

**Catholic Charities of the  
Archdiocese of Milwaukee, Inc.**

Milwaukee, Wisconsin

**Financial Statements and Additional Information**

Years Ended December 31, 2009 and 2008

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Financial Statements and Additional Information

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## Independent Auditor's Report

Board of Trustees  
Catholic Charities of the Archdiocese of Milwaukee, Inc.  
Milwaukee, Wisconsin

We have audited the statements of financial position of Catholic Charities of the Archdiocese of Milwaukee, Inc., as of December 31, 2009 and 2008, and the related statements of activities, cash flows, and functional expense for the years then ended. These financial statements are the responsibility of the Organization's management. 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. 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 includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Catholic Charities of the Archdiocese of Milwaukee, Inc., at December 31, 2009 and 2008, and the results of its activities and its cash flows for the years then ended, in conformity with accounting principles generally accepted in the United States.

Our audits were made for the purpose of forming an opinion on the basic financial statements of Catholic Charities of the Archdiocese of Milwaukee, Inc., taken as a whole. The additional information appearing on pages 19 through 25 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

A handwritten signature in cursive script that reads "Wipfli LLP".

Wipfli LLP

May 10, 2010  
Milwaukee, Wisconsin

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Statements of Financial Position

December 31, 2009 and 2008

| <i>Assets</i>   | 2009                | 2008                |
|---|---------------------|---------------------|
| Current assets:   |                     |                     |
| Cash and cash equivalents   | \$ 355,923          | \$ 369,011          |
| Accounts receivable, less allowance for bad debts of \$41,842 and \$27,327 in 2009 and 2008, respectively | 379,552             | 478,081             |
| Pledges receivable  | 439,735             | 249,902             |
| Prepaid expenses  | 17,846              | 42,558              |
| Total current assets  | 1,193,056           | 1,139,552           |
| Property and equipment:   |                     |                     |
| Land  | 10,970              | 10,970              |
| Building  | 123,445             | 123,445             |
| Leasehold improvements  | 282,430             | 282,430             |
| Equipment   | 1,417,386           | 1,435,304           |
| Total property and equipment  | 1,834,231           | 1,852,149           |
| Less accumulated depreciation and amortization  | 1,770,249           | 1,777,722           |
| Property and equipment - Net  | 63,982              | 74,427              |
| Other assets:   |                     |                     |
| Pledges receivable, less current portion  | 25,000              | 33,082              |
| Interest in net assets of Foundation  | 2,368,219           | 2,407,016           |
| Total other assets  | 2,393,219           | 2,440,098           |
| <b>TOTAL ASSETS</b>   | <b>\$ 3,650,257</b> | <b>\$ 3,654,077</b> |

| <i>Liabilities and Net Assets</i>       | 2009                | 2008                |
|---|---------------------|---------------------|
| Current liabilities:                    |                     |                     |
| Current maturities of notes payable     | \$ -                | \$ 45,000           |
| Accounts payable                        | 186,948             | 166,698             |
| Accrued liabilities                     | 189,091             | 287,256             |
| Accrued payroll                         | 34,642              | 246,496             |
| Deferred revenue                        | 8,548               | 6,250               |
| Total current liabilities               | 419,229             | 751,700             |
| Notes payable, less current maturities  | -                   | 405,000             |
| Total liabilities                       | 419,229             | 1,156,700           |
| Net assets (deficit):                   |                     |                     |
| Unrestricted                            | 388,652             | (212,045)           |
| Temporarily restricted                  | 1,284,447           | 1,151,493           |
| Permanently restricted                  | 1,557,929           | 1,557,929           |
| Total net assets                        | 3,231,028           | 2,497,377           |
| <b>TOTAL LIABILITIES AND NET ASSETS</b> | <b>\$ 3,650,257</b> | <b>\$ 3,654,077</b> |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Statements of Activities

Years Ended December 31, 2009 and 2008

|   | 2009         |                        |                        | Total        |
|---|--------------|------------------------|------------------------|--------------|
|   | Unrestricted | Temporarily Restricted | Permanently Restricted |              |
| Support and transfers:  |              |                        |                        |              |
| United Way  | \$ 644,131   | \$ 214,735             | \$ -                   | \$ 858,866   |
| Archdiocese of Milwaukee  | 1,171,111    | -                      | -                      | 1,171,111    |
| Contributions   | 1,695,512    | 200,000                | -                      | 1,895,512    |
| Grants and foundations  | 430,141      | -                      | -                      | 430,141      |
| Net assets released from restrictions   | 242,984      | (242,984)              | -                      | -            |
| Total support and transfers   | 4,183,879    | 171,751                | -                      | 4,355,630    |
| Revenue:  |              |                        |                        |              |
| Program service fees  | 527,528      | -                      | -                      | 527,528      |
| Government contracts  | 1,507,822    | -                      | -                      | 1,507,822    |
| Rent and reimbursement  | 132,515      | -                      | -                      | 132,515      |
| Interest income   | 351          | -                      | -                      | 351          |
| In-kind   | 88,185       | -                      | -                      | 88,185       |
| Total revenue   | 2,256,401    | -                      | -                      | 2,256,401    |
| Total support, transfers, and revenue   | 6,440,280    | 171,751                | -                      | 6,612,031    |
| Expenses:   |              |                        |                        |              |
| Program services  | 4,574,932    | -                      | -                      | 4,574,932    |
| Support services and fund raising   | 1,264,651    | -                      | -                      | 1,264,651    |
| Total expenses  | 5,839,583    | -                      | -                      | 5,839,583    |
| Increase (deficit) of revenue over expense  | 600,697      | 171,751                | -                      | 772,448      |
| Other changes in net assets:  |              |                        |                        |              |
| Change in interest in net assets of Foundation  | -            | (38,797)               | -                      | (38,797)     |
| Recharacterization of interest in net assets held by Foundation to temporarily restricted | -            | -                      | -                      | -            |
| Change in net assets  | 600,697      | 132,954                | -                      | 733,651      |
| Net assests (deficit) at beginning  | (212,045)    | 1,151,493              | 1,557,929              | 2,497,377    |
| Net assets at end   | \$ 388,652   | \$ 1,284,447           | \$ 1,557,929           | \$ 3,231,028 |

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| 2008                |                           |                           |                     |
|---------------------|---------------------------|---------------------------|---------------------|
| Unrestricted        | Temporarily<br>Restricted | Permanently<br>Restricted | Total               |
| \$ 622,709          | \$ 219,902                | \$ -                      | \$ 842,611          |
| 1,171,106           | -                         | -                         | 1,171,106           |
| 1,138,465           | -                         | -                         | 1,138,465           |
| 233,274             | 63,082                    | -                         | 296,356             |
| 220,719             | (220,719)                 | -                         | -                   |
| <u>3,386,273</u>    | <u>62,265</u>             | <u>-</u>                  | <u>3,448,538</u>    |
| 821,428             | -                         | -                         | 821,428             |
| 2,407,935           | -                         | -                         | 2,407,935           |
| 194,027             | -                         | -                         | 194,027             |
| 5,019               | -                         | -                         | 5,019               |
| 123,924             | -                         | -                         | 123,924             |
| <u>3,552,333</u>    | <u>-</u>                  | <u>-</u>                  | <u>3,552,333</u>    |
| <u>6,938,606</u>    | <u>62,265</u>             | <u>-</u>                  | <u>7,000,871</u>    |
| 5,849,499           | -                         | -                         | 5,849,499           |
| 1,354,503           | -                         | -                         | 1,354,503           |
| <u>7,204,002</u>    | <u>-</u>                  | <u>-</u>                  | <u>7,204,002</u>    |
| (265,396)           | 62,265                    | -                         | (203,131)           |
| -                   | (576,868)                 | -                         | (576,868)           |
| <u>(130,522)</u>    | <u>130,522</u>            | <u>-</u>                  | <u>-</u>            |
| (395,918)           | (384,081)                 | -                         | (779,999)           |
| <u>183,873</u>      | <u>1,535,574</u>          | <u>1,557,929</u>          | <u>3,277,376</u>    |
| <u>\$ (212,045)</u> | <u>\$ 1,151,493</u>       | <u>\$ 1,557,929</u>       | <u>\$ 2,497,377</u> |

