

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

*Financial Statements
and Supplementary Information*

June 30, 2012

(With Independent Auditor's Report Thereon)

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

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5779 Hwy. 311
P. O. Box 3695
HOUMA, LOUISIANA 70361-3695
TELEPHONE (985) 851-0883
FAX (985) 851-3014

Lanaux & Felger

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A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA
MARK S. FELGER, CPA

INDEPENDENT AUDITOR'S REPORT

His Excellency
Most Reverend Sam G. Jacobs, D.D.
Bishop of the Diocese of Houma-Thibodaux

We have audited the accompanying consolidated statement of financial position of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions, as of June 30, 2012, and the related consolidated statements of activities and cash flows for the year then ended. These consolidated financial statements are the responsibility of the Diocese's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audit.

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. Those standards require that we plan and perform the audit 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 and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The Diocese's consolidated financial statements do not contain certain provisions and/or disclosures required to conform to accounting principles generally accepted in the United States of America as follows:

- As discussed in Note 1, the Diocese's consolidated financial statements do not contain a provision for depreciation expense.
- As discussed in note 1, the Diocese's consolidated financial statements do not include the operations of the high schools owned and operated by the Diocese, nor do they include certain assets, liabilities and net assets of the high schools.
- As discussed in note 10, the Diocese did not obtain an actuarial valuation of its priest pension liability as of year-end, and was not able to develop certain pension information as of year-end for inclusion and disclosure in the consolidated financial statements.
- As discussed in note 12, the Diocese did not obtain an actuarial valuation of its liability for postretirement health care benefits for priests, and was not able to develop certain information as of year-end for inclusion and disclosure in the consolidated financial statements.

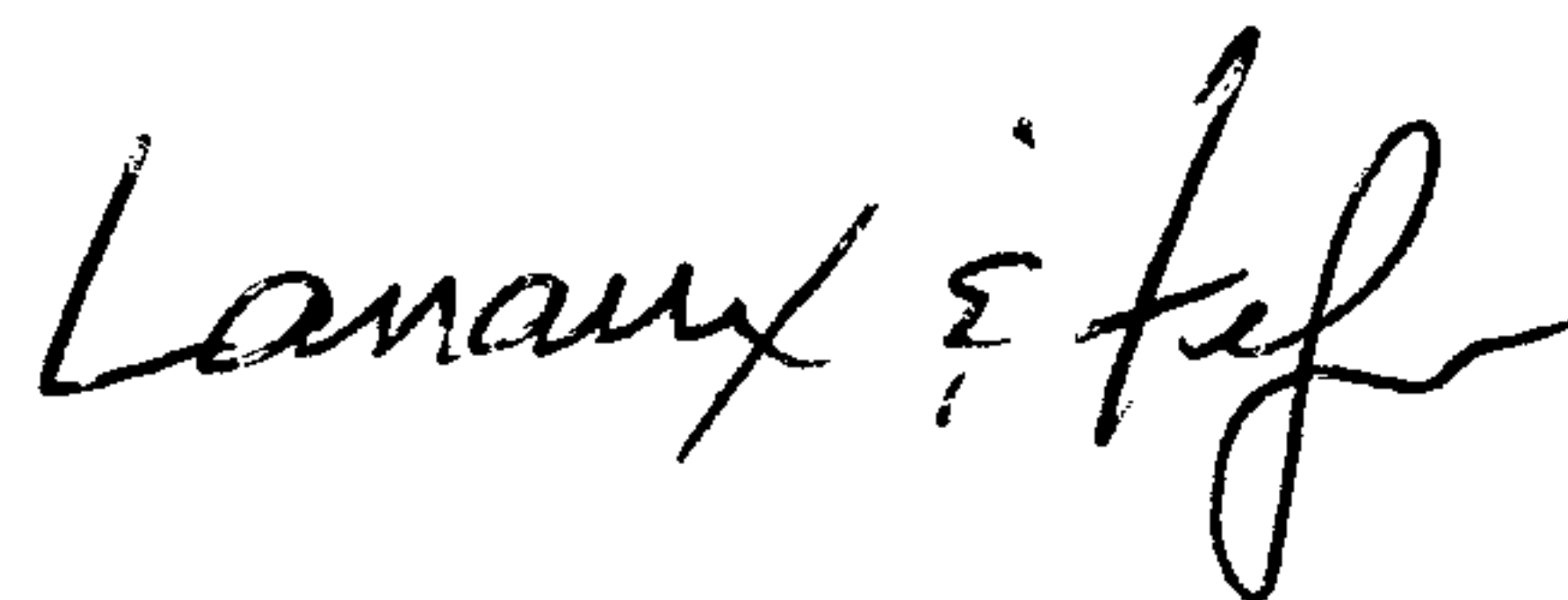
In our opinion, except for the exclusion of the aforementioned information, the consolidated financial statements referred to above present fairly the financial position of The Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux and Institutions as of June 30, 2012, and the changes in its net assets and its cash flows for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated December 27, 2012 on our consideration of Diocese's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Our audit was conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information included in Schedules 1 to 12 is presented for purposes of additional analysis and is not a required part of the basic financial statements of the Diocese. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, except for the effects on Schedules 1 to 5 of the qualified opinion on the financial statements as described above, the information is fairly stated in all material respects in relation to the basis financial statements as a whole. The Schedule of Operations of Parishes and Institutions on page 32 (Schedule 13) is presented for purposes of additional analysis and is not a required part of the basis financial statement. Such information has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

We also have previously 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 statement of financial position of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions as of June 30, 2011, and the related statements of activities and changes in net assets and cash flows for the year then ended (none of which is presented herein) on which we expressed a qualified opinion for not providing for depreciation expense, not including the operations of high schools owned by the Diocese, for not obtaining actuarial valuations of the priest pension and postretirement benefit liabilities and for not disclosing certain information relating to the priest pension and postretirement benefit liabilities as required by accounting principles generally accepted in the United States of America. That audit was conducted for the purpose of forming an opinion on the basic financial statements as a whole. The supplementary information presented for 2011 included in Schedules 7 to 12 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statements. The information has been subjected to the auditing procedures applied in the audit of those financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the supplementary information for 2011 presented in Schedules 7 to 12 is fairly stated in all material respects in relation to the basic financial statements from which it was derived.

Houma, Louisiana
December 27, 2012



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

Consolidated Statement of Financial Position

June 30, 2012

ASSETS

Current assets:

Cash and cash equivalents	\$ 1,491,573	
Accounts receivable	450,215	
ABA receivable	137,847	
Accrued interest and mineral royalties receivable	413,929	
Prepaid expenses	391,747	
Current maturities of parish and school loans	945,000	
Investments in marketable debt securities expected to be sold or to mature to fund current expected deposit withdrawals	<u>26,383,300</u>	
Total current assets		\$ 30,213,611

Investments, net of current expected sales and maturities 30,535,742

Parish and school loans receivable	3,969,055	
Less current maturities	<u>(945,000)</u>	
Total loans less current maturities		3,024,055

Property and equipment:

Buildings and equipment	17,158,675	
Operating high school properties	4,205,625	
Future parish sites	<u>283,411</u>	
Total property and equipment		21,647,711

Other assets 8,188,750

Total assets \$ 93,609,869

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OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**
Consolidated Statement of Financial Position
June 30, 2012

LIABILITIES AND NET ASSETS

Current liabilities:

Deposits in central finance, current expected
withdrawals:

Parishes	\$ 3,792,500	
Cemetery operating deposits	836,800	
Institutional deposits, principally prepaid tuition	21,754,000	
Accounts payable, undistributed funds and other accruals	1,626,867	
Current maturities of long-term debt	<u>515,000</u>	
Total current liabilities		\$ 28,525,167

Deposits of parishes, schools and institutions, net of current expected withdrawals	10,033,103
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Bonds payable, net of current maturities	18,445,000
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Third-party endowments	17,131,160
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Insurance program reserves	715,176
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Accrued other postretirement benefits	325,010
Total liabilities	<u>75,174,616</u>

Net assets:

Restricted by donors:

Temporarily restricted net assets	1,875,975
Permanently restricted net assets	4,059,950

Unrestricted:

Designated	7,273,654
Undesignated	<u>5,225,674</u>
Total unrestricted net assets	<u>12,499,328</u>

Total net assets	<u>18,435,253</u>
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Total liabilities and net assets	<u><u>\$ 93,609,869</u></u>
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**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS**

Consolidated Statement of Activities

Year Ended June 30, 2012

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
Revenues and other support:				
Cathedraticum	\$ 2,187,000	\$ -	\$ -	\$ 2,187,000
Contributions and grants	2,957,013	102,503	127,006	3,186,522
Investment income:				
Central finance	2,046,694	-	-	2,046,694
Other investment income	268,885	-	-	268,885
Oil and gas royalties	1,441,683	-	-	1,441,683
Program service and other income	5,617,216	-	32,000	5,649,216
Net assets released from restrictions	588,106	(588,106)	-	-
	<u>15,106,597</u>	<u>(485,603)</u>	<u>159,006</u>	<u>14,780,000</u>
Expenses:				
Program expenses:				
Formation ministries	2,856,309	-	-	2,856,309
Social ministries	2,386,397	-	-	2,386,397
Clergy and religious	920,633	-	-	920,633
Administration ministries	5,274,552	-	-	5,274,552
General and administrative expenses	2,352,415	-	-	2,352,415
Stewardship expenses	198,151	-	-	198,151
	<u>13,988,457</u>	<u>-</u>	<u>-</u>	<u>13,988,457</u>
Change in net assets	1,118,140	(485,603)	159,006	791,543
Net assets at beginning of year	<u>11,381,188</u>	<u>2,361,578</u>	<u>3,900,944</u>	<u>17,643,710</u>
Net assets at end of year	<u>\$ 12,499,328</u>	<u>\$ 1,875,975</u>	<u>\$ 4,059,950</u>	<u>\$ 18,435,253</u>

See notes to financial statements.

