are recognized in operating expenses in the period in which the obligation for those payments was incurred.

As most of the Organization's leases do not provide an implicit rate, the Organization uses a risk-free rate based on the information available at commencement date in determining the present value of lease payments. The Organization also elected to apply the short-term lease exemption to all its classes of assets.

Subsequent Events

The Organization has evaluated subsequent events through June 30, 2025, which is the date the financial statements were available to be issued.

NOTE 2 LIQUIDITY AND AVAILABILITY

The Organization's financial assets available within one year of the statement of financial position date for general expenditures are as follow as of December 31:

	2024	2023
Cash and cash equivalents	$ 613,877	$ 43,946
Accounts and grants receivable, net	1,165,595	858,396
Contributions receivable, net	1,337,538	250,143
Investments	6,510,252	5,893,582
	$ 9,627,262	$ 7,046,067

As part of the Organization's liquidity management, it is policy to maintain financial assets to be available as general expenditures, liabilities and other obligations come due. Any donations in excess of short-term operational requirements are invested in short-term investments.

NOTE 3 CONTRIBUTIONS RECEIVABLE

Contributions receivable at December 31 consisted of the following:

	2024	2023
Due within one year	$ 1,337,538	$ 250,143
Due in one to five years	917,800	-
	2,255,338	250,143
Less unamortized discount	(110,785)	-
	$ 2,144,553	$ 250,143

During 2024, the Organization embarked on a 5-year $12,000,000 comprehensive campaign to provide comfort, hope and relief to vulnerable people and those living in poverty regardless of their faith or background. This campaign will provide an investment to support and grow critically important work in the community that Helps More Families Thrive and Welcomes and Assists Migrants and Refugees. As of December 31, 2024, $3,015,039 in donations and pledges had been raised towards the campaign.

Campaign contributions receivable in greater than 12 months are discounted to their present value. The discount ranged from 4.15% to 4.39% in 2024.

NOTE 4 INVESTMENTS AT FAIR VALUE

Investments consisted of the following at December 31:

	2024	2023
Level 1:		
Mutual fund	$ 6,510,240	$ 5,893,546
Level 2:		
Money market funds	12	36
Interest in The Springfield Foundation Charitable Trust	588,430	552,815
Total Level 2	588,442	552,851
	$ 7,098,682	$ 6,446,397

NOTE 4 INVESTMENTS AT FAIR VALUE (CONTINUED)

The following table provides a reconciliation of investments reported within the statement of financial position that sum to the total of the same such amounts shown in the investments at fair value table above as of December 31:

	2024	2023
Investments	$ 6,848,682	$ 6,196,397
Investments restricted by donors for endowment	250,000	250,000
	$ 7,098,682	$ 6,446,397

Fair value of the mutual fund is estimated by reference to the quoted market price available in an active market. Fair values for money market funds and interest in The Springfield Foundation Charitable Trust are estimated using pricing models or quoted prices of securities with similar characteristics. The Organization holds a portion of its investments in The Springfield Foundation Charitable Trust, which combines the assets for investment and administrative purposes of the Organization and other participating organizations. Net investment income of The Springfield Foundation Charitable Trust (representing interest and dividend income, net investment appreciation or depreciation and trust and administrative fees) is allocated to the participating organizations based on their respective share of The Springfield Foundation Charitable Trust's assets.

NOTE 5 PROPERTY AND EQUIPMENT

Property and equipment consisted of the following at December 31:

	2024	2023
Furniture and fixtures	$ 412,515	$ 407,420
Computer equipment	166,617	189,314
Automobiles	109,471	109,471
Software license fee	42,199	42,199
Building improvements	11,247	11,247
	742,049	759,651
Less accumulated depreciation	(647,868)	(630,546)
	$ 94,181	$ 129,105

NOTE 6 LEASES

The Organization has operating leases for office space and equipment. The leases have remaining lease terms of one year to five years, some of which may include options to extend the leases for two additional five-year terms.