See accompanying notes to financial statements.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Statements of Cash Flows

Years Ended December 31, 2009 and 2008

|   | 2009              | 2008              |
|---|-------------------|-------------------|
| Cash flows from operating activities:   |                   |                   |
| Change in net assets  | \$ 733,651        | \$ (779,999)      |
| Adjustments to reconcile change in net assets to cash provided by (used in) operating activities: |                   |                   |
| Depreciation and amortization   | 10,445            | 14,435            |
| Transfer of property to Foundation  | -                 | 130,522           |
| Change in interest in net assets of the Foundation  | 38,797            | 446,346           |
| Changes in operating assets and liabilities:  |                   |                   |
| Accounts receivable   | 98,529            | (97,938)          |
| Pledges receivable  | (181,751)         | (66,720)          |
| Prepaid expenses  | 24,712            | (23,463)          |
| Accounts payable  | 20,250            | (11,767)          |
| Accrued liabilities   | (98,165)          | 10,822            |
| Accrued payroll   | (211,854)         | 136,966           |
| Deferred revenue  | 2,298             | (11,430)          |
| <b>Net cash provided by (used in) operating activities</b>  | <b>436,912</b>    | <b>(252,226)</b>  |
| Cash flows used in investing activities - Purchases of property and equipment                     | -                 | (3,224)           |
| Cash flows used in financing activities - Principal payments on notes payable                     | (450,000)         | (50,000)          |
| Decrease in cash and cash equivalents   | (13,088)          | (305,450)         |
| Cash and cash equivalents at beginning  | 369,011           | 674,461           |
| <b>Cash and cash equivalents at end</b>   | <b>\$ 355,923</b> | <b>\$ 369,011</b> |
| <b>Supplemental disclosures of cash flow information:</b>   |                   |                   |
| Cash paid during the year for interest  | \$ 146,199        | \$ 32,240         |

See accompanying notes to financial statements.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Statement of Functional Expense

Year Ended December 31, 2009

|                                   | Fundraising       | Support Services  | Prevention Child Abuse | Child Welfare     |
|-----------------------------------|-------------------|-------------------|------------------------|-------------------|
| Salaries                          | \$ 134,525        | \$ 579,313        | \$ 123,802             | \$ 272,426        |
| Fringe benefits                   | 12,541            | 58,552            | 19,329                 | 34,764            |
| Payroll taxes                     | 11,555            | 47,361            | 10,775                 | 23,643            |
| Contract services                 | 1,240             | 47,952            | 935                    | 6,336             |
| Supplies                          | 2,888             | 25,146            | 1,059                  | 2,873             |
| Telephone                         | -                 | 26,600            | 502                    | 5,072             |
| Postage                           | 29,513            | 5,986             | 302                    | 2,879             |
| Occupancy                         | 669               | 83,036            | 18,185                 | 30,134            |
| Repairs and maintenance           | 3,862             | 45,486            | 1,593                  | 2,997             |
| Printing and publications         | 95,379            | 2,569             | -                      | 882               |
| Transportation                    | 1,419             | 10,050            | 6,400                  | 18,529            |
| Conference and conventions        | 21                | 2,726             | 200                    | -                 |
| Specific assistance               | -                 | -                 | 1,685                  | 1,406             |
| Dues, subscriptions, and training | 1,502             | 5,356             | 1,062                  | 4,942             |
| Miscellaneous                     | -                 | 6,064             | 55                     | 1,723             |
| Depreciation and amortization     | -                 | 1,819             | 374                    | -                 |
| Interest                          | -                 | 21,521            | -                      | -                 |
| <b>Total expense</b>              | <b>\$ 295,114</b> | <b>\$ 969,537</b> | <b>\$ 186,258</b>      | <b>\$ 408,606</b> |

| Migration and<br>Refugee<br>Services | Ministry to<br>Persons with<br>Disabilities | Older Adults        | Family<br>Counseling | Immigration<br>Legal<br>Services | Total               |
|--------------------------------------|---|---------------------|----------------------|----------------------------------|---------------------|
| \$ 207,294                           | \$ 694,261                                  | \$ 760,309          | \$ 751,356           | \$ 203,477                       | \$ 3,726,763        |
| 22,252                               | 89,437                                      | 125,921             | 141,932              | 41,446                           | 546,174             |
| 17,370                               | 66,890                                      | 66,728              | 57,910               | 16,488                           | 318,720             |
| 1,404                                | 9,551                                       | 5,849               | 25,586               | 5,644                            | 104,497             |
| 4,436                                | 3,239                                       | 10,366              | 11,217               | 8,305                            | 69,529              |
| 10,036                               | 5,336                                       | 4,900               | 15,725               | 2,273                            | 70,444              |
| 252                                  | 1,251                                       | 2,254               | 1,894                | 7,683                            | 52,014              |
| 16,834                               | 57,262                                      | 100,398             | 84,377               | 30,580                           | 421,475             |
| 9,066                                | 3,363                                       | 16,749              | 8,172                | 198                              | 91,486              |
| 436                                  | 24  | 992                 | 14,270               | 3,397                            | 117,949             |
| 19,015                               | 8,043                                       | 13,059              | 27,243               | 3,130                            | 106,888             |
| 32                                   | 90  | 591                 | 462                  | 1,801                            | 5,923               |
| 10,061                               | 46,344                                      | 41,977              | 5,539                | -                                | 107,012             |
| 1,576                                | 3,119                                       | 7,529               | 10,427               | 6,652                            | 42,165              |
| 10                                   | 16,228                                      | 1,984               | 421                  | 93                               | 26,578              |
| -                                    | 536   | 3,975               | 3,741                | -                                | 10,445              |
| -                                    | -   | -                   | -                    | -                                | 21,521              |
| <b>\$ 320,074</b>                    | <b>\$ 1,004,974</b>                         | <b>\$ 1,163,581</b> | <b>\$ 1,160,272</b>  | <b>\$ 331,167</b>                | <b>\$ 5,839,583</b> |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Statement of Functional Expense (Continued)