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

*Consolidated Statement of Cash Flows
Year Ended June 30, 2012*

Cash flows from operating activities:

Change in net assets	\$ 791,543
Adjustments to reconcile change in net assets to net cash flows from operating activities:	
Unrealized (gains) losses on investments, net change	(413,400)
Realized (gains) losses on investments	(382,410)
Contributions restricted for long-term investment	(159,006)
Amortization of bond issuance cost	63,774
Changes in:	
Accounts receivable	378,050
ABA receivable	25,554
Accrued interest and mineral royalties receivable	(1,635)
Prepaid expenses and other assets	(1,376,586)
Accounts payable	275,606
Insurance program reserves	(2,846)
Net cash provided by (used in) operating activities	<u>(801,356)</u>

Cash flows from investing activities:

Purchases of property and equipment	(467,691)
Purchases of investments	(90,671,949)
Proceeds from sale of investments	93,055,821
Decrease in loans to parishes and institutions, net	1,622,113
Net cash provided by (used in) investing activities	<u>3,538,294</u>

Cash flows from financing activities:

Proceeds from contributions restricted for:	
Contributions to Seminary Burses	44,372
Contributions to endowment funds	82,634
Perpetual care of cemetery crypts	32,000
	<u>159,006</u>
Other financing activities:	
Redemption of bonds payable	(495,000)
Decrease in school, parish, and institution funds on deposit with the Diocese	(4,784,981)
Increase in endowments held for third parties	1,210,107
	<u>(4,069,874)</u>
Net cash provided by (used in) financing activities	<u>(3,910,868)</u>

Net (decrease) in cash and cash equivalents (1,173,930)

Cash and cash equivalents at beginning of year 2,665,503

Cash and cash equivalents at end of year \$ 1,491,573

Supplemental disclosure of cash flow information:

Cash paid for interest during the year on deposit accounts in central finance	\$ 1,084,662
Cash paid for interest on long-term debt	\$ 1,305,720

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

Notes to Consolidated Financial Statements

1) Nature of Organization and Summary of Significant Accounting Policies

Nature of Organization and Principles of Consolidation:

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

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

The accompanying financial statements include the accounts maintained by and directly under the administration of the Central Administrative Offices of the Diocese of Houma-Thibodaux, as well as the accounts maintained by the following not-for-profit entities owned by the Diocese and in which the Diocese has a direct controlling financial and canonical interest:

- H-T Publishing Company (The Bayou Catholic)
- Lumen Christi Retreat Center
- St. Lucy's Day Care Center
- St. Joseph's Cemetery

Internal transactions and balances, except for interest paid on funds deposited with Central Finance, have been eliminated in consolidation. The accompanying financial statements do not include accounts of individual parishes and other church-related agencies and institutions, such as parishes, schools, cemeteries, homes, etc. except insofar as financial transactions have taken place between these agencies and institutions and the Diocese (subsidies, grants, loans, deposit, insurance premiums and Diocesan support paid by those entities in the form of cathedraticum). These agencies and institutions are directly managed and controlled by their pastors or other responsible parties. Only those operations and offices that are directly controlled, managed, administered and financed through the Diocese Central Administrative Offices are included in these financial statements.

The operations of high schools owned by the Diocese and certain assets acquired or liabilities incurred by the schools as a result of their operations are not included in the consolidated financial statements of the Diocese. Those operations, assets and liabilities should be included in the consolidated financial statement because the Diocese has a controlling financial interest in the high schools.

Summary of Significant Accounting Policies Used:

- a) Method of accounting. The accompanying financial statements have been prepared on the accrual basis of accounting as adopted by the Chancery.
- b) Property and equipment values are recorded at cost. If acquired by gift or legacy, the fair market value at date of gift or date of death is recorded. No provision for depreciation has been made in the financial statements. The Finance Council and management of the Diocese do not believe the benefits derived

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Notes to Consolidated Financial Statements

from the calculation of depreciation expense are commensurate with the effort and costs required to develop this information.

- c) Investments in marketable securities with readily determinable fair values and all investments in debt securities are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. For investments other than marketable securities with readily determinable fair values, the carrying value is either cost or fair value at the date of donation.
- d) All contributions are considered to be available for unrestricted use unless specifically restricted by the donor. Amounts received that are designated for future periods or restricted by the donor for specific purposes are reported as temporarily restricted or permanently restricted support that increases those net asset classes. However, if a restriction is fulfilled in the same time period in which the contribution is received, the Diocese reports the support as unrestricted.

Contributed property and equipment is recorded at fair value at the date of donation. In the absence of donor-imposed stipulations regarding how long the contributed assets must be used, the contributions are recorded as unrestricted support.

Contributed services are recognized at fair value, except for the work of volunteers for which no monetary value has been assigned.

- e) The Diocese has adopted a policy of allocating personnel expenses and related employee benefits for employees who work in multiple offices or departments among the offices or departments based on the percentage of time the employee spent in each office.
- f) Cash and cash equivalents consist of cash in banks and securities purchased under agreement to resell. Concentrations of credit risk with respect to cash and cash equivalents are considered limited due to the combination of federally-insured deposits and financial strength of the institutions that hold Diocesan deposits. At June 30, 2012, the Diocese held no cash in excess of FDIC insurance.

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

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

2) Central Finance

Under Diocesan central finance policies, the Parishes, Schools and Institutions within the Diocese are required to remit to the Diocese all funds not immediately needed by the Parishes, Schools and Institutions for current operations. For those with surplus funds, these balances earned interest at a rate of 1.5% per annum through June 30, 2012. For those that have outstanding loans with the Central Finance Program, the funds received are applied as payments to the loans. Parishes, Schools and Institutions with loans payable to Central Finance pay 6% interest to the Central Finance Program.

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

Interest earned on invested funds, net of investment fees, in excess of interest paid on funds on deposit may be paid to the Parishes, Schools and Institutions as additional interest at the end of the year at the discretion of the Bishop. The amount of additional interest paid to each Parish, School or Institution is based on the

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Notes to Consolidated Financial Statements

interest earned by the Parish, School or Institution during the year and is called "profit sharing." There was no profit sharing distribution for the year ended June 30, 2012. The statement of activities and schedule below present investment return as interest and dividends earned and capital gains recognized. The full amount of interest expense incurred during the year is reflected below and is included on the statement of activities.

Central finance income was earned as follows:

Interest income:

Parish and school loans	\$ 148,621	
Investments and cash reserves	1,069,371	
Dividend income	32,892	
Realized gains (losses) on investments, net	382,410	
Change in unrealized gains and losses on investments, net	413,400	
Total central finance income		\$ 2,046,694

Central finance expense and subsidies were incurred as follows:

Interest expense:

Parish deposits	107,101	
Cemetery deposits	96,910	
Endowments	500,005	
School and institution deposits	380,646	
External money management and bank fees	148,632	
Total central finance expenses and subsidies		1,233,294

Change in net assets - Central Finance	\$ 813,400
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Endowment funds may also be established by Parishes, Schools and Institutions within the Diocese. The funds must be deposited with Central Finance. The establishment of endowment funds is governed by the Diocesan policy on endowments. The deposits must be of a permanent nature and have restrictions as to the withdrawal of principal. Interest is paid at 2.5% through June 30, 2012. Endowment funds do not share in the "Profit Sharing" discussed in the preceding paragraph. For the year ended June 30, 2012, interest was paid on endowment funds at the minimum rates described above.

The cemetery operating deposits are to be used by each cemetery for upkeep, construction, acquisitions or any other operating expenses of the cemetery.

3) Funded Operations

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

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Notes to Consolidated Financial Statements

4) Receivable – Annual Bishop's Appeal (ABA)

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

5) Investments and Fair Value Measurements

Investments at June 30, 2012, are summarized as follows:

	Carrying Value
<u>Temporary cash investments:</u>	
Money market mutual funds	\$ 14,547,235
<u>Marketable equity securities:</u>	
Common stocks	3,093,253
<u>Marketable debt securities:</u>	
U.S. government securities	38,547,550
<u>Other investments:</u>	
Guaranteed investment contract	639,313
Real estate	91,691
Total investments	56,919,042
Less investments in marketable debt securities expected to be sold to fund current expected deposit withdrawals	(26,383,300)
Investments, net of current expected withdrawals	\$ 30,535,742

Fair value is defined as the exchange price that would be received to sell an asset or paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Although the exchange price concept is not new, the new definition focuses on the exit price as opposed to the entry price that would be paid to acquire an asset or received to assume a liability. The standard also emphasizes that fair value is a market-based measurement and not an entity-specific measurement and establishes a hierarchy to prioritize the inputs that can be used in the fair value measurement process. The inputs in the three levels of this hierarchy are described as follows:

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

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Notes to Consolidated Financial Statements

The Diocese measures temporary cash investments and investments in marketable debt and marketable equity securities at fair value on a recurring basis and are summarized below:

(in thousands)	Carrying Value	June 30, 2012		
		Fair Value Measurements Using		
		Level 1	Level 2	Level 3
Investment securities:				
Temporary cash investments	\$ 14,547	\$ -	\$ 14,547	\$ -
Marketable debt securities	38,548	-	38,548	-
Marketable equity securities	3,093	3,093	-	-
Total investments reported at fair value	56,188	<u>\$ 3,093</u>	<u>\$ 53,095</u>	<u>\$ -</u>
Other investments carried at cost	731			
Total investments	<u>\$ 56,919</u>			

Total investment return, which is reported as unrestricted income in the statement of activities, is \$2,315,579 which includes the components of Central Finance income reported in Note 2 plus \$268,885 interest earned on the guaranteed investment contract.