The components of lease expense were as follows for the year ended December 31:

	2024	2023
Operarating lease epense	$ 379,380	$ 336,706
Short-term lease expense	10,400	25,600
Variable lease expense	64,027	53,455

Other information related to leases was as follows for the year ended December 31:

	2024	2023
Operating cash flows	$ 389,144	$ 348,335
ROU assets obtained in exchange for lease obligations	100,494	472,732
Weighted average remaining lease term in years	3.53	4.48
Weighted average discount rate	4.53%	4.38%

Future minimum lease payments under non-cancellable leases as of December 31, 2024 were:

2025	$ 379,084
2026	334,208
2027	303,666
2028	214,120
2029	1,128
Total future minimum lease payments	1,232,206
Less imputed interest	(90,865)
Total lease liabilty	$ 1,141,341

NOTE 7 NET ASSETS WITH DONOR RESTRICTIONS

Net assets with donor restrictions are available for the following periods or purposes at December 31:

	2024	2023
For use in future periods	$ 1,761,629	$ 151,073
Restricted as to purpose:		
SuCasa	54,936	116,183
Mental health	50,000	85,000
Refugee	50,896	77,464
Immigration legal	450,000	70,000
Other programs	2,500	60,000
Donor-restricted endowment subject to spending policy and appropriation	588,430	552,815
	$ 2,958,391	$ 1,112,535

As of December 31, 2024 and 2023, $250,000 of net assets with donor restrictions are restricted to investment in perpetuity, the income from which is expendable to support counseling and direct assistance to women in poverty.

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by the passage of time or other events specified by the donors. Amounts for the years ended December 31 are as follows:

	2024	2023
Expiration of time restrictions	$ 151,073	$ 136,842
Satisfaction of purpose restrictions:		
SuCasa	95,670	43,462
Mental health	85,000	-
Refugee	75,088	51,258
Immigration legal	70,000	-
Other programs	60,000	99,825
Appropriated earnings on donor-restricted endowment	15,000	15,000
	$ 551,831	$ 346,387

NOTE 8 IN-KIND DONATIONS

The Organization received the following in-kind donations that are recognized within revenues and expenses on the statement of activities for the year ending December 31:

	2024	2023
Food	$ 1,013,015	$ 989,405
Commodities	106,276	56,281
Furniture	-	12,881
Gift Cards	-	750
Total in-kind donations	$ 1,119,291	$ 1,059,317

The Organization estimated the fair value of food, furniture, commodities and gift cards on the basis of wholesale values that would be received for selling similar products in the United States. All in-kind donations are used in the Organizations program services and do not have donor restrictions.

The following table provides a reconciliation of in-kind donations reported within the statement of activities that sum to the total of the same such amounts shown in the table above as of December 31:

	2024	2023
Donated food for distribution	$ 1,013,015	$ 989,405
In-kind donations	106,276	69,912
	$ 1,119,291	$ 1,059,317

NOTE 9 RELATED PARTY

The Organization paid expenses of $20,473 and $18,700 in 2024 and 2023, respectively, to the Archdiocese of Cincinnati. The Organization received $985,853 and $1,016,193 in 2024 and 2023, respectively, of public support from the Archdiocese of Cincinnati. No amounts are due to or receivable from the Archdiocese of Cincinnati as of December 31, 2024 and 2023.

NOTE 10 EMPLOYEE BENEFIT PLANS

The Organization participates in the Archdiocese of Cincinnati 401(k) plan. Employees are able to make elective deferrals. In addition, the Organization contributes 4% of compensation for eligible employees. During 2024 and 2023, contributions expensed by the Organization were $181,972 and $151,430, respectively.

NOTE 11 ENDOWMENT FUNDS

The Organization's endowment consists of a donor-restricted endowment fund to provide income for operations. As required by GAAP, net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions.

NOTE 11 ENDOWMENT FUNDS (CONTINUED)

Interpretation of Relevant Law

The Organization follows the Ohio Prudent Management of Institutional Funds Act (OPMIFA). The Organization has interpreted OPMIFA as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the original value of donated gifts to the donor-restricted endowment funds and the original value of subsequent gifts are classified as net asset with donor restrictions (a time restriction in perpetuity). Investment return from the donor-restricted endowment funds is classified as net assets with donor restrictions (a purpose restriction) until those amounts are appropriated for expenditure by the Organization in a manner consistent with the standard of prudence prescribed by OPMIFA.

In accordance with OPMIFA, the Organization considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: the duration and preservation of the fund; the purposes of the Organization and the donor-restricted endowment fund; general economic conditions; the possible effect of inflation and deflation; the expected total return from income and the appreciation of investments; other resources of the Organization; and the investment policies of the Organization.