Year Ended December 31, 2008

|                                   | Fundraising       | Support Services    | Prevention Child Abuse | Child Welfare     |
|-----------------------------------|-------------------|---------------------|------------------------|-------------------|
| Salaries                          | \$ 157,753        | \$ 499,686          | \$ 127,153             | \$ 272,178        |
| Fringe benefits                   | 20,794            | 68,665              | 17,236                 | 37,606            |
| Payroll taxes                     | 13,918            | 42,634              | 11,682                 | 23,968            |
| Contract services                 | 4,672             | 81,169              | -                      | 3,370             |
| Supplies                          | 2,647             | 14,620              | 946                    | 3,472             |
| Telephone                         | -                 | 49,158              | 2,816                  | 8,921             |
| Postage                           | 27,960            | 6,118               | 553                    | 2,792             |
| Occupancy                         | 150               | 82,406              | 17,413                 | 28,189            |
| Repairs and maintenance           | -                 | 70,045              | 3,477                  | 3,176             |
| Printing and publications         | 120,973           | 7,271               | 110                    | 1,809             |
| Transportation                    | 1,247             | 6,320               | 4,734                  | 18,020            |
| Conference and conventions        | -                 | 8,708               | -                      | 12                |
| Specific assistance               | -                 | -                   | 1,048                  | 4,046             |
| Dues, subscriptions, and training | 1,015             | 16,426              | 1,546                  | 3,861             |
| Miscellaneous                     | 1,741             | 11,368              | 20                     | 5,184             |
| Depreciation and amortization     | -                 | 1,819               | 374                    | -                 |
| Interest                          | -                 | 35,220              | -                      | -                 |
| <b>Total expenses</b>             | <b>\$ 352,870</b> | <b>\$ 1,001,633</b> | <b>\$ 189,108</b>      | <b>\$ 416,604</b> |

| Migration and<br>Refugee<br>Services | Ministry to<br>Persons with<br>Disabilities | Social<br>Ministries | Older Adults        | Family<br>Counseling | Immigration<br>Legal<br>Services | Total               |
|--------------------------------------|---|----------------------|---------------------|----------------------|----------------------------------|---------------------|
| \$ 244,728                           | \$ 392,845                                  | \$ 1,517,896         | \$ 673,577          | \$ 533,166           | \$ 207,200                       | \$ 4,626,182        |
| 34,473                               | 97,292                                      | 160,372              | 105,215             | 96,889               | 35,049                           | 673,591             |
| 20,841                               | 33,994                                      | 143,917              | 62,944              | 40,540               | 17,578                           | 412,016             |
| -                                    | 599   | 17,640               | 3,741               | 15,926               | 5,833                            | 132,950             |
| 11,865                               | 4,655                                       | 17,981               | 11,223              | 7,642                | 6,722                            | 81,773              |
| 9,483                                | 8,873                                       | 12,161               | 5,344               | 15,330               | 3,510                            | 115,595             |
| 213                                  | 1,080                                       | 1,930                | 1,316               | 1,292                | 9,482                            | 52,736              |
| 21,022                               | 28,133                                      | 101,161              | 67,929              | 60,497               | 17,102                           | 424,001             |
| 3,275                                | 1,177                                       | 7,311                | 9,703               | 5,559                | -                                | 103,724             |
| 143                                  | 1,227                                       | 711                  | 1,322               | 7,232                | 3,739                            | 144,538             |
| 29,755                               | 14,214                                      | 14,535               | 18,466              | 11,158               | 3,170                            | 121,619             |
| 275                                  | 9   | -                    | 419                 | 199                  | 28                               | 9,650               |
| 6,685                                | 22,618                                      | 104,432              | 39,425              | 6,590                | -                                | 184,844             |
| 754                                  | 2,220                                       | 1,324                | 4,692               | 8,088                | 3,219                            | 43,145              |
| 25                                   | 962   | 1,623                | 6,126               | 905                  | 30                               | 27,984              |
| 3,224                                | -   | 1,302                | 3,975               | 3,741                | -                                | 14,435              |
| -                                    | -   | -                    | -                   | -                    | -                                | 35,220              |
| <b>\$ 386,761</b>                    | <b>\$ 609,898</b>                           | <b>\$ 2,104,296</b>  | <b>\$ 1,015,416</b> | <b>\$ 814,754</b>    | <b>\$ 312,662</b>                | <b>\$ 7,204,002</b> |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies**

#### **Nature of Activities**

Catholic Charities of the Archdiocese of Milwaukee, Inc. (“Catholic Charities”) is a nonprofit corporation whose mission (“a way of caring”), inspired by Christ’s call to serve and Catholic social teachings, helps to build a just and caring community by providing social services to those in need and by advocating for justice and equality in all societal structures.

This mission is carried out primarily within the ten-county Archdiocese of Milwaukee area in response to local needs and in collaboration with other organizations.

#### **Financial Statement Presentation**

The Financial Accounting Standards Board (FASB) issued the Accounting Standards Codification (ASC) effective for financial statements for annual periods ending after September 15, 2009. The ASC is an aggregation of previously issued authoritative accounting principles generally accepted in the United States (“GAAP”) in one comprehensive set of guidance organized by subject area. In accordance with the ASC, references to previously issued accounting standards have been replaced by ASC references.

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with ASC Topic 958, *Not-for-profit Entities*.

#### **Use of Estimates in the Preparation of Financial Statements**

The preparation of financial statements in conformity with GAAP in the United States requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements. Estimates also affect the reported amounts of revenue and expenses during the reporting period. Actual results may differ from those estimates.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **Net assets**

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

- *Unrestricted net assets* are the assets of Catholic Charities that are neither permanently restricted nor temporarily restricted by donor-imposed stipulations. Unrestricted net assets include amounts available for support of Catholic Charities operations and amounts designated by management and the administrative team for specific purposes.
- *Temporarily restricted net assets* are those assets whose use by Catholic Charities has been limited by donors to a specific time period or purpose.
- *Permanently restricted net assets* have been restricted by donors to be maintained by Catholic Charities in perpetuity.

#### **Cash Equivalents**

Catholic Charities considers all highly liquid debt instruments with an original maturity of three months or less when purchased to be cash equivalents.

#### **Accounts Receivable and Credit Policy**

Accounts receivable are generally uncollateralized client obligations due upon receipt. Payments of accounts receivable are allocated to the specific invoices identified on the client's remittance advice or, if unspecified, are applied to the earliest unpaid invoices. Management individually reviews all past due accounts receivable balances and estimates the portion, if any, of the balance that will not be collected. The carrying amount of accounts receivable are reduced by allowances that reflect management's estimate of uncollectible amounts.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **Pledges Receivable**

Pledges are recorded as receivables in the year pledged. Pledges and other promises to give whose eventual uses are restricted by the donors are recorded as increases in temporarily restricted net assets. Unrestricted pledges to be collected in future periods are also recorded as an increase to temporarily restricted net assets, and reclassified to unrestricted net assets when received.

Pledges that are expected to be collected in future years are recorded at the present value of estimated future cash flows using a discount rate of 2% at December 31, 2009 and 2008.

The carrying amount of pledges receivable are reduced by allowances that reflect management's estimate of uncollectible amounts.

#### **Donor-Restricted Gifts**

Unconditional promises to give cash and other assets to Catholic Charities are reported at fair value at the date the promise is received. Conditional promises to give and indications of intentions to give are reported at fair value at the date the gift is deemed unconditional. Pledges and other promises to give whose eventual uses are restricted by the donors are recorded as increases in temporarily restricted net assets; unrestricted pledges to be collected in future periods are also recorded as an increase in temporarily restricted net assets, and reclassified to unrestricted net assets when received. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified as unrestricted net assets and reported in the statement of activities as net assets released from restrictions. Donor-restricted contributions whose restrictions are met within the same year as received are reported as unrestricted contributions in the accompanying financial statements.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **Property and Equipment**

All property is recorded at cost except for donated property which is recorded at fair market value at the date of the gift. Depreciation of buildings and equipment is computed on the straight-line method based on the estimated useful lives of the respective assets. Leasehold improvements are capitalized and amortized over the lives of the respective leases or the expected lives of the improvements if shorter. Estimated lives of depreciable assets are as follows:

|                        | <b>Useful Lives</b>             |
|------------------------|---------------------------------|
| Building               | 30 years                        |
| Leasehold improvements | Over the lease term or 20 years |
| Equipment              | 3 to 10 years                   |

#### **In-Kind Rent**

Catholic Charities utilizes office space donated by the Archdiocese of Milwaukee. Management, in order to recognize the value of office space, has elected to value the space at a comparable fair market value.