The guaranteed investment contract is held by the Bond Trustee in the Bond Project Account pursuant to a bond indenture reported in Note 11. The funds in the contract will be drawn out as specified in the investment agreement to pay construction costs of the projects for which the bonds were issued. The underlying investments in the contract consist of obligations fully guaranteed by the United States of America, or obligations, debentures notes or other evidence of indebtedness issued or guaranteed by the Governmental National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA), Federal Home Loan Banks System, or Federal Home Loan Mortgage Corporation (FHLMC).

6) Other Assets

Other assets are comprised of the following:

Perpetual care deposits in Cemeteries Trust	\$ 2,042,983
Series 2006 bond issuance costs, net of accumulated amortization	1,107,579
Series 2007 bond issuance costs, net of accumulated amortization	188,827
Prepaid pension costs	2,482,589
Other assets	2,366,772
	<u>\$ 8,188,750</u>

7) Insurance Program Reserves

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

Severance Pay Plan Reserve - The Diocese has established a Severance Pay Plan (SPP) covering all eligible employees of the Diocese, its parishes, schools and apostolates. Under the plan, eligible employees include all full-time or regular part-time employees with more than one year of service. Severance benefits are paid upon the termination of employment of an eligible employee by reason of lack of funds, lack of work, or the restructuring of or closing of a parish, school, department or apostolate.

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Notes to Consolidated Financial Statements

Under the plan, benefits range from two weeks' pay to six weeks' pay based on the employee's years of service.

Louisiana Catholic Workers' Compensation Pool (LCWCP) – The Diocese participates in a cost-sharing, risk pool with three other Dioceses to cover claims resulting from employment-related accidents and injuries. Premiums are paid to the pool by the Dioceses based on total payroll costs for covered workers. The pool has entered into a stop-loss agreement with an insurance company to limit its losses to \$275,000 per occurrence and \$2,750,000 per policy year. After all outstanding claims are settled for a policy year, any excess of premiums collected over claims and other costs are refunded to the participating Dioceses in proportion to premiums paid to the pool for that policy year.

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

Hospitalization Insurance Reserve - Hospitalization insurance premiums are paid into this program via a third-party administrator by the Diocese, its parishes and institutions to provide coverage for employees, retirees, and their families. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$160,000 on individual claims. From time to time during the year, the Diocese remits funds from this reserve to the third-party administrator to pay claims. When the third-party administrator accumulates excess funds, the funds are remitted to the Diocese for deposit into the reserve. Premiums and loss claims of the Hospitalization Insurance Program are not included in these financial statements.

At June 30, 2012, the balances of the Insurance Program Reserves are as follows:

Severance Pay Reserve	\$ 379,316
Mausoleum Insurance Reserve	239,248
Hospitalization Insurance Reserve	96,612
	<u>\$ 715,176</u>

The Diocesan property and casualty insurance program is reported as a funded operation and the ending balance is included in designated net assets. This is a self-insurance program in which the parishes, schools and institutions of the Diocese also participate. The Diocese has entered into a stop-loss agreement with an insurance company to limit its losses to \$25,000 on individual claims and \$150,000 in the aggregate for the fiscal year ended June 30, 2012.

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

8) Restrictions on Net Assets

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

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

Temporarily restricted net assets are available for the following purposes or periods:

Perpetual Care Maintenance Reserve	\$ 26,155
Disaster Relief Fund	497,218
Miscellaneous Grants	437,152
Future Parish Sites	218,600
Lafourche Charities Fund	282,700
Norma Liner Diaconate Fund	14,150
Use restriction through June 30, 2041:	
Bishop's Residence	400,000
	<u>\$ 1,875,975</u>

Permanently restricted net assets are restricted for:

Seminary Burse Funds	\$ 1,340,842
Perpetual Care Deposit - Cemeteries Trust	2,042,983
Priest Retirement Endowment	227,125
Lumen Christi Endowment	94,421
Catholic Social Services Endowment	344,326
Sr. Stan Langlinais Endowment	10,253
	<u>\$ 4,059,950</u>

Net assets were released from donor restrictions by incurring expenses satisfying the restricted purpose or by occurrence of other events specified by donors, as follows:

Cemetery perpetual care expenses	\$ 25,596
Disaster relief expenses	385,923
Lafourche Charities expenses	37,932
Other miscellaneous grants	138,655
	<u>\$ 588,106</u>

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

9) Designated Net Assets

Designated net assets represent net assets that have no donor-imposed restrictions but have been designated by management for the following:

Priest Pension Fund	\$	759,624
Evangelization Fund		113,423
Bishop's Grant Fund		2,525
Vehicle Replacement Fund		74,763
		950,335
Undistributed Funds - Funded Operations		6,323,319
	\$	7,273,654

10) Retirement Plans

A) Defined Contribution Plans.

The Diocese sponsors two defined contribution plans as follows:

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

403(b) Plan - For all eligible employees, the Diocese will contribute 2% of salary to the plan and an additional 2% of salary to the plan if the employee agrees to participate at the minimum level of 2% of salary. The Diocesan contribution to the plan increases, based on length of service, to a maximum of 5% for employees with 20 or more years of service. For the year ended June 30, 2012, Diocesan contributions to the plan were \$141,171.

B) Priests' Pension Fund.

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

Summary of Principal Plan Provisions:

All incardinated priests of the Diocese of Houma-Thibodaux are eligible for participation in the plan. The normal retirement eligibility requirement is attainment of age 65. Under normal retirement, the participant is paid for life at a rate of \$52 per month times the participant's years of service up to 25 years. If the participant remains in service beyond age 65, an additional accrued benefit of \$75 per month will be accrued for each year of continued service. The monthly benefit paid to retirees and the monthly accrued benefits for active participants are generally adjusted every other year. Early retirement requires attainment of age 55. The benefit for early retirement is calculated in the same manner as that of normal retirement, but reduced by 5% for each year early retirement proceeds normal retirement. Participants are 100% vested in their accrued benefits after 5 years of service.

On October 12, 2007, the Diocese established the Priest Retirement Trust to hold plan assets. The proceeds of the 2007 Series bonds and investments previously designated for the payment of priest retirement benefits were deposited into the trust. Current plan benefits are funded by periodic employer contributions in conformance with minimum funding recommendations and maximum suggested limitations and earnings on plan assets. Additional funding is also provided by voluntary contributions by the Diocese from excess reserves, proceeds of life insurance policies on priests and private donations.

The Diocese has not obtained an actuarial valuation of its priest pension liability as of its fiscal year end, and has not developed the disclosure information required by accounting standards generally accepted in the United States of America. Amounts reported in the balance sheet are based on a measurement of the benefit obligation as of June 30, 2000, which is the latest valuation available.

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The funded status of the plan is as follows:

	2012
Pension benefit obligation at June 30, included in liabilities on the statement of financial position (measured on June 30, 2000)	\$ (4,675,635)
Fair value of plan assets transferred to the Trust	7,158,224
Excess of plan assets over pension benefit obligation (prepaid pension costs)	\$ 2,482,589

11) Long-Term Debt

On November 1, 2006, the Louisiana Public Facilities Authority (the Issuer) issued \$17,700,000 Louisiana Public Facilities Authority Variable Rate Demand Revenue Bonds (Diocese of Houma-Thibodaux Project), Series 2006 (the Series 2006 Bonds) pursuant to the terms and conditions of an Indenture of Trust between the Issuer and Regions Bank (the Trustee). The Series 2006 Bonds have a Standard & Poor's rating of "A+/A-1".

The bonds are issued pursuant to the terms and provisions of an Indenture of Trust (the Indenture). The proceeds of the Series 2006 Bonds are for the purpose of (i) financing the reconstruction, rehabilitation, restoration, construction, furnishing, improving and equipping of school buildings and other facilities owned and operated by the Diocese and (ii) paying costs of issuing the Bonds.

The Series 2006 Bonds will bear interest at a variable (market) rate of interest payable on the first business day of each month, commencing the first business day of January 2007, due through December 1, 2036. The interest rate is repriced weekly.

On July 1, 2007, the Roman Catholic Church of the Diocese of Houma-Thibodaux (the Issuer) issued \$6,480,000 The Roman Catholic Church of the Diocese of Houma-Thibodaux Variable Rate Demand Bonds Series 2007 (the Series 2007 Bonds) pursuant to the terms and provisions of an Indenture of Trust between the Issuer and Regions Bank (the Trustee). The Series 2007 Bonds have a Standard & Poor's rating of "BBB+/A-2."

The Series 2007 Bonds are issued pursuant to the terms and provisions of an Indenture of Trust (the Indenture). The proceeds of the Series 2007 Bonds are for the payment of (i) a portion of the Issuer's unfunded pension liabilities, and (ii) the costs of issuing the Series 2007 Bonds.

The Series 2007 Bonds will bear interest at a variable (market) rate of interest payable on the first business day of each month, commencing on November 1, 2007, due through December 1, 2037. The interest rate is repriced weekly.

On January 2, 2011, Capital One Public Funding, LLC (COPF) purchased all of the Series 2006 and Series 2007 bonds and the Indentures were amended. Under the amended Indentures, the interest rates were modified to equal 65% of LIBOR, plus 1.95% on the Series 2006 bonds and LIBOR plus 3.0% on the Series 2007 bonds. The amended Indentures also include "Put Provisions" allowing COPF to tender the bonds in 2015, 2020, 2025 and 2030 at a purchase price equal to the principal amount plus accrued interest on the Put Date, provided that COPF has given written notice not less than twelve (12) months prior to the proposed Put Date. The amended Indentures also eliminate the letters of credit securing the bonds and include provisions for optional redemptions at the option of the Issuer. The annual mandatory redemption schedules in the Original Indentures were not modified.