Investment Policy

The Organization has adopted investment and spending policies for endowment assets that attempt to provide consistent long-term growth of capital, without undue exposure to risk. A secondary focus shall be to achieve annualized total return (net of fees and expenses), through appreciation and income, greater than the rate of inflation plus fund distributions. The return objective shall be accomplished using a strategy of cash equivalents, fixed income securities and equities in a mix which is conducive to participation in rising markets while allowing for protection in falling markets. The performance objectives will be measured against appropriate industry benchmarks such as the S&P 500 Index, Russell 2000 Stock Index, MSCI EAFE Index, and the Barclays US Aggregate Bond Index.

To satisfy its long-term rate-of-return objectives, the Organization relies on a total return strategy in which investment returns are achieved through both capital appreciation (realized and unrealized) and current yield (interest and dividends). The Organization targets a diversified asset allocation that places a greater emphasis on equity-based investments to achieve its long-term return objectives within prudent risk constraints.

Spending Policy

The Organization has a policy of appropriating for distribution each year four percent of its previous three-year moving average of the market value of the endowment assets. The Board of Trustees can authorize additional spending from the Board-designated endowment as it deems appropriate. In establishing this policy, the Organization considered the long-term expected return on its endowment. Accordingly, this spending policy should, over time, protect the inflation-adjusted value of the endowment and, consequently, allow inflation-adjusted spending to occur into the distant future. This is consistent with the Organization’s objective to maintain the purchasing power of the endowment assets held in perpetuity or for a specified term as well as to provide additional real growth through new gifts and investment return.

NOTE 11 ENDOWMENT FUNDS (CONTINUED)

Endowment Net Asset Composition

Endowment net asset composition by type of fund is as follows at December 31:

	2024	2023
With donor restrictions		
Donor-restricted endowment, at historic value, restricted in perpetuity	$ 250,000	$ 250,000
Accumulated net appreciation of donor-restricted endowment	338,430	302,815
Total with donor restrictions	588,430	552,815
Total endowment net assets	$ 588,430	$ 552,815

Changes in Endowment Net Assets

Changes in endowment net assets are as follows:

	With Donor Restrictions
December 31, 2022	$ 514,030
Investment return, net	53,785
Contributions	-
Appropriated for distributuion	(15,000)
December 31, 2023	552,815
Investment return, net	50,615
Contributions	-
Appropriated for distributuion	(15,000)
December 31, 2024	$ 588,430

SUPPLEMENTARY INFORMATION

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

Federal Grantor/Pass-Through Grantor/ Program or Cluster Title	Assistance Listing Number	Pass-through Entity Identifying Number	Federal Expenditures	Passed through to Subrecipients
Corporation for National and Community Service:				
Foster Grandparent/Senior Companion Cluster:				
Foster Grandparent Program	94.011	N/A	$ 290,345	$ -
Senior Companion Program	94.016	N/A	302,607	-
Total Foster Grandparent/Senior Companion Cluster			592,952	-
Senior Demonstration Program	94.017	N/A	146,368	-
Total Corporation for National and Community Service			739,320	-
Department of Health and Human Services				
Passed through Council on Aging of Southwestern Ohio				
National Family Caregiver Support, Title III, Part E	93.052	Not available	120,483	-
Passed through Council on Aging of Southwestern Ohio				
Special Programs for the Aging, Title III, Part D	93.043	Not available	12,085	-
Refugee and Entrant Assistance - State Administered Programs:				
Passed through Ohio Department of Job and Family Services				
Refugee Social Service Program	93.566	G-2223-17-0989-03 / G-2223-17-0989-05	965,640	-
Refugee Support Services Program	93.566	G-2425-17-0938-02	89,775	-
Refugee Youth Mentoring Program	93.566	G-2223-17-0146 / G-2425-17-0146-01	34,097	-
Total Refugee and Entrant Assistance - State Administered Programs			1,089,512	-
Passed through United States Conference of Catholic Bishops				
Voluntary Agencies Matching Grant Program	93.567	2301DCRVMG / 2401DCRVMG / 2501DCRVMG	308,113	-
Refugee and Entrant Assistance - Discretionary Grants:				
Passed through United States Conference of Catholic Bishops				
Refugee and Entrant Assistance Discretionary Grants	93.576	90RP0121-03-01 / 90RP0121-04-01	292,847	-
Passed through Ohio Department of Job and Family Services				
Refugee Health Promotion Program	93.576	G-2223-17-0024-5 / G-2223-17-0024-07	49,334	-
Total Refugee and Entrant Assistance - Discretionary Grants			342,181	-
Unaccompanied Alien Children Program:				
Passed through United States Conference of Catholic Bishops				
Unaccompanied Children's Services Program	93.676	90ZU0631	389,717	-
Passed through Lutheran Immigration and Refugee Service				
Foster Care and Safe Release Support Services	93.676	90ZU0521-01/ 90ZU0521-02	166,150	-
Total Unaccompanied Alien Children Program			555,867	-
Total Department of Health and Human Services			2,428,241	-
Department of Homeland Security				
Passed through Federal Emergency Management Agency				
Emergency Food and Shelter National Board Program	97.024	LRO ID: 675-600-108	28,000	-
Department of Housing and Urban Development				
Passed through Hamilton County				
Community Development Block Grants/Entitlement Grants	14.218	650300x9F17C	16,499	-
Department of State				
Passed through Untied States Conference of Catholic Bishops				
U.S. Refugee Admissions Program	19.510	SPRMCO23CA0366 / SPRMCO24CA0342 / SPRMCO24CA0336	867,567	-
Department of the Treasury				
Coronavirus State and Local Fiscal Recovery Funds	21.027	N/A	31,815	-
Total Expenditures of Federal Awards			$ 4,111,442	$ -