#### **Deferred Revenue**

Funds available for use in future periods have been classified as deferred revenue. The amounts will be recognized in future periods as the services are provided.

#### **Government Contracts**

Contract revenue represents grants and contracts with various funding sources. Cost reimbursement contracts recognize revenue in the accounting period when the expenses are incurred. Performance contracts recognize revenue based on the accomplishment of contract objectives without regard for expenditures.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 1      **Summary of Significant Accounting Policies** (Continued)

#### **Advertising Costs**

Catholic Charities expenses advertising costs as incurred.

#### **Income Taxes**

Catholic Charities is a nonprofit corporation as described in Section 501(c)(3) of the Internal Revenue Code (the "Code"), and is exempt from federal and state income taxes on related income pursuant to Section 501(a) of the Code. The Organization is also exempt from state income taxes on the related income.

#### **Reclassifications**

Certain reclassifications have been made to the 2008 financial statements to conform to the 2009 classifications. There was no effect upon the change in net assets.

#### **New Accounting Pronouncement**

In 2009, Catholic Charities adopted ASC Topic 855, *Subsequent Events*, which modifies the definition of subsequent events and requires disclosure of the date through which an entity has evaluated subsequent events and the basis for that date.

Subsequent events have been evaluated through May 10, 2010, which is the date the financial statements were available to be issued.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

### Note 2 Pledges Receivable

Pledges receivable consisted of the following at December 31:

|  | 2009       | 2008       |
|--|------------|------------|
| Less than one year                       | \$ 439,735 | \$ 249,902 |
| One to five years                        | 25,000     | 50,000     |
| Gross pledges receivable                 | 464,735    | 299,902    |
| Less allowance for uncollectible pledges | -          | (14,521)   |
| Less unamortized discount                | -          | (2,397)    |
| Pledges receivable - Net                 | 464,735    | 282,984    |
| Less current portion                     | (439,735)  | (249,902)  |
| Pledges receivable - Noncurrent          | \$ 25,000  | \$ 33,082  |

Included in pledges receivable at December 31, 2009, is management's estimate of a bequest of non-liquid assets, including real estate and personal property, valued at \$200,000. The actual amount of proceeds upon sale of these non-liquid assets may differ from that estimate.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 3 Interest in Net Assets of Foundation

In accordance with the provisions of GAAP, amounts held by a recipient organization for the benefit of Catholic Charities are required to be reported as an asset of Catholic Charities. Accordingly, Catholic Charities recognizes the interest in net assets of the recipient organizations and adjusts that interest for its share of the change in net assets.

Catholic Charities Foundation of the Archdiocese of Milwaukee, Inc. (the "Foundation") is a nonprofit, nonstock corporation organized for the purpose of providing ongoing support to Catholic Charities.

The interest in net assets of the Foundation is reported in the accompanying financial statements at December 31, 2009 and 2008 as follows:

|   | 2009         | 2008         |
|---|--------------|--------------|
| Catholic Charities Foundation of the Archdiocese of Milwaukee, Inc.:                                    |              |              |
| Temporarily restricted  | \$ 819,712   | \$ 858,509   |
| Permanently restricted  | 1,548,507    | 1,548,507    |
| Total interest in the net assets of Catholic Charities Foundation of the Archdiocese of Milwaukee, Inc. | \$ 2,368,219 | \$ 2,407,016 |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

### Note 4 Temporarily and Permanently Restricted Net Assets

Restricted net assets were available for the following purposes at December 31, 2009 and 2008:

|                                     | 2009                | 2008                |
|-------------------------------------|---------------------|---------------------|
| Temporarily restricted:             |                     |                     |
| As to use:                          |                     |                     |
| Behavioral Health                   | \$ -                | \$ 5,000            |
| Other programs                      | -                   | 5,000               |
| As to timing:                       |                     |                     |
| Held by the Foundation              | 819,712             | 858,509             |
| Pledges receivable                  | 464,735             | 282,984             |
| <b>Total temporarily restricted</b> | <b>1,284,447</b>    | <b>1,151,493</b>    |
| Permanently restricted:             |                     |                     |
| Pregnancy Counseling and Support    | 9,422               | 9,422               |
| Held by the Foundation              | 1,548,507           | 1,548,507           |
| <b>Total permanently restricted</b> | <b>1,557,929</b>    | <b>1,557,929</b>    |
| <b>Total restricted net assets</b>  | <b>\$ 2,842,376</b> | <b>\$ 2,709,422</b> |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

### Note 5 Notes Payable

Notes payable consisted of the following at December 31, 2009 and 2008:

|  | 2009 | 2008       |
|--|------|------------|
| Unsecured note payable to the Archdiocese of Milwaukee, bearing interest at 7.0% payable quarterly. The remaining outstanding principal was paid in full in December 2009. | \$ - | \$ 300,000 |
| Unsecured note payable to the Archdiocese of Milwaukee, bearing interest at 7.0% payable quarterly. The remaining outstanding principal was paid in full in December 2009. | -    | 150,000    |
| Total  | -    | 450,000    |
| Less current maturities  | -    | (45,000)   |
| Long-term portion  | \$ - | \$ 405,000 |

### Note 6 Lease Obligations

Catholic Charities leases certain facilities and office equipment under several third-party leases which are classified as operating leases. The leases expire at various dates through 2014. Monthly lease payments range from approximately \$36 to \$1,710. Under the terms of the leases, Catholic Charities is responsible for substantially all operating costs of the leased facilities. Lease expense, excluding related party lease expense (Note 7), was approximately \$194,000 and \$202,000 in 2009 and 2008, respectively.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 6 Lease Obligations (Continued)

Approximate future minimum lease payments for non-cancelable operating leases are as follows:

#### Years Ending December 31,

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|       |    |         |
|-------|----|---------|
| 2010  | \$ | 71,000  |
| 2011  |    | 33,000  |
| 2012  |    | 10,000  |
| 2013  |    | 9,000   |
| 2014  |    | 1,000   |
| <hr/> |    |         |
| Total | \$ | 124,000 |

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### Note 7 Related Party Transactions

Catholic Charities leases several of its facilities under related party leases with the Foundation. The leases expire at various dates. Monthly lease payments range from \$1 to \$1,267. Under the terms of the agreements, Catholic Charities is responsible for substantially all operating costs of the leased facilities. Total lease expense related to these related party leases was \$30,212 and \$30,216 in 2009 and 2008, respectively.

Catholic Charities received contributions of \$354,241 and \$73,421 from the Foundation in 2009 and 2008, respectively. These amounts were unrestricted as to use.

Catholic Charities transferred property with a net book value of \$130,522 to the Foundation in 2008.

Accounts payable due to the Foundation at December 31, 2009 and 2008 totaled approximately \$70,500 and \$42,800, respectively.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 8 Retirement Plan

Catholic Charities has a defined contribution tax-sheltered annuity plan that covers substantially all employees. Plan participants who are not covered by the collective bargaining agreement receive an employer matching contribution up to 2% of compensation. Furthermore, employer base contributions are 4% of compensation for participants not covered by the collective bargaining agreement and 5% of compensation for participants covered by the collective bargaining agreement. Matching and base contributions made by Catholic Charities for the years ended December 31, 2009 and 2008 were \$139,871 and \$168,130, respectively.