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Notes to Consolidated Financial Statements

Long-term debt consists of the following at June 30, 2012:

\$17,700,000 demand revenue bonds dated November 1, 2006; due at various intervals through December 1, 2036; initial rate of 3.91%	\$ 12,590,000
\$6,480,000 demand bonds dated November 1, 2007; due at various intervals through December 1, 2037; initial rate of 5.19%	<u>6,370,000</u>
Total long-term debt	18,960,000
Less current maturities	(515,000)
Long-term debt, net of current maturities	<u><u>\$ 18,445,000</u></u>

Pursuant to the Reimbursement Agreement, the Bonds mature as follows:

Year Ending June 30,	Total Principal Amount	Series 2006 Principal Amount	Series 2007 Principal Amount
2013	\$ 515,000	\$ 400,000	\$ 115,000
2014	540,000	415,000	125,000
2015	560,000	430,000	130,000
2016	585,000	450,000	135,000
2017	610,000	465,000	145,000
2018 and thereafter	<u>16,150,000</u>	<u>10,430,000</u>	<u>5,720,000</u>
	<u><u>\$ 18,960,000</u></u>	<u><u>\$ 12,590,000</u></u>	<u><u>\$ 6,370,000</u></u>

Interest Rate Swap Agreement

Objective of the interest rate swap: In order to hedge exposure to interest rate fluctuations on the Bonds, the Diocese entered into an interest rate swap agreement with Allied Irish Banks, p.l.c (the "Provider") as more fully described in the Master Agreement, Schedule to the Master Agreement and Confirmation dated November 28, 2006 (the "Swap Documents"). The Diocese is liable to the Provider to make swap payments and bond payments pursuant to the terms of the bond documents. Capitalized terms used herein but not defined shall have the meaning set forth in the Swap Documents.

Terms: Under the terms of the Swap, the Diocese pays a fixed rate of 3.91% on the Series 2006 bonds and 5.19% on the Series 2007 bonds, and the Provider pays a variable rate equal to 75% of the 1-month USD-LIBOR rate, as more fully described in the Swap Documents.

Fair Value: The fair value of the swap agreements as of June 30, 2012, which is not reported in the financial statements, was \$5,890,402 in favor of the Provider.

Credit Risk: Credit risk is the risk that the counterparty will not fulfill its obligations. At June 30, 2012, the Diocese is not exposed to credit risk because the swap has a negative fair value. However, should interest rates change and the fair value of the swap becomes positive, the Diocese would be exposed to credit risk in the amount of the swap's fair value.

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Basis Risk: Basis risk is the risk that arises when variable interest rates on a swap and the associated debt are based on different indexes. The interest rates for both the swap and the bonds are based on LIBOR; therefore, the Diocese is not subject to basis risk.

Termination Risk: The Diocese or the counterparty may terminate the swap if the other party fails to perform under the terms of the contract. The swap agreement may be terminated if either party fails to make payment, when due, under the swap agreement; breaches the agreement; made or repeated or deemed to have made or repeated a misrepresentation; bankrupts; or merges without assumption or commits an illegality. If the swap is terminated, the variable-rate bond would no longer carry a synthetic interest rate. Also, if at the time of termination the swap has a negative fair value, the Diocese would be liable to the counterparty for a payment equal to the swap's fair value.

Rollover Risk: Rollover risk is the risk that the swap does not extend to the maturity of the associated debt. The Diocese is not exposed to rollover risk because the swap terminates in conjunction with the maturity of the associated bonds.

Interest Rate Risk: Interest rate risk is the risk that the interest rate will change over some interval while the bonds are outstanding. The Diocese has entered into this fixed rate swap agreement to mitigate interest risk associated with the underlying variable rate bonds.

12) Post-Retirement Benefits Other Than Pensions

The Diocese provides health insurance, long-term care benefits and long-term disability benefits for its retired priests. The benefits provided are coordinated with Medicare and/or are supplemented with other insurance policies provided by the Diocese. At June 30, 2012, the accrued liability for postretirement benefits other than pensions was \$325,010.

The Diocese has not obtained an actuarial valuation of its postretirement health care benefit liability within three months of its fiscal year-end, and has not developed certain information for inclusion and disclosure in the financial statements. The postretirement benefit obligation reported in the balance sheet is an estimate by management.

13) Commitments

The Diocese has contractual obligations and commitments outstanding at June 30, 2012 for renovations or additions to Diocesan parishes, schools and institutions properties for approximately \$9,566,032. Of the total contract obligations, approximately \$6,281,780 had been paid as of June 30, 2012 and \$3,284,252 remains to be advanced to the parishes and institutions by way of Central Finance deposit withdrawals or loans.

14) Contingencies

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

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

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

15) Stewardship and Development

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

16) Program Expenses

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

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

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

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

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

17) Subsequent Events

Management evaluates events subsequent to the date of the financial statements in determining the accounting for and disclosure of transactions and events that affect the financial statements. Subsequent events have been evaluated through December 27, 2012, the date the financial statements were available for issuance.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Functional Expenses
Year Ended June 30, 2012

	Program expenses					General and Administrative	Stewardship	Total
	Formation Ministries	Social Ministries	Clergy and Religious	Administration Ministries	Total Program			
Salaries - lay personnel	\$ 899,800	\$ 596,742	\$ 35,027	\$ 696,060	\$ 2,227,629	\$ 316,456	\$ 78,511	\$ 2,622,596
Salaries - religious	50,572	32,830	7,006	1,050	91,458	51,980	-	143,438
Payroll taxes	64,448	41,719	2,651	50,571	159,389	21,466	6,056	186,911
Group insurance - lay	154,243	109,644	17,591	136,220	417,698	64,297	8,390	490,385
Group insurance - religious	8,429	19,745	137,380	-	165,554	12,886	-	178,440
Pension and benefits	47,163	28,394	1,047	39,364	115,968	18,633	3,715	138,316
Business allowance/reimbursement	78,660	30,309	13,556	32,060	154,585	15,731	7,695	178,011
Conference and travel	41,462	44,450	53,516	6,428	145,856	9,016	2,509	157,381
Workshops, meeting and other program expenses	793,214	335,940	613,531	216,923	1,959,608	56,412	82,716	2,098,736
Supplies	43,421	137,043	11,019	62,764	254,247	23,953	-	278,200
Maintenance and repair	9,478	155,742	-	117,192	282,412	55,587	192	338,191
Insurance	-	29,371	-	2,588,345	2,617,716	-	-	2,617,716
Occupancy expenses	112,262	74,524	-	69,773	256,559	49,786	-	306,345
Legal fees/professional services	63,846	37,671	-	2,732	104,249	44,425	-	148,674
Copying and printing	178,802	2,013	2,114	-	182,929	25,926	6,647	215,502
Papal quota and Catholic Conference	-	-	-	-	-	70,405	-	70,405
Audit and accounting fees	400	5,185	-	11,374	16,959	38,281	-	55,240
Books and pamphlets	60,945	117	10,619	1,101	72,782	992	-	73,774
Communications and public relations	28,753	8,239	12,369	3,419	52,780	9,626	110	62,516
Contributions and grants	202,191	-	-	-	202,191	9,702	-	211,893
Dues and subscriptions	10,326	4,955	2,955	4,979	23,215	2,162	1,610	26,987
Central finance interest expense	-	-	-	1,084,662	1,084,662	-	-	1,084,662
Investment fees and bank charges	5,135	264	-	148,632	154,031	66,720	-	220,751
Emergency assistance and disaster relief	-	667,183	-	-	667,183	-	-	667,183
Telephone	2,759	24,317	252	903	28,231	18,479	-	46,710
Bond interest and amortization of issuance costs	-	-	-	-	-	1,369,494	-	1,369,494
	<u>\$ 2,856,309</u>	<u>\$ 2,386,397</u>	<u>\$ 920,633</u>	<u>\$ 5,274,552</u>	<u>\$ 11,437,891</u>	<u>\$ 2,352,415</u>	<u>\$ 198,151</u>	<u>\$ 13,988,457</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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*Schedule of Expenses - Formation Ministries
Year Ended June 30, 2012*

	Formation	Family Ministries	Worship	Catholic Schools	Religious Education	Pastoral Staffing	Conference Office
Salaries - lay personnel	\$ 20,179	\$ 115,102	\$ 26,919	\$ 112,707	\$ 85,603	\$ 62,416	\$ 80,145
Salaries - religious	-	-	-	-	-	-	-
Payroll taxes	1,435	7,595	2,016	8,651	6,485	4,337	5,782
Group insurance - lay	1,329	27,926	5,817	12,581	13,920	13,970	17,446
Group insurance - religious	-	-	-	560	-	-	-
Pension and benefits	1,406	6,501	1,341	4,834	3,991	3,262	1,891
Business allowance/reimbursement	1,539	8,245	46	5,102	8,100	3,314	-
Conference and travel	1,726	867	481	3,003	4,048	510	13,963
Workshops, meeting and other program expenses	19,851	16,018	6,648	150,365	16,071	45	198,198
Supplies	-	191	321	157	228	130	24,116
Maintenance and repair	-	146	202	4,358	-	-	444
Insurance	-	-	-	-	-	-	-
Occupancy expenses	-	-	-	-	-	-	83,881
Legal fees/professional services	-	-	-	16,685	-	-	30,889
Copying and printing	-	-	-	-	-	-	120
Papal quota and Catholic Conference	-	-	-	-	-	-	-
Audit and accounting fees	-	-	-	-	-	-	-
Books and pamphlets	-	38	3,980	153	2,364	-	50,384
Communications and public relations	-	144	128	11,361	143	110	11,563
Contributions and grants	-	-	-	-	-	-	-
Dues and subscriptions	-	422	2,072	941	590	230	-
Central finance interest expense	-	-	-	-	-	-	-
Investment fees and bank charges	-	-	-	-	-	-	5,135
Emergency assistance and disaster relief	-	-	-	-	-	-	-
Telephone	-	-	-	2,759	-	-	-
Bond interest and amortization of issuance costs	-	-	-	-	-	-	-
	<u>\$ 47,465</u>	<u>\$ 183,195</u>	<u>\$ 49,971</u>	<u>\$ 334,217</u>	<u>\$ 141,543</u>	<u>\$ 88,324</u>	<u>\$ 523,957</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX**
Schedule of Expenses - Formation Ministries, continued
Year Ended June 30, 2012