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Notes to the Schedule of Expenditures of Federal Awards
Year Ended December 31, 2024

NOTE 1 BASIS OF PRESENTATION

The supplementary schedule of expenditures of federal awards includes the federal grant activity of Catholic Charities of Southwestern Ohio and Subsidiary for the year ended December 31, 2024. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Expenditures reported on the schedule are reported on the accrual basis of accounting in accordance with generally accepted accounting principles. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

NOTE 3 INDIRECT COST RATE

Catholic Charities of Southwestern Ohio and Subsidiary has elected to use the 10% de minimis indirect cost rate as allowed under the Uniform Guidance.

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

The Board of Directors
Catholic Charities of Southwestern Ohio and Subsidiary
Cincinnati, Ohio

We have audited, 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, the consolidated financial statements of Catholic Charities of Southwestern Ohio and Subsidiary (the Organization) (a nonprofit organization), which comprise the consolidated statement of financial position as of December 31, 2024, and the related consolidated statement of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued our report thereon dated June 30, 2025.

Report on Internal Control over Financial Reporting

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

A *deficiency in internal control* exists when the 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 Organization's consolidated financial statements will not be prevented or detected and corrected on a timely basis. A *significant deficiency* is 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 would not necessarily 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 were not identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Organization's consolidated financial statements are free of 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 consolidated financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Cincinnati, Ohio
June 30, 2025

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

The Board of Directors
Catholic Charities of Southwestern Ohio and Subsidiary
Cincinnati, Ohio

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Catholic Charities of Southwestern Ohio and Subsidiary's (the Organization) compliance with the types of compliance requirements identified as a subject to audit in the *OMB Compliance Supplement* that could have a direct and material effect on each of the Organization's major federal programs for the year ended December 31, 2024. The Organization's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

In our opinion, the Organization complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2024.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

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

Responsibilities of Management for Compliance

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

Auditor's Responsibilities for the Audit of Compliance

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

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

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

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

Report on Internal Control over Compliance

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

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE (CONTINUED)

Report on Internal Control over Compliance (Continued)

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

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

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

Barnes, Dennig & Co., Ltd.

Cincinnati, Ohio
June 30, 2025

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Schedule of Findings and Questioned Costs
Year Ended December 31, 2024

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unmodified

Internal control over financial reporting:

Material weakness(es) identified?	____Yes	x No
Significant deficiency(ies) identified that is not considered to be a material weakness?	____Yes	x None reported
Noncompliance material to financial statements noted?	____Yes	x No

Federal Awards

Internal control over major programs:

Material weakness(es) identified?	____Yes	x No
Significant deficiency(ies) identified that are not considered to be a material weakness?	____Yes	x None reported

Type of auditors' report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with *Title 2 U.S. CFR Section 200.516(a)*?	____Yes	x No

Identification of Major Program

Assistance Listing Number(s)	Name of Federal Program or Cluster
19.510	U.S. Refugees Admissions Program

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

Auditee qualified as low-risk auditee	x Yes	____No

Section II – Financial Statement Findings

No matters are reportable

Section III – Federal Award Findings and Questioned Costs

No matters are reportable

CATHOLIC CHARITIES OF SOUTHWESTERN OHIO AND SUBSIDIARY

Summary Schedule of Prior Audit Findings
Year Ended December 31, 2024

Reference Number	Summary of Finding	Status
	No matters are reportable	