### Note 9 Concentrations

Concentrations in support, transfers, and revenues for the years ended December 31, 2009 and 2008 are as follows:

|                          | 2009  | 2008  |
|--------------------------|-------|-------|
| Milwaukee County         | 18.8% | 28.1% |
| Archdiocese of Milwaukee | 17.7% | 16.7% |
| United Way               | 12.4% | 12.0% |
| Total                    | 48.8% | 56.8% |

Catholic Charities has a collective bargaining agreement, which covers approximately 36% of employees.

Catholic Charities maintains depository relationships with area financial institutions, including banks participating in the Federal Deposit Insurance Corporation's (FDIC) Transaction Account Guarantee Program. Under this Program, non-interest bearing transaction accounts are fully guaranteed by the FDIC through December 31, 2010. Catholic Charities also maintains interest bearing transaction accounts, which are insured by the FDIC up to \$250,000. Catholic Charities has not experienced any losses with these accounts. Management believes Catholic Charities is not exposed to any significant risk on cash and cash equivalents.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Notes to Financial Statements

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### Note 10      Contingencies

Catholic Charities is subject to legal proceedings and claims that arise in the ordinary course of business. While any proceeding or litigation has an element of uncertainty, management of Catholic Charities believes that the outcome of any pending litigation or threatened actions will not have a material adverse effect on the financial condition of the Organization.

## Additional Information

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# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - Summary by Area Office Year Ended December 31, 2009

|  | Central<br>Administration | Milwaukee        | South          | North          | Waukesha       | Child Welfare  |
|--|---------------------------|------------------|----------------|----------------|----------------|----------------|
| Support:                                     |                           |                  |                |                |                |                |
| United Way                                   | \$ -                      | \$ 250,469       | \$ 38,358      | \$ 68,014      | \$ 239,073     | \$ 48,217      |
| Archdiocese of Milwaukee                     | -                         | 388,785          | 284,805        | 36,945         | 234,316        | 226,260        |
| Contributions                                | 12,515                    | 19,587           | -              | 24,236         | 21,489         | 61,239         |
| Grants and foundations                       | -                         | 15,650           | -              | 500            | -              | -              |
| <b>Total support</b>                         | <b>12,515</b>             | <b>674,491</b>   | <b>323,163</b> | <b>129,695</b> | <b>494,878</b> | <b>335,716</b> |
| Revenue:                                     |                           |                  |                |                |                |                |
| Program service fees                         | -                         | 162,132          | 20,616         | 72,885         | 153,800        | 40,366         |
| Government contracts                         | -                         | 518,818          | 313            | -              | 94,171         | 45,198         |
| Rent and reimbursement                       | 1,737                     | 5,156            | -              | 35,658         | 762            | -              |
| In-kind                                      | 80,000                    | 8,185            | -              | -              | -              | -              |
| Investment Income                            | 351                       | -                | -              | -              | -              | -              |
| <b>Total revenue</b>                         | <b>82,088</b>             | <b>694,291</b>   | <b>20,929</b>  | <b>108,543</b> | <b>248,733</b> | <b>85,564</b>  |
| Net assets released from restrictions        | -                         | -                | -              | -              | -              | -              |
| Net assets released from Board restrictions  | 192,184                   | 251,333          | 77,568         | 154,551        | 72,275         | 15,529         |
| <b>Total support, revenue, and transfers</b> | <b>286,787</b>            | <b>1,620,115</b> | <b>421,660</b> | <b>392,789</b> | <b>815,886</b> | <b>436,809</b> |
| Expenses:                                    |                           |                  |                |                |                |                |
| Salaries                                     | 713,839                   | 861,220          | 227,992        | 207,209        | 439,134        | 242,299        |
| Fringe benefits                              | 71,092                    | 142,811          | 35,547         | 25,740         | 80,558         | 32,433         |
| Payroll taxes                                | 58,918                    | 73,846           | 17,810         | 18,325         | 34,391         | 20,967         |
| Contract services                            | 49,191                    | 22,216           | 1,615          | 5,518          | 3,122          | 6,203          |
| Supplies                                     | 28,038                    | 15,056           | 3,651          | 2,015          | 5,038          | 2,593          |
| Telephone                                    | 26,600                    | 16,260           | 5,842          | 4,454          | 3,864          | 4,252          |
| Postage                                      | 35,498                    | 2,742            | 243            | 679            | 759            | 2,867          |
| Occupancy                                    | 83,703                    | 93,562           | 29,624         | 33,627         | 56,327         | 29,025         |
| Repairs and maintenance                      | 49,346                    | 24,218           | 566            | 3,942          | 6,855          | 1,908          |
| Printing and publications                    | 97,949                    | 6,275            | 5,363          | 1,808          | 2,173          | 882            |
| Transportation                               | 11,469                    | 28,660           | 14,764         | 11,317         | 13,254         | 14,944         |
| Conference and conventions                   | 2,747                     | 465              | 199            | -              | 419            | -              |
| Specific assistance                          | -                         | 34,857           | 1,126          | 3,108          | 20,171         | 1,406          |
| Dues and subscriptions                       | 4,567                     | 6,990            | 2,735          | 3,169          | 4,934          | 4,215          |
| Staff training                               | 2,292                     | 535              | 117            | 35             | 431            | 613            |
| Miscellaneous                                | 6,058                     | 926              | -              | 45             | 137            | 1,726          |
| Depreciation                                 | 1,819                     | 3,975            | -              | 4,115          | -              | -              |
| Interest                                     | 21,521                    | -                | -              | -              | -              | -              |
| Information systems allocation               | (174,693)                 | 51,261           | 13,205         | 12,004         | 25,827         | 13,984         |
| Administrative allocation                    | (803,167)                 | 234,240          | 61,261         | 55,679         | 118,492        | 56,492         |
| <b>Total expenses</b>                        | <b>286,787</b>            | <b>1,620,115</b> | <b>421,660</b> | <b>392,789</b> | <b>815,886</b> | <b>436,809</b> |
| Increase in net assets                       | \$ -                      | \$ -             | \$ -           | \$ -           | \$ -           | \$ -           |

|                 | Ministry to  |                |             |      |           |
|-----------------|--------------|----------------|-------------|------|-----------|
|                 | Persons with | Immigration    |             |      |           |
| Social Ministry | Disabilities | Legal Services | Other       |      | Total     |
| \$ -            | \$ -         | \$ -           | \$ -        | \$ - | 644,131   |
| -               | -            | -              | -           | -    | 1,171,111 |
| 113             | 31,611       | 17,977         | 1,506,745   |      | 1,695,512 |
| -               | -            | 59,750         | 354,241     |      | 430,141   |
| 113             | 31,611       | 77,727         | 1,860,986   |      | 3,940,895 |
| 900             | 28,827       | 48,002         | -           |      | 527,528   |
| -               | 849,322      | -              | -           |      | 1,507,822 |
| 6               | 89,071       | 125            | -           |      | 132,515   |
| -               | -            | -              | -           |      | 88,185    |
| -               | -            | -              | -           |      | 351       |
| 906             | 967,220      | 48,127         | -           |      | 2,256,401 |
| -               | -            | -              | 242,984     |      | 242,984   |
| 243,576         | 217,142      | 279,115        | (1,503,273) |      | -         |
| 244,595         | 1,215,973    | 404,969        | 600,697     |      | 6,440,280 |
| 137,332         | 694,261      | 203,477        | -           |      | 3,726,763 |
| 27,110          | 89,437       | 41,446         | -           |      | 546,174   |
| 11,085          | 66,890       | 16,488         | -           |      | 318,720   |
| 1,437           | 9,551        | 5,644          | -           |      | 104,497   |
| 1,594           | 3,239        | 8,305          | -           |      | 69,529    |
| 1,563           | 5,336        | 2,273          | -           |      | 70,444    |
| 292             | 1,251        | 7,683          | -           |      | 52,014    |
| 7,765           | 57,262       | 30,580         | -           |      | 421,475   |
| 1,090           | 3,363        | 198            | -           |      | 91,486    |
| 78              | 24           | 3,397          | -           |      | 117,949   |
| 1,307           | 8,043        | 3,130          | -           |      | 106,888   |
| 202             | 90           | 1,801          | -           |      | 5,923     |
| -               | 46,344       | -              | -           |      | 107,012   |
| 1,721           | 3,119        | 5,497          | -           |      | 36,947    |
| 40              | -            | 1,155          | -           |      | 5,218     |
| 1,365           | 16,228       | 93             | -           |      | 26,578    |
| -               | 536          | -              | -           |      | 10,445    |
| -               | -            | -              | -           |      | 21,521    |
| 8,709           | 36,908       | 12,795         | -           |      | -         |
| 41,905          | 174,091      | 61,007         | -           |      | -         |
| 244,595         | 1,215,973    | 404,969        | -           |      | 5,839,583 |
| \$ -            | \$ -         | \$ -           | \$ 600,697  | \$   | 600,697   |