	Evangelization	Youth Ministries	ABA Grant Program	Communications	Bayou Catholic	Total
Salaries - lay personnel	\$ 31,675	\$ 101,005	\$ -	\$ 50,817	\$ 213,232	\$ 899,800
Salaries - religious	50,572	-	-	-	-	50,572
Payroll taxes	2,353	7,424	-	3,733	14,637	64,448
Group insurance - lay	7,521	21,592	-	3,279	28,862	154,243
Group insurance - religious	7,869	-	-	-	-	8,429
Pension and benefits	3,898	4,420	-	2,354	13,265	47,163
Business allowance/reimbursement	20,472	8,713	-	2,101	21,028	78,660
Conference and travel	5,809	8,286	-	1,825	944	41,462
Workshops, meeting and other program expenses	83,629	132,635	-	88,200	81,554	793,214
Supplies	4,894	8,949	-	-	4,435	43,421
Maintenance and repair	887	3,441	-	-	-	9,478
Insurance	-	-	-	-	-	-
Occupancy expenses	6,806	21,575	-	-	-	112,262
Legal fees/professional services	-	16,272	-	-	-	63,846
Copying and printing	-	254	-	-	178,428	178,802
Papal quota and Catholic Conference	-	-	-	-	-	-
Audit and accounting fees	-	-	-	-	400	400
Books and pamphlets	2,329	1,666	-	-	31	60,945
Communications and public relations	1,048	978	-	1,053	2,225	28,753
Contributions and grants	-	-	202,191	-	-	202,191
Dues and subscriptions	153	518	-	-	5,400	10,326
Central finance interest expense	-	-	-	-	-	-
Investment fees and bank charges	-	-	-	-	-	5,135
Emergency assistance and disaster relief	-	-	-	-	-	-
Telephone	-	-	-	-	-	2,759
Bond interest and amortization of issuance costs	-	-	-	-	-	-
	<u>\$ 229,915</u>	<u>\$ 337,728</u>	<u>\$ 202,191</u>	<u>\$ 153,362</u>	<u>\$ 564,441</u>	<u>\$ 2,856,309</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
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Schedule of Expenses - Social Ministries
Year Ended June 30, 2012

	Hospital Chaplain	Assisi Bridge House	ABH Phase IV	St. Lucy Child Care Center	Disaster Services	Catholic Housing	Micro Enterprise	Foster Grandparent	Catholic Social Services	Total
Salaries - lay personnel	\$ -	\$ 121,881	\$ 11,900	\$ 112,425	\$ 14,109	\$ 52,638	\$ 29,890	\$ 49,201	\$ 204,698	\$ 596,742
Salaries - religious	32,830	-	-	-	-	-	-	-	-	32,830
Payroll taxes	-	9,147	-	8,325	922	3,584	2,271	3,155	14,315	41,719
Group insurance - lay	-	29,240	-	34,182	2,635	9,250	2,295	6,997	25,045	109,644
Group insurance - religious	19,745	-	-	-	-	-	-	-	-	19,745
Pension and benefits	1,018	7,143	-	4,073	487	2,641	795	1,992	10,245	28,394
Business allowance/reimbursement	15,960	-	-	-	36	-	18	984	13,311	30,309
Conference and travel	300	12,512	-	1,322	-	1,038	-	28,063	1,215	44,450
Workshops, meeting and other program expenses	360	402	-	47,424	-	391	-	223,625	63,738	335,940
Supplies	-	6,054	-	11,316	349	1,877	867	1,380	115,200	137,043
Maintenance and repair	-	41,831	-	24,981	13,315	500	200	2,300	72,615	155,742
Insurance	-	9,000	300	-	-	-	-	-	20,071	29,371
Occupancy expenses	-	11,174	9,436	9,333	4,150	3,500	1,440	4,450	31,041	74,524
Legal fees/professional services	-	19,254	855	675	1,615	1,630	170	-	13,472	37,671
Copying and printing	-	-	-	1,092	-	-	-	352	569	2,013
Papal quota and Catholic Conference	-	-	-	-	-	-	-	-	-	-
Audit and accounting fees	-	-	-	-	-	-	-	4,250	935	5,185
Books and pamphlets	-	-	-	-	-	-	-	-	117	117
Communications and public relations	-	300	-	1,693	3,750	-	175	-	2,321	8,239
Contributions and grants	-	-	-	-	-	-	-	-	-	-
Dues and subscriptions	-	293	-	130	-	585	-	120	3,827	4,955
Central finance interest expense	-	-	-	-	-	-	-	-	-	-
Investment fees and bank charges	-	-	-	-	-	-	-	264	-	264
Emergency assistance and disaster relief	-	1,389	-	-	536,374	5,500	-	-	123,920	667,183
Telephone	-	3,806	412	2,781	776	1,798	1,798	2,160	10,786	24,317
Bond interest and amortization of issuance costs	-	-	-	-	-	-	-	-	-	-
	<u>\$ 70,213</u>	<u>\$ 273,426</u>	<u>\$ 22,903</u>	<u>\$ 259,752</u>	<u>\$ 578,518</u>	<u>\$ 84,932</u>	<u>\$ 39,919</u>	<u>\$ 329,293</u>	<u>\$ 727,441</u>	<u>\$ 2,386,397</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX**
Schedule of Expenses - Clergy and Religious
Year Ended June 30, 2012

	Seminarian Formation	Vocations	Permanent Diaconate	Continuing Education	Retired Priests Benefits	Total
Salaries - lay personnel	\$ -	\$ 35,027	\$ -	\$ -	\$ -	\$ 35,027
Salaries - religious	7,006	-	-	-	-	7,006
Payroll taxes	-	2,651	-	-	-	2,651
Group insurance - lay	10,932	6,659	-	-	-	17,591
Group insurance - religious	-	-	-	-	137,380	137,380
Pension and benefits	-	1,047	-	-	-	1,047
Business allowance/reimbursement	10,728	2,828	-	-	-	13,556
Conference and travel	49,357	1,780	-	2,379	-	53,516
Workshops, meeting and other program expenses	508,159	61,628	14,877	28,867	-	613,531
Supplies	10,660	264	95	-	-	11,019
Maintenance and repair	-	-	-	-	-	-
Insurance	-	-	-	-	-	-
Occupancy expenses	-	-	-	-	-	-
Legal fees/professional services	-	-	-	-	-	-
Copying and printing	2,114	-	-	-	-	2,114
Papal quota and Catholic Conference	-	-	-	-	-	-
Audit and accounting fees	-	-	-	-	-	-
Books and pamphlets	9,636	983	-	-	-	10,619
Communications and public relations	2,450	9,530	389	-	-	12,369
Contributions and grants	-	-	-	-	-	-
Dues and subscriptions	-	850	1,215	890	-	2,955
Central finance interest expense	-	-	-	-	-	-
Investment fees and bank charges	-	-	-	-	-	-
Emergency assistance and disaster relief	-	-	-	-	-	-
Telephone	252	-	-	-	-	252
Bond interest and amortization of issuance costs	-	-	-	-	-	-
	<u>\$ 611,294</u>	<u>\$ 123,247</u>	<u>\$ 16,576</u>	<u>\$ 32,136</u>	<u>\$ 137,380</u>	<u>\$ 920,633</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Expenses - Administration Ministries
Year Ended June 30, 2012

	Computer and Technology Support	Bishop's Residence	Construction	Archives	Tribunal	Safe Environment	Cemeteries Trust
Salaries - lay personnel	\$ 80,495	\$ 18,407	\$ 33,896	\$ 32,370	\$ 44,848	\$ -	\$ 11,547
Salaries - religious	-	-	-	-	-	-	-
Payroll taxes	5,890	1,290	2,769	2,413	3,364	-	803
Group insurance - lay	10,681	7,809	4,374	7,520	6,976	-	2,431
Group insurance - religious	-	-	-	-	-	-	-
Pension and benefits	4,772	1,056	2,480	561	2,153	-	602
Business allowance/reimbursement	8,010	-	4,690	-	376	-	810
Conference and travel	251	-	-	-	1,711	-	-
Workshops, meeting and other program expenses	51,356	-	-	-	3,005	11,068	-
Supplies	21,203	8,018	27	1,291	269	4,602	-
Maintenance and repair	6,134	13,114	-	1,196	2,621	7	-
Insurance	-	-	-	-	-	-	-
Occupancy expenses	-	6,100	-	10,378	-	-	-
Legal fees/professional services	-	-	-	-	1,500	1,232	-
Copying and printing	-	-	-	-	-	-	-
Papal quota and Catholic Conference	-	-	-	-	-	-	-
Audit and accounting fees	-	-	-	-	5,125	1,099	5,150
Books and pamphlets	-	16	-	1,053	-	-	-
Communications and public relations	241	-	110	360	110	110	-
Contributions and grants	-	-	-	-	-	-	-
Dues and subscriptions	150	227	50	42	267	-	-
Central finance interest expense	-	-	-	-	-	-	-
Investment fees and bank charges	-	-	-	-	-	-	-
Emergency assistance and disaster relief	-	-	-	-	-	-	-
Telephone	-	903	-	-	-	-	-
Bond interest and amortization of issuance costs	-	-	-	-	-	-	-
	<u>\$ 189,183</u>	<u>\$ 56,940</u>	<u>\$ 48,396</u>	<u>\$ 57,184</u>	<u>\$ 72,325</u>	<u>\$ 18,118</u>	<u>\$ 21,343</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX**
Schedule of Expenses - Administration Ministries, continued
Year Ended June 30, 2012

	Cemeteries Office	St. Joseph Cemetery	Property and Casualty Insurance	Central Finance	Lumen Christi	HR and Employee Benefits	Total
Salaries - lay personnel	\$ 58,157	\$ 131,703	\$ 36,946	\$ -	\$ 151,613	\$ 96,078	\$ 696,060
Salaries - religious	-	-	-	-	1,050	-	1,050
Payroll taxes	4,074	10,327	2,655	-	11,117	5,869	50,571
Group insurance - lay	9,990	30,733	5,760	-	32,992	16,954	136,220
Group insurance - religious	-	-	-	-	-	-	-
Pension and benefits	3,610	8,409	1,747	-	9,408	4,566	39,364
Business allowance/reimbursement	5,670	-	2,835	-	-	9,669	32,060
Conference and travel	-	-	923	-	2,165	1,378	6,428
Workshops, meeting and other program expenses	761	71,364	18,225	-	55,430	5,714	216,923
Supplies	163	6,690	235	-	16,688	3,578	62,764
Maintenance and repair	-	7,723	-	-	86,397	-	117,192
Insurance	-	-	2,588,345	-	-	-	2,588,345
Occupancy expenses	-	-	-	-	53,295	-	69,773
Legal fees/professional services	-	-	-	-	-	-	2,732
Copying and printing	-	-	-	-	-	-	-
Papal quota and Catholic Conference	-	-	-	-	-	-	-
Audit and accounting fees	-	-	-	-	-	-	11,374
Books and pamphlets	-	-	-	-	32	-	1,101
Communications and public relations	110	-	110	-	1,799	469	3,419
Contributions and grants	-	-	-	-	-	-	-
Dues and subscriptions	-	3,363	-	-	166	714	4,979
Central finance interest expense	-	-	-	1,084,662	-	-	1,084,662
Investment fees and bank charges	-	-	-	148,632	-	-	148,632
Emergency assistance and disaster relief	-	-	-	-	-	-	-
Telephone	-	-	-	-	-	-	903
Bond interest and amortization of issuance costs	-	-	-	-	-	-	-
	<u>\$ 82,535</u>	<u>\$ 270,312</u>	<u>\$ 2,657,781</u>	<u>\$ 1,233,294</u>	<u>\$ 422,152</u>	<u>\$ 144,989</u>	<u>\$ 5,274,552</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
Schedule of Other Undistributed Funds
Year Ended June 30, 2012

	Other Undistributed Funds			
	Beginning Balance	Receipts	Distributions & Transfers	Ending Balance (included in Accounts Payable - other)
<u>Diocesan and National Collections:</u>				
Campaign for Human Development	\$ 355	\$ 37,731	\$ 38,081	\$ 5
Peter's Pence collection	25,961	38,655	37,501	27,115
Bishop's Welfare Fund	39,878	37,606	75,747	1,737
Special Diocesan Collection	56,975	70,817	1,082	126,710
Holy Land	30,077	28,184	58,142	119
Communications	9,821	26,543	25,691	10,673
Rice Bowl	13,808	19,995	19,806	13,997
Latin American Church	521	29,232	29,653	100
Black and Indian missions	475	28,029	28,404	100
Catholic University collection	1,020	21,472	22,912	(420)
Catholic Home mission	29,816	31,928	60,091	1,653
Total Diocesan collections	<u>208,707</u>	<u>370,192</u>	<u>397,110</u>	<u>181,789</u>
Total Undistributed Funds - Other	<u>\$ 208,707</u>	<u>\$ 370,192</u>	<u>\$ 397,110</u>	<u>\$ 181,789</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAU**
*Schedule of Seminary Burse Funds
June 30, 2012 and 2011*

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

	<u>2012</u>	<u>2011</u>
Harry Booker	\$ 19,138	\$ 19,138
Judge & Mrs. L. P. Caillouet	15,000	15,000
Harvey Peltier	460,487	460,487
Endowment fund	119,137	119,137
Fr. Kasimir Chmielewski	4,839	4,839
Mr. George Fakier, Sr.	6,700	6,500
Fr. Peter Nies	5,540	5,378
Mr. & Mrs. John Marmande	700	700
Mr. Eledier Broussard	11,800	10,700
Msgr. Joseph Wester	15,000	15,000
Mr. & Mrs. Caliste Duplantis	50,000	50,000
Rev. Charles Menard	15,000	15,000
Rev. Kermit Trahan	15,000	15,000
H. Clay Duplantis, Sr. and Evelida Daspit Duplantis	25,000	25,000
Msgr. Raphael C. Labit	25,720	25,600
Dr. & Mrs. H. P. St. Martin	20,000	20,000
C. Remie Duplantis	25,000	25,000
Rev. Clemens Schneider	1,000	1,000
St. Jude	3,000	3,000
Mrs. Marie E. Duplantis	25,000	25,000
Maude and Edith Daspit	25,000	25,000
Rev. Henry Naquin	3,809	3,449
Rev. Anthony Russo	800	750
Rev. Adrian J. Caillouet	15,000	15,000
Rev. William M. Fleming	5,000	5,000
Bishop Warren L. Boudreaux	46,000	46,000
Msgr. George A. Landry	10,000	10,000
Diocesan K of C	17,895	17,895
Fr. Victor Toth	7,000	7,000
Catholic Daughters	3,230	2,930
Claude Bergeron	200	200
Anawim Community	1,900	1,500
J.R. Occhipinti	3,400	3,400
St. Joseph Italian Society	1,000	1,000
Mr. & Mrs. Arthur Naquin, Sr.	150	150
Mr. & Mrs. Galip Jacobs	3,060	3,060
Robert Wright, Jr.	15,000	15,000
Warren J. Harang, Jr.	15,900	15,700

THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX
Schedule of Seminary Burse Funds, continued
June 30, 2012 and 2011

	<u>2012</u>	<u>2011</u>
Bishop L. Abel Caillouet	15,000	15,000
Monsignor Lucien J. Caillouet	15,000	15,000
Father James Louis Caillouet	15,000	15,000
Vincent Cannata, Sr.	15,000	15,000
Rev. Peter H Brewerton	2,600	2,600
Rev. Msgr. John L. Newfield	1,200	1,200
Orleans & Louelle Pitre	15,000	15,000
Minor Sr. and Lou Ella Cheramie	15,000	15,000
Mr. & Mrs. Anthony Cannata	500	500
Kelly Curole Frazier	3,491	3,491
Msgr. Stanislaus Manikowski	1,525	1,025
Mrs. Ayres A. Champagne	2,000	2,000
Harold & Gloria Callais Family	15,000	15,000
Joseph "Jay" Fertitta	3,145	2,620
Rev. Msgr. William Koninkx	3,700	3,500
Deacon Edward J. Blanchard	660	660
James J. Buquet Jr.	650	650
Msgr. John G. Keller	1,000	1,000
Msgr. Emile J. Fossier	1,545	1,545
Rev. H.C. Paul Daigle	1,900	1,900
Richard Peltier	15,300	15,300
Brides of the Most Blessed Trinity	5,935	5,935
Deacon Robert Dusse'	450	450
Deacon Willie Orgeron	800	800
Donald Peltier	37,100	25,100
St. Bernadette Men's Club	8,100	3,000
Peter W. Callais	15,000	15,000
Rev. Robert J. Sevigny	1,400	1,200
Msgr. Francis J. Legendre	16,645	16,645
Mr./Mrs. Love W. Pellegrin	5,000	5,000
Sidney J. & Lydie C. Duplantis	10,800	10,800
Deacon Raymond Lebouef	550	550
Paul Abdon Callais	15,000	15,000
Deacon Roland Dufrene	750	550
Rev. Gerard Hayes	3,886	3,836
Deacon Harold Kurtz	300	100
Abdon J. & Ada B. Callais	15,000	15,000
Dr. William Barletta	1,525	-
Mr./Mrs. C. Thomas Bienvenu	15,000	-
Rev. Guy Zeringue	1,150	-
Rev. Hubert C. Broussard	50	-
Mr./Mrs. Elie Klingman	4,780	-
	<u>\$ 1,340,842</u>	<u>\$ 1,296,470</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAux**
*Schedule of Parish Deposits
June 30, 2012 and 2011*