See independent auditor's report.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - Milwaukee Area Office Year Ended December 31, 2009

|   | Behavioral Health | In-Home Support | Migration and<br>Refugee Services | Outreach       |
|---|-------------------|-----------------|-----------------------------------|----------------|
| Support:                                    |                   |                 |                                   |                |
| United Way                                  | \$ 148,607        | \$ 62,235       | \$ -                              | \$ 39,627      |
| Archdiocese of Milwaukee                    | 153,636           | 104,582         | -                                 | 64,442         |
| Contributions                               | -                 | -               | 18,262                            | 575            |
| Grants and foundations                      | -                 | 8,150           | -                                 | -              |
| <b>Total support</b>                        | <b>302,243</b>    | <b>174,967</b>  | <b>18,262</b>                     | <b>104,644</b> |
| Revenue:                                    |                   |                 |                                   |                |
| Program service fees                        | 104,547           | 28,889          | -                                 | -              |
| Government contracts                        | -                 | 82,515          | 192,047                           | -              |
| In-kind                                     | -                 | -               | 8,185                             | -              |
| Rent and reimbursement                      | 154               | -               | 55                                | 1,156          |
| <b>Total revenue</b>                        | <b>104,701</b>    | <b>111,404</b>  | <b>200,287</b>                    | <b>1,156</b>   |
| Net assets released from Board restrictions | 42,903            | 26,986          | 146,816                           | 11,168         |
| <b>Total support, revenue and transfers</b> | <b>449,847</b>    | <b>313,357</b>  | <b>365,365</b>                    | <b>116,968</b> |
| Expenses:                                   |                   |                 |                                   |                |
| Salaries                                    | 237,221           | 180,805         | 197,833                           | 63,502         |
| Fringe benefits                             | 59,157            | 29,309          | 20,140                            | 11,694         |
| Payroll taxes                               | 19,226            | 15,996          | 16,677                            | 5,190          |
| Contract services                           | 17,954            | 1,425           | 1,255                             | 344            |
| Supplies                                    | 3,599             | 2,606           | 4,469                             | 1,527          |
| Telephone                                   | 3,471             | 1,648           | 9,876                             | 974            |
| Postage                                     | 899               | 1,220           | 48                                | 184            |
| Occupancy                                   | 16,072            | 11,202          | 10,707                            | 4,599          |
| Repairs and maintenance                     | 3,758             | 3,903           | 9,281                             | 1,388          |
| Printing and publications                   | 3,214             | 9               | 436                               | 2,282          |
| Transportation                              | 1,182             | 5,824           | 18,535                            | 2,405          |
| Conference and conventions                  | 181               | 119             | 32                                | 83             |
| Specific assistance                         | 20                | 157             | 9,861                             | 1,485          |
| Dues and subscriptions                      | 2,339             | 1,415           | 1,448                             | 599            |
| Staff training                              | 18                | 62              | -                                 | -              |
| Miscellaneous                               | 225               | 452             | 11                                | 198            |
| Depreciation                                | -                 | -               | -                                 | -              |
| Information systems allocation              | 14,589            | 9,821           | 11,690                            | 3,621          |
| Administrative allocation                   | 66,722            | 47,384          | 53,066                            | 16,893         |
| <b>Total expenses</b>                       | <b>449,847</b>    | <b>313,357</b>  | <b>365,365</b>                    | <b>116,968</b> |
| Increase in net assets                      | \$ -              | \$ -            | \$ -                              | \$ -           |

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| Adult Day Care | Total            |
|----------------|------------------|
| \$ -           | \$ 250,469       |
| 66,125         | 388,785          |
| 750            | 19,587           |
| 7,500          | 15,650           |
| <u>74,375</u>  | <u>674,491</u>   |
| 28,696         | 162,132          |
| 244,256        | 518,818          |
| -              | 8,185            |
| 3,791          | 5,156            |
| <u>276,743</u> | <u>694,291</u>   |
| 23,460         | 251,333          |
| <u>374,578</u> | <u>1,620,115</u> |
| 181,859        | 861,220          |
| 22,511         | 142,811          |
| 16,757         | 73,846           |
| 1,238          | 22,216           |
| 2,855          | 15,056           |
| 291            | 16,260           |
| 391            | 2,742            |
| 50,982         | 93,562           |
| 5,888          | 24,218           |
| 334            | 6,275            |
| 714            | 28,660           |
| 50             | 465              |
| 23,334         | 34,857           |
| 1,189          | 6,990            |
| 455            | 535              |
| 40             | 926              |
| 3,975          | 3,975            |
| 11,540         | 51,261           |
| 50,175         | 234,240          |
| <u>374,578</u> | <u>1,620,115</u> |
| <u>\$ -</u>    | <u>\$ -</u>      |

See independent auditor's report.

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - South Area Office Year Ended December 31, 2009

|   | Family Counseling | Outreach       | Total          |
|---|-------------------|----------------|----------------|
| Support:                                    |                   |                |                |
| United Way                                  | \$ -              | \$ 38,358      | \$ 38,358      |
| Archdiocese of Milwaukee                    | 138,856           | 145,949        | 284,805        |
| <b>Total support</b>                        | <b>138,856</b>    | <b>184,307</b> | <b>323,163</b> |
| Revenue:                                    |                   |                |                |
| Program service fees                        | 20,616            | -              | 20,616         |
| Government contracts                        | 313               | -              | 313            |
| <b>Total revenue</b>                        | <b>20,929</b>     | <b>-</b>       | <b>20,929</b>  |
| Net assets released from Board restrictions | 63,896            | 13,672         | 77,568         |
| <b>Total support, revenue and transfers</b> | <b>223,681</b>    | <b>197,979</b> | <b>421,660</b> |
| Expenses:                                   |                   |                |                |
| Salaries                                    | 119,893           | 108,099        | 227,992        |
| Fringe benefits                             | 21,946            | 13,601         | 35,547         |
| Payroll taxes                               | 8,492             | 9,318          | 17,810         |
| Contract services                           | 853               | 762            | 1,615          |
| Supplies                                    | 2,006             | 1,645          | 3,651          |
| Telephone                                   | 2,969             | 2,873          | 5,842          |
| Postage                                     | 189               | 54             | 243            |
| Occupancy                                   | 15,762            | 13,862         | 29,624         |
| Repairs and maintenance                     | 283               | 283            | 566            |
| Printing and publications                   | 3,892             | 1,471          | 5,363          |
| Transportation                              | 4,836             | 9,928          | 14,764         |
| Conferences and conventions                 | 109               | 90             | 199            |
| Specific assistance                         | -                 | 1,126          | 1,126          |
| Dues and subscriptions                      | 1,524             | 1,211          | 2,735          |
| Staff training                              | 35                | 82             | 117            |
| Information systems allocation              | 7,243             | 5,962          | 13,205         |
| Administrative allocation                   | 33,649            | 27,612         | 61,261         |
| <b>Total expenses</b>                       | <b>223,681</b>    | <b>197,979</b> | <b>421,660</b> |
| Increase in net assets                      | \$ -              | \$ -           | \$ -           |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - North Area Office Year Ended December 31, 2009