		<u>2012</u>	<u>2011</u>
01	Amelia, St. Andrew	\$ 84,188	\$ 104,119
02	Chacahoula, St. Lawrence	43,674	41,931
03	Chackbay, Our Lady of Prompt Succor	27,905	34,070
05	St. Charles Community, St. Charles Borromeo	416,389	209,677
06	Morgan City, Holy Cross	130,462	435,734
07	Morgan City, Sacred Heart	639,024	561,139
08	Schriever, St. Bridget	59,631	56,467
10	Thibodaux, St. John	35,910	38,949
11	Thibodaux, St. Joseph	703,459	876,650
12	Kraemer, St. Lawrence the Martyr	27,364	29,820
14	Mathews, St. Hilary of Poitiers	489,390	552,549
16	Larose, Our Lady of the Rosary	92,257	60,381
17	Cut Off, Sacred Heart	124,808	179,807
18	Galliano, St. Joseph	457,454	482,206
19	Golden Meadow, Our Lady of Prompt Succor	519,117	568,872
20	Grand Isle, Our Lady of the Isle	286,663	280,318
21	Bayou Black, St. Anthony	291,168	399,921
22	Bayou Blue, St. Louis	21,871	32,856
23	Bourg, St. Ann	1,313,030	724,476
24	Chauvin, St. Joseph	101,136	185,610
25	Houma, Holy Family	262,386	322,583
26	Houma, Annunziata	42,009	-
27	Houma, Holy Rosary	81,531	40,899
30	Houma, St. Francis de Sales	135,506	77,583
31	Houma, St. Gregory	54,720	119,817
32	Montegut, Sacred Heart	21,604	-
34	Theriot, St. Eloi	189,178	198,369
35	Thibodaux, St. Thomas	54,514	23,542
37	Choctaw, St. James Mission	49,852	57,538
38	Thibodaux, St. Luke	-	31,038
39	Amelia, Thanh Gia (Holy Family)	430,286	336,148
40	Stephensville, St. Rosalie Mission	58,969	58,382
41	Gheens, The Community of St. Anthony	69,452	47,668
42	Thibodaux, Christ the Redeemer	251,231	225,103
43	Houma, St. Lucy	138,026	81,363
		<u>\$ 7,704,164</u>	<u>\$ 7,475,585</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX**
*Schedule of Parish and School Loans Receivable
June 30, 2012 and 2011*

		<u>2012</u>	<u>2011</u>
09	Thibodaux, St. Genevieve	\$ 89,114	\$ 163,301
13	Raceland, St. Mary	1,449,000	1,704,534
15	Lockport, Holy Savior	67,077	141,836
26	Houma, Annunziata	-	17,176
28	Houma, Maria Immacolata	129,876	297,062
29	Houma, St. Bernadette Soubirous	438,596	151,893
32	Montegut, Sacred Heart	-	13,343
33	Pointe-aux-Chenes, St. Charles	3,814	19,612
38	Thibodaux, St. Luke	4,244	-
152	Houma, Vanderbilt Catholic High School	115,000	748,963
153	Thibodaux, Edward Douglas White High School	<u>1,672,334</u>	<u>2,333,448</u>
		<u>\$ 3,969,055</u>	<u>\$ 5,591,168</u>

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

*Schedule of Institutional Deposits
June 30, 2012 and 2011*

		<u>2012</u>	<u>2011</u>
06	Morgan City, Holy Cross	\$ 778,499	\$ 884,852
09	Thibodaux, St. Genevieve	1,987,246	2,026,724
11	Thibodaux, St. Joseph	2,793,905	2,729,546
13	Raceland, St. Mary's Nativity	516,774	445,841
15	Lockport, Holy Savior	596,214	469,308
16	Larose, Our Lady of the Rosary	718,960	710,969
28	Houma, Maria Immacolata	522,293	549,450
29	Houma, St. Bernadette Soubirous	1,130,263	1,059,680
30	Houma, St. Francis de Sales	2,774,933	2,701,166
31	Houma, St. Gregory	522,449	362,250
151	Central Catholic High School	472,646	6,310,186
152	Vandebilt Catholic High School	4,558,862	4,387,273
153	Edward Douglas White High School	5,098,770	5,049,671
151	Morgan City, Holy Cross Capital Campaign	409,073	-
430	St. Francis Prepaid Tuition	32,673	40,880
453	Edward Douglas White Foundation	253,004	249,117
		<u>\$ 23,166,564</u>	<u>\$ 27,976,913</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAux**
*Schedule of Cemetery Operating Deposits
June 30, 2012 and 2011*

		<u>2012</u>	<u>2011</u>
01	Amelia, St. Andrew	\$ 39,706	\$ 27,757
02	Chacahoula, St. Lawrence	8,708	7,121
03	Chackbay, Our Lady of Prompt Succor	289,253	272,989
04	Gibson, St. Patrick	8,041	7,921
05	St. Charles Community, St. Charles Borromeo	109,888	129,682
08	Schriever, St. Bridget	87,972	80,812
10	Thibodaux, St. John the Evangelist	68,968	129,717
11	Thibodaux, St. Joseph	729,548	759,049
12	Kraemer, St. Lawrence the Martyr	46,427	41,408
13	Raceland, St. Mary's Nativity	628,893	597,550
14	Mathews, St. Hilary of Poitiers	320,664	311,413
15	Lockport, Holy Savior	121,909	134,527
16	Larose, Our Lady of the Rosary	280,338	206,381
17	Cut Off, Sacred Heart	278,416	303,172
18	Galliano, St. Joseph	97,684	93,148
19	Golden Meadow, Our Lady of Prompt Succor	32,204	55,196
22	Bayou Blue, St. Louis	216,636	204,282
23	Bourg, St. Ann	244,569	244,213
24	Chauvin, St. Joseph	1,052,508	1,040,011
25	Grand Caillou, Holy Family	87,434	117,317
27	Houma, Our Lady of the Most Holy Rosary	635,370	649,929
30	Houma, St. Francis de Sales	174,223	323,608
32	Montegut, Sacred Heart	180,729	182,265
33	Pointe-Aux-Chenes, St. Charles Borromeo	122,528	175,147
34	Theriot, St. Eloi	300,627	301,749
37	Choctaw, St. James Mission	84,761	80,227
41	Gheens, St. Anthony	27,220	26,881
		<u>\$ 6,275,224</u>	<u>\$ 6,503,472</u>

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX**
Schedule of Parish and School Endowment Funds
June 30, 2012 and 2011

		<u>2012</u>	<u>2011</u>
Parish Endowments:			
06	Morgan City, Holy Cross	\$ 180,000	\$ 180,000
08	Schriever, St. Bridget	145,000	145,000
09	Thibodaux, St. Genevieve	500,000	500,000
11	Thibodaux, St. Joseph	3,177,281	2,035,214
14	Matthews, St. Hilary	126,879	123,744
15	Lockport, Holy Savior	50,000	50,000
18	Galliano, St. Joseph	480,000	480,000
24	Chauvin, St. Joseph	2,366,179	2,366,179
27	Houma, Holy Rosary	25,841	25,841
30	Houma, St. Francis de Sales	545,030	545,030
		<hr/>	<hr/>
	Total Parish Endowments	<u>\$ 7,596,210</u>	<u>\$ 6,451,008</u>
School Endowments:			
06	Morgan City, Holy Cross	\$ 1,210,000	\$ 1,210,000
09	Thibodaux, St. Genevieve	114,100	114,100
11	Thibodaux, St. Joseph	3,006,550	3,006,550
13	Raceland, St. Mary	17,044	17,044
15	Lockport, Holy Savior	100,000	100,000
16	Larose, Our Lady of the Rosary	334,517	334,267
29	Houma, St. Bernadette	209,664	208,057
30	Houma, St. Francis de Sales	194,743	192,108
151	Central Catholic High School	1,151,000	1,151,000
152	Vandebilt Catholic High School	766,349	720,144
153	Edward Douglas White High School	2,430,983	2,416,774
		<hr/>	<hr/>
	Total School Endowments	<u>\$ 9,534,950</u>	<u>\$ 9,470,044</u>

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

Schedule of Operations of Parishes and Institutions (Unaudited)
Year Ended June 30, 2012

	Income	Expenditures	Excess (Deficiency) Of Income Over Expenditures
Amelia, Thanh Gia (Holy Family)	\$ 120,815	\$ 81,398	\$ 39,417
Amelia, St. Andrew	143,293	171,562	(28,269)
Chacahoula, St. Lawrence	116,586	108,049	8,537
Chackbay, Our Lady of Prompt Succor	378,688	349,203	29,485
St. Charles Community, St. Charles Borromeo	482,700	272,657	210,043
Morgan City, Holy Cross	4,329,448	2,147,886	2,181,562
Stephensville, St. Rosalie Mission	19,552	16,435	3,117
Morgan City, Sacred Heart	598,507	527,670	70,837
Schriever, St. Bridget	275,148	251,661	23,487
Thibodaux, Christ the Redeemer	502,588	454,246	48,342
Thibodaux, St. Genevieve	2,661,743	2,561,758	99,985
Thibodaux, St. John	247,820	263,480	(15,660)
Thibodaux, St. Joseph	5,116,622	4,153,898	962,724
Kraemer, St. Lawrence	148,783	147,148	1,635
Choctaw, St. James Mission	30,693	37,953	(7,260)
Raceland, St. Mary	1,643,252	1,383,504	259,748
Mathews, St. Hilary	460,548	532,886	(72,338)
Lockport, Holy Savior	1,494,786	1,377,418	117,368
Gheens, St. Anthony	96,564	74,670	21,894
Larose, Our Lady of the Rosary	1,738,078	1,708,294	29,784
Cut Off, Sacred Heart	512,803	448,867	63,936
Galliano, St. Joseph	217,570	261,068	(43,498)
Golden Meadow, Our Lady of Prompt Succor	494,982	505,934	(10,952)
Grand Isle, Our Lady of the Isle	218,938	201,312	17,626
Bayou Black, St. Anthony	492,086	436,387	55,699
Bayou Blue, St. Louis	394,025	374,305	19,720
Bourg, St. Ann	965,964	293,355	672,609
Chauvin, St. Joseph	411,727	490,130	(78,403)
Grand Caillou, Holy Family	135,410	253,378	(117,968)
Houma, Annunziata	513,498	464,509	48,989
Houma, Holy Rosary	419,106	419,624	(518)
Houma, Maria Immacolata	1,498,453	1,296,431	202,022
Houma, St. Bernadette	2,425,632	2,555,544	(129,912)
Houma, St. Francis	3,800,093	3,735,232	64,861
Houma, St. Gregory	1,256,381	1,159,437	96,944
Montegut, Sacred Heart	155,716	136,759	18,957
Pointe-Aux-Chenes, St. Charles	128,159	138,800	(10,641)
Theriot, St. Eloi	148,304	157,839	(9,535)
Thibodaux, St. Thomas	470,028	313,759	156,269
Thibodaux, St. Luke	167,651	200,994	(33,343)
Houma, St. Lucy	202,631	139,091	63,540
Central Catholic High School	2,928,608	2,001,779	926,829
Edward Douglas White High School	6,279,729	5,656,365	623,364
Vandebilt Catholic High School	6,953,724	6,190,168	763,556
Grand Totals	\$ 51,797,432	\$ 44,452,843	\$ 7,344,589