|   | Behavioral Health | Outreach      | Catholic Schools | Migration and Refugee Services | Total          |
|---|-------------------|---------------|------------------|--------------------------------|----------------|
| Support:                                    |                   |               |                  |                                |                |
| United Way                                  | \$ 52,163         | \$ -          | \$ -             | \$ 15,851                      | \$ 68,014      |
| Archdiocese of Milwaukee                    | -                 | 17,693        | 19,252           | -                              | 36,945         |
| Contributions                               | -                 | -             | 23,636           | 600                            | 24,236         |
| Grants and foundations                      | -                 | -             | -                | 500                            | 500            |
| <b>Total support</b>                        | <b>52,163</b>     | <b>17,693</b> | <b>42,888</b>    | <b>16,951</b>                  | <b>129,695</b> |
| Revenue:                                    |                   |               |                  |                                |                |
| Program service fee                         | 21,623            | -             | 51,262           | -                              | 72,885         |
| Rent and reimbursement                      | 11,143            | -             | -                | 24,515                         | 35,658         |
| <b>Total revenue</b>                        | <b>32,766</b>     | <b>-</b>      | <b>51,262</b>    | <b>24,515</b>                  | <b>108,543</b> |
| Net assets released from Board restrictions | 120,614           | -             | -                | 33,937                         | 154,551        |
| <b>Total support, revenue and transfers</b> | <b>205,543</b>    | <b>17,693</b> | <b>94,150</b>    | <b>75,403</b>                  | <b>392,789</b> |
| Expenses:                                   |                   |               |                  |                                |                |
| Salaries                                    | 102,242           | 10,972        | 54,410           | 39,585                         | 207,209        |
| Fringe benefits                             | 15,236            | 569           | 5,493            | 4,442                          | 25,740         |
| Payroll taxes                               | 8,816             | 1,113         | 5,029            | 3,367                          | 18,325         |
| Contract services                           | 4,671             | 138           | 427              | 282                            | 5,518          |
| Supplies                                    | 1,241             | 35            | 491              | 248                            | 2,015          |
| Telephone                                   | 3,111             | 114           | 250              | 979                            | 4,454          |
| Postage                                     | 241               | -             | 224              | 214                            | 679            |
| Occupancy                                   | 16,702            | 1,789         | 7,899            | 7,237                          | 33,627         |
| Repairs and maintenance                     | 1,863             | 79            | 1,125            | 875                            | 3,942          |
| Printing and publications                   | 1,597             | 211           | -                | -                              | 1,808          |
| Transportation                              | 5,321             | 1,026         | 904              | 4,066                          | 11,317         |
| Specific assistance                         | 2,908             | -             | -                | 200                            | 3,108          |
| Dues and subscriptions                      | 1,985             | 312           | 630              | 242                            | 3,169          |
| Staff training                              | 35                | -             | -                | -                              | 35             |
| Miscellaneous                               | -                 | -             | 45               | -                              | 45             |
| Depreciation                                | 3,741             | -             | 374              | -                              | 4,115          |
| Information systems allocation              | 6,521             | 100           | 2,950            | 2,433                          | 12,004         |
| Administration                              | 29,312            | 1,235         | 13,899           | 11,233                         | 55,679         |
| <b>Total expenses</b>                       | <b>205,543</b>    | <b>17,693</b> | <b>94,150</b>    | <b>75,403</b>                  | <b>392,789</b> |
| Increase in net assets                      | \$ -              | \$ -          | \$ -             | \$ -                           | \$ -           |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - Waukesha Area Office Year Ended December 31, 2009

|   | Behavioral<br>Health | In-Home<br>Support | Outreach      | Adult Day<br>Care | Supportive<br>Parenting | Best of<br>Friends | Total          |
|---|----------------------|--------------------|---------------|-------------------|-------------------------|--------------------|----------------|
| Support:                                    |                      |                    |               |                   |                         |                    |                |
| United Way                                  | \$ 79,434            | \$ 87,497          | \$ 30,144     | \$ -              | \$ 31,374               | \$ 10,624          | \$ 239,073     |
| Archdiocese of Milwaukee                    | 6,851                | 6,713              | 19,949        | 137,640           | 61,739                  | 1,424              | 234,316        |
| Contributions                               | -                    | 1,228              | 300           | 12,013            | 48                      | 7,900              | 21,489         |
| <b>Total support</b>                        | <b>86,285</b>        | <b>95,438</b>      | <b>50,393</b> | <b>149,653</b>    | <b>93,161</b>           | <b>19,948</b>      | <b>494,878</b> |
| Revenue:                                    |                      |                    |               |                   |                         |                    |                |
| Program service fees                        | 22,592               | 13,659             | -             | 93,537            | -                       | 24,012             | 153,800        |
| Government contracts                        | -                    | 17,247             | -             | 46,204            | 29,440                  | 1,280              | 94,171         |
| Rent and reimbursement                      | 32                   | -                  | -             | 130               | 600                     | -                  | 762            |
| <b>Total revenue</b>                        | <b>22,624</b>        | <b>30,906</b>      | <b>-</b>      | <b>139,871</b>    | <b>30,040</b>           | <b>25,292</b>      | <b>248,733</b> |
| Net assets released from Board designator   | 24,905               | 25,925             | 8,362         | 1,041             | 8,835                   | 3,207              | 72,275         |
| <b>Total support, revenue and transfers</b> | <b>133,814</b>       | <b>152,269</b>     | <b>58,755</b> | <b>290,565</b>    | <b>132,036</b>          | <b>48,447</b>      | <b>815,886</b> |
| Expenses:                                   |                      |                    |               |                   |                         |                    |                |
| Salaries                                    | 76,145               | 90,222             | 33,285        | 145,068           | 69,391                  | 25,023             | 439,134        |
| Fringe benefits                             | 12,821               | 13,230             | 6,909         | 29,609            | 13,836                  | 4,153              | 80,558         |
| Payroll taxes                               | 2,995                | 8,693              | 2,761         | 12,079            | 5,745                   | 2,118              | 34,391         |
| Contracted services                         | 535                  | 645                | 328           | 985               | 508                     | 121                | 3,122          |
| Supplies                                    | 956                  | 82                 | 208           | 3,045             | 568                     | 179                | 5,038          |
| Telephone                                   | 1,780                | 227                | 431           | 1,157             | 252                     | 17                 | 3,864          |
| Postage                                     | 249                  | 128                | 78            | 226               | 78                      | -                  | 759            |
| Occupancy                                   | 10,319               | 5,397              | 5,272         | 23,501            | 10,285                  | 1,553              | 56,327         |
| Repairs and maintenance                     | 290                  | 242                | 228           | 5,345             | 468                     | 282                | 6,855          |
| Printing and publications                   | 1,165                | 7                  | 437           | 330               | -                       | 234                | 2,173          |
| Transportation                              | 1,228                | 4,331              | 1,316         | 765               | 5,495                   | 119                | 13,254         |
| Conference and conventions                  | -                    | 169                | -             | 50                | 200                     | -                  | 419            |
| Specific assistance                         | -                    | 75                 | -             | 12,404            | 1,685                   | 6,007              | 20,171         |
| Dues and subscriptions                      | 1,587                | 696                | 611           | 1,374             | 435                     | 231                | 4,934          |
| Staff training                              | 16                   | 15                 | 71            | 308               | -                       | 21                 | 431            |
| Depreciation                                | -                    | -                  | -             | -                 | -                       | -                  | -              |
| Information systems allocation              | 4,245                | 4,959              | 967           | 9,774             | 4,307                   | 1,575              | 25,827         |
| Administrative allocation                   | 19,483               | 23,080             | 5,853         | 44,487            | 18,775                  | 6,814              | 118,492        |
| <b>Total expenses</b>                       | <b>133,814</b>       | <b>152,269</b>     | <b>58,755</b> | <b>290,565</b>    | <b>132,036</b>          | <b>48,447</b>      | <b>815,886</b> |
| Increase in net assets                      | \$ -                 | \$ -               | \$ -          | \$ -              | \$ -                    | \$ -               | \$ -           |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - Child Welfare Area Office Year Ended December 31, 2009

|   | Adoption       | Adoption Search | Special Needs Adoption | Pregnancy Counseling | Total          |
|---|----------------|-----------------|------------------------|----------------------|----------------|
| Support:                                    |                |                 |                        |                      |                |
| United Way                                  | \$ -           | \$ -            | \$ -                   | \$ 48,217            | \$ 48,217      |
| Archdiocese of Milwaukee                    | 178,778        | 29,334          | 17,148                 | 1,000                | 226,260        |
| Contributions                               | 21,667         | -               | 19,697                 | 19,875               | 61,239         |
| <b>Total support</b>                        | <b>200,445</b> | <b>29,334</b>   | <b>36,845</b>          | <b>69,092</b>        | <b>335,716</b> |
| Revenue:                                    |                |                 |                        |                      |                |
| Program service fees                        | 39,170         | -               | -                      | 1,196                | 40,366         |
| Government contracts                        | -              | -               | 45,198                 | -                    | 45,198         |
| <b>Total revenue</b>                        | <b>39,170</b>  | <b>-</b>        | <b>45,198</b>          | <b>1,196</b>         | <b>85,564</b>  |
| Net assets released from Board designation  | 871            | 145             | -                      | 14,513               | 15,529         |
| <b>Total support, revenue and transfers</b> | <b>240,486</b> | <b>29,479</b>   | <b>82,043</b>          | <b>84,801</b>        | <b>436,809</b> |
| Expenses:                                   |                |                 |                        |                      |                |
| Salaries                                    | 135,562        | 10,843          | 49,317                 | 46,577               | 242,299        |
| Fringe benefits                             | 15,125         | 1,981           | 5,888                  | 9,439                | 32,433         |
| Payroll taxes                               | 12,208         | 870             | 3,705                  | 4,184                | 20,967         |
| Contract services                           | 5,322          | 114             | 348                    | 419                  | 6,203          |
| Supplies                                    | 1,328          | 136             | 405                    | 724                  | 2,593          |
| Telephone                                   | 2,459          | 62              | 592                    | 1,139                | 4,252          |
| Postage                                     | 2,306          | 59              | 332                    | 170                  | 2,867          |
| Occupancy                                   | 15,700         | 9,935           | 983                    | 2,407                | 29,025         |
| Repairs and maintenance                     | 776            | 72              | 373                    | 687                  | 1,908          |
| Printing and publications                   | 879            | -               | -                      | 3                    | 882            |
| Transportation                              | 6,053          | 5               | 5,114                  | 3,772                | 14,944         |
| Specific assistance                         | 11             | -               | -                      | 1,395                | 1,406          |
| Dues and subscriptions                      | 1,781          | 698             | 597                    | 1,139                | 4,215          |
| Staff training                              | 363            | -               | 250                    | -                    | 613            |
| Miscellaneous                               | 1,405          | -               | 311                    | 10                   | 1,726          |
| Information systems allocation              | 7,675          | 945             | 2,794                  | 2,570                | 13,984         |
| Administrative allocation                   | 31,533         | 3,759           | 11,034                 | 10,166               | 56,492         |
| <b>Total expenses</b>                       | <b>240,486</b> | <b>29,479</b>   | <b>82,043</b>          | <b>84,801</b>        | <b>436,809</b> |
| Increase in net assets                      | \$ -           | \$ -            | \$ -                   | \$ -                 | \$ -           |

# Catholic Charities of the Archdiocese of Milwaukee, Inc.

## Schedule of Revenue and Expense - (Unrestricted) - Ministry to Persons With Disabilities Area Office

Year Ended December 31, 2009

|  | Supportive<br>Community<br>Living | North Side<br>Residence | South Side<br>Residence | Total     |
|--|-----------------------------------|-------------------------|-------------------------|-----------|
| Support:                                   |                                   |                         |                         |           |
| Contributions                              | \$ -                              | \$ 24,591               | \$ 7,020                | \$ 31,611 |
| Revenue:                                   |                                   |                         |                         |           |
| Program service fees                       | 28,827                            | -                       | -                       | 28,827    |
| Government contracts                       | 251,598                           | 289,683                 | 308,041                 | 849,322   |
| Rent and reimbursement                     | 26,871                            | 25,144                  | 37,056                  | 89,071    |
| Total revenue                              | 307,296                           | 314,827                 | 345,097                 | 967,220   |
| Net assets released from Board designation | 193,644                           | 12,374                  | 11,124                  | 217,142   |
| Total support, revenue and transfers       | 500,940                           | 351,792                 | 363,241                 | 1,215,973 |
| Expenses:                                  |                                   |                         |                         |           |
| Salaries                                   | 311,507                           | 189,732                 | 193,022                 | 694,261   |
| Fringe benefits                            | 30,363                            | 27,152                  | 31,922                  | 89,437    |
| Payroll taxes                              | 24,880                            | 21,984                  | 20,026                  | 66,890    |
| Contract services                          | 8,108                             | 722                     | 721                     | 9,551     |
| Supplies                                   | 840                               | 1,116                   | 1,283                   | 3,239     |
| Telephone                                  | 1,376                             | 1,990                   | 1,970                   | 5,336     |
| Postage                                    | 157                               | 545                     | 549                     | 1,251     |
| Occupancy                                  | 5,495                             | 24,425                  | 27,342                  | 57,262    |
| Repairs and maintenance                    | 1,131                             | 1,109                   | 1,123                   | 3,363     |
| Printing and publications                  | 12                                | 6                       | 6                       | 24        |
| Transportation                             | 2,719                             | 2,353                   | 2,971                   | 8,043     |
| Conferences and conventions                | -                                 | 45                      | 45                      | 90        |
| Specific assistance                        | 19,856                            | 13,000                  | 13,488                  | 46,344    |
| Dues and subscriptions                     | 1,851                             | 634                     | 634                     | 3,119     |
| Miscellaneous                              | 15,194                            | 910                     | 124                     | 16,228    |
| Depreciation                               | -                                 | 536                     | -                       | 536       |
| Information systems allocation             | 13,916                            | 11,147                  | 11,845                  | 36,908    |
| Administrative allocation                  | 63,535                            | 54,386                  | 56,170                  | 174,091   |
| Total expenses                             | 500,940                           | 351,792                 | 363,241                 | 1,215,973 |
| Increase in net assets                     | \$ -                              | \$ -                    | \$ -                    | \$ -      |