5779 Hwy. 311
 P. O. Box 3695
 HOUMA, LOUISIANA 70361-3695
 TELEPHONE (985) 851-0883
 FAX (985) 851-3014

Lanaux & Felger

— CERTIFIED PUBLIC ACCOUNTANTS —
 A PROFESSIONAL CORPORATION

THOMAS J. LANAUX, CPA
 MARK S. FELGER, CPA

**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**

His Excellency
 Most Reverend Sam G. Jacobs, D.D.
 Bishop of the Diocese of Houma-Thibodaux

We have audited the consolidated financial statements of the Central Administrative Offices of the Roman Catholic Church of the Diocese of Houma-Thibodaux, Offices and Institutions (Diocese), as of and for the year ended June 30, 2012, and have issued our report thereon dated December 27, 2012, which was qualified as follows:

- As discussed in Note 1 to the consolidated financial statements, a provision for depreciation expense has not been provided, and
- As discussed in Note 1 to the consolidated financial statements, the statements do not include the operations of the high schools owned and operated by the Diocese, nor do they include certain assets, liabilities, and net assets of the high schools, and
- As discussed in Note 10 to the consolidated financial statements, the Diocese did not obtain an actuarial valuation of its priest pension liability as of year-end and was not able to develop certain pension information as of year-end for inclusion and disclosure in the consolidated financial statements, and
- As discussed in Note 12 to the consolidated financial statements, the Diocese did not obtain an actuarial valuation of its liability for postretirement health care benefits as of year-end and was not able to develop certain information as of year-end for inclusion in the consolidated financial statements.

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.

Internal Control over Financial Reporting

Management of the Diocese is responsible for establishing and maintaining effective internal control over financial reporting. In planning and performing our audit, we considered the Diocese's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Diocese's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Diocese's internal control over financial reporting.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. However, as described in the accompanying schedule

of findings and responses, we identified a deficiency in internal control over financial reporting that we consider to be a material weakness.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. *A material weakness* is a deficiency, or combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis. We consider the deficiency described in the accompanying schedule of findings and responses as item 2012-1 to be a material weakness.

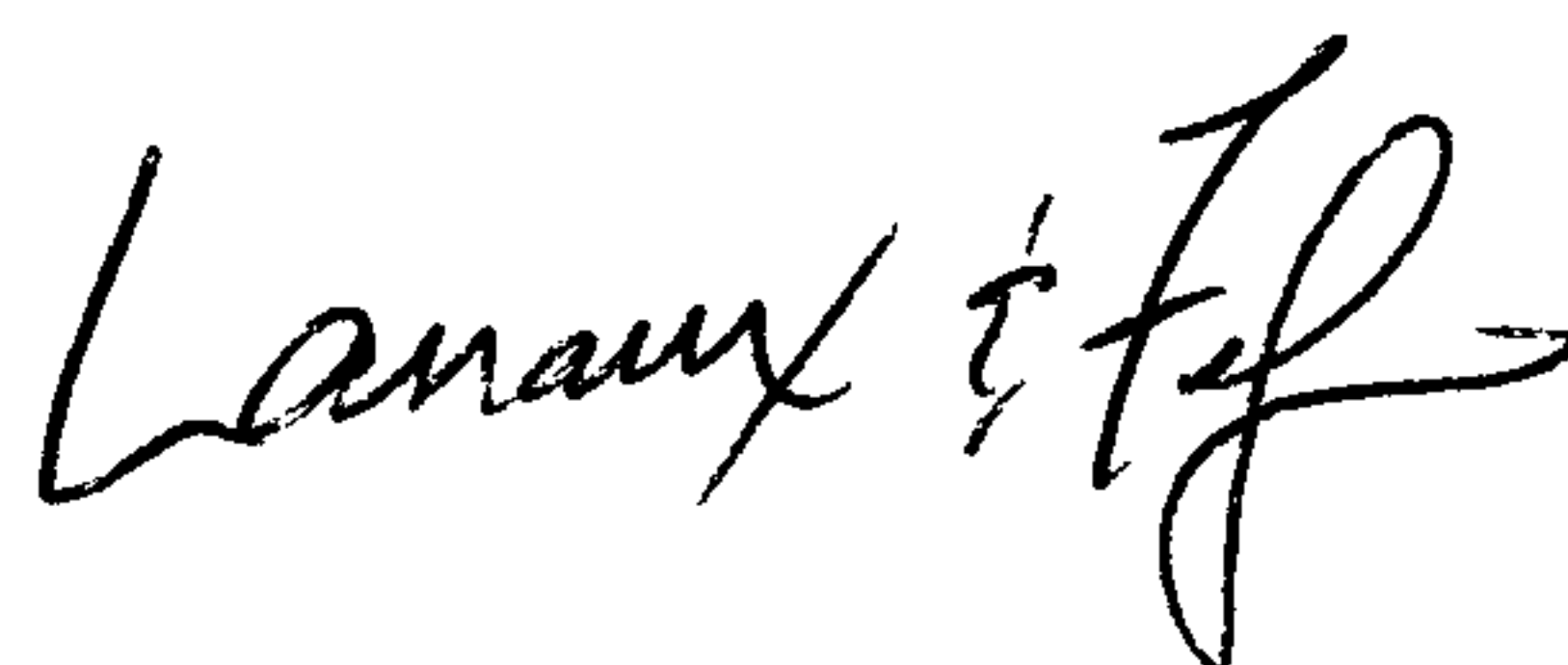
Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Diocese's financial statements are free of material misstatement, we performed tests of compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed an instance of noncompliance or other matters that is required to be reported under *Government Auditing Standards* and which is described in the accompanying schedule of findings and responses as item 2012-1.

The Diocese's response to the finding identified in our audit is described in the accompanying Management's Corrective Action Plan. We did not audit the Diocese's response and, accordingly, we express no opinion on it.

This report is intended for the information of the finance council, management, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties. Under Louisiana Revised Statute 24:513, this report is distributed by the Legislative Auditor as a public document.

Houma, Louisiana
December 27, 2012



**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
SCHEDULE OF FINDINGS AND RESPONSES
Year Ended June 30, 2012**

Section I – Summary of Auditor’s Reports

a. Financial Statements:

Type of auditor’s report issued on financial statement: qualified

b. Internal Control and Compliance:

Internal control over financial reporting:

- Material weakness(es) identified XX Yes ___ No
- Significant deficiency(ies) identified ___ Yes XX No

Noncompliance material to financial statements noted XX Yes ___ No

c. Federal Awards

Not applicable.

Section II – Financial Statement Findings

2012-1 DEPARTURES FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Condition: Several departures from accounting principles generally accepted in the United States of America were noted in the independent auditors’ report on the financial statements.

Criteria: Louisiana audit laws require quasi-public entities prepare financial statements in accordance with generally accepted accounting principles.

Cause: Management believes the cost of correcting these departures from generally accepted accounting principles exceeds the benefit to the organization.

Effect: The departures result in a qualified opinion on the financial statements.

Recommendation and Response: See Management’s Corrective Action Plan.

Section III – Federal Award Findings and Questioned Costs

Not Applicable.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
SCHEDULE OF PRIOR YEAR FINDINGS
Year Ended June 30, 2012**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2011-1 DEPARTURES FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Condition: Several departures from accounting principles generally accepted in the United States of America were noted in the independent auditors' report on the financial statements.

Criteria: Louisiana audit laws require quasi-public entities prepare financial statements in accordance with generally accepted accounting principles.

Cause: Management believes the cost of correcting these departures from generally accepted accounting principles exceeds the benefit to the organization.

Effect: The departures result in a qualified opinion on the financial statements.

Current Status: See Management's Corrective Action Plan.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

No findings were reported for the year ended June 30, 2011.

**THE CENTRAL ADMINISTRATIVE OFFICES OF THE ROMAN CATHOLIC CHURCH
OF THE DIOCESE OF HOUMA-THIBODAUX, OFFICES AND INSTITUTIONS
MANAGEMENT'S CORRECTIVE ACTION PLAN
Year Ended June 30, 2012**

SECTION I INTERNAL CONTROL AND COMPLIANCE MATERIAL TO THE FINANCIAL STATEMENTS

2012-1 DEPARTURES FROM GENERALLY ACCEPTED ACCOUNTING PRINCIPLES

Condition: Several departures from accounting principles generally accepted in the United States of America were noted in the independent auditors' report on the financial statements.

Recommendation: Management should evaluate the costs of correcting the departures from generally accepted accounting principles and assess the effects these departures have on the financial condition and results of operations of the organization.

Management's Response: At this time, management is evaluating the costs of correcting the departures from generally accepted accounting principles noted in the auditors' report. Upon completion of this evaluation, management will present recommendations to the Bishop for corrective action.

SECTION II INTERNAL CONTROL AND COMPLIANCE MATERIAL TO FEDERAL AWARDS

Not applicable.