

**ST. FRANCIS OF ASSISI CATHOLIC CHURCH**

**INDEPENDENT ACCOUNTANT'S REPORT  
ON APPLYING AGREED-UPON PROCEDURES**

**YEAR ENDED JUNE 30, 2015**



## INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

Reverend Clifford Pichard  
St. Francis of Assisi Catholic Church  
Roman Catholic Diocese of Dallas

We have performed the procedures enumerated below, which were agreed to by St. Francis of Assisi Catholic Church (the Church) and the Roman Catholic Diocese of Dallas (the Diocese), solely to assist you in complying with the requirements set forth by the Diocese as of and for the year ended June 30, 2015. Management of St. Francis of Assisi Catholic Church is responsible for the accounting records of the Church. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. We obtained copies of the year-end Right Networks standardized financial report #8: Statement of Financial Position vs. Prior Year, report #9: Statement of Activities vs. Prior Year- Natural and report #11: Statement of Activities vs. Budget - Natural and the approved budgets for the Church as of and for the year ended June 30, 2015. A copy of those financial reports is attached to this report as Exhibit 1. We performed the following procedures with respect to those reports:

- a. For report #11 we agreed the budgeted financial data for the year ended June 30, 2015, to the approved budget by reference to minutes of the Finance Committee.

*No exceptions were noted in performing this procedure.*

- b. We noted any significant (e.g. 20%) variances in budget to actual comparison, and reviewed to ensure entries were being made in a consistent manner.

*A summary of our findings for variances that exceeded 20% and \$5,000 is attached to this report at Exhibit 5. All explanations appear reasonable.*

- c. For report #8, we determined that the reported net assets balances in the prior year column agreed with the report used in the prior year's engagement.

*No exceptions were noted in performing this procedure.*

2. We obtained a list of all accounts at all financial institutions, including account numbers, name, authorized signers, and purpose. The list includes all entities such as trusts, support, and Church-based organizations. We confirmed that all the accounts on the list are included in the financial reports of the Church. A copy of that list is attached to this report as Exhibit 2.

*No exceptions were noted in performing this procedure.*

3. We obtained and reviewed the *QuickBooks Reconciliation Detail* for all the bank accounts listed in the attached Exhibit 2, compared the reconciled bank account balance to the *QuickBooks Balance Sheet Summary Report* at June 30, 2015, and examined the date on which each *QuickBooks Reconciliation Detail* was completed to determine whether the respective accounts were reconciled to the general ledger in a timely manner (within 30 days). We also determined if the reconciliation was reviewed by an individual other than the preparer and that such review was documented.

*No exceptions were noted in performing this procedure.*

4. We selected seven employees, which represented 15% of all employees, inquired of the existence of or were introduced to all the employees selected, and obtained and reviewed applicable personnel file and salary information to determine the following:
  - a. Each employee selected was actively employed by the Church.
  - b. The salary being paid to each employee had been properly approved.
  - c. All compensation had been included for tax reporting purposes.
  - d. Each employee was enrolled in the diocesan group insurance plan if qualified and the cost of elective coverages were withheld from pay.
  - e. I-9 documentation is being properly completed and is being maintained in a file separate from other personnel records.
  - f. Employees were properly enrolled (or not) in the 403B plan, and have received the correct matching and mandatory employer contributions for the fiscal year. The status of employees listed as ineligible for the 403B plan appeared reasonable.

*No exceptions were noted in performing this procedure. However, we noted that for one employee (non-priest), an initial salary increase was approved and documented in the employee's file. A further increase over the initial pay raise was verbally approved by the Pastor. However, this additional pay increase was not noted or documented in the employee's file. Because the pay noted in the payroll registers reviewed was confirmed to have been verbally approved by the Pastor, it is not considered an exception. However, we recommend that an original approved pay raise form for an employee be initialed for any additional approved changes made or a new form filled out and signed to indicate the final approved pay raise. We have included this in the recommendations at Exhibit 3.*

5. Employees were not also given 1099s.

*No exceptions were noted in performing this procedure.*

6. We inquired of the Church staff as to whether the Church has adopted any non-Diocesan benefit plans or is paying "extra" benefits to any employee. We were informed that no non-Diocesan benefit plans have been adopted and that the Church does not pay "extra" benefits to employees.

*No exceptions were noted in performing this procedure.*

7. We selected, examined, and inquired of all payments to vendors and to individuals who are not employees of the Church (e.g. independent contractors) and traced the payments to the client-prepared IRS Form 1099 worksheet and IRS return 1096 to determine whether the disbursements were properly reported for federal income tax purposes. Under IRS reporting guidelines, disbursements to an individual or a partnership totaling or exceeding \$600 require an IRS Form 1099 to be issued to the payee.

*No exceptions were noted in performing this procedure.*

8. We determined by inquiry and observation that no payroll taxes are being paid directly to the IRS by the entity.

*No exceptions were noted in performing these procedures.*

9. We determined by inquiry and observation that no unresolved payroll tax issues/correspondence with the IRS exist.

*No exceptions were noted in performing these procedures.*

10. We reviewed the Mass collection procedures performed by the Church in relation to those specified in the Diocesan *Accounting Standards Handbook*.

We agreed the balances on the count sheets for randomly selected dates (weeks ended October 26, 2014; January 4, 2015; and May 10, 2015) to the related deposit slip and entries in the general ledger to determine that the stipulated Mass collection procedures are being followed.

We also ascertained that procedures for collecting fees and other revenues were documented and those fees and other revenues collected for the weeks ended October 26, 2014; January 4, 2015; and May 10, 2015 were timely deposited and recorded within the general ledger.

*10. Continued*

We further ascertained that donor restricted gifts or contributions collected for the weeks ended October 26, 2014; January 4, 2015; and May 10, 2015 were properly accounted for and recorded in the general ledger in accordance with the standard chart of accounts and that the donor restrictions were complied with.

*No exceptions were noted in performing these procedures.*

11. Step not applicable.

12. We obtained and reviewed a total of thirty randomly selected non-payroll disbursements from the check registers of the Church, plus supporting documentation such as vendor invoices, utility bills, check requests, receipts, and cancelled checks, as applicable, to determine whether:

- a. The invoice, receipt, or contract is properly approved and attached.
- b. Employee/priest expense reimbursements are adequately and properly supported.
- c. Each purchase is reasonable in the circumstances.
- d. Based on inquiry of Church staff, a person who is in fact an 'employee,' was paid outside of the payroll process.

*No exceptions were noted in performing these procedures.*

13. We obtained and reviewed a representative sample of two disbursements paid to Church staff, one disbursement paid to the Pastor, one disbursement paid to the Parochial Vicar; and one disbursement paid to the Finance Director to determine whether the disbursements were reasonable in the circumstances, adequately supported, and properly approved.

*No exceptions were noted in performing these procedures.*

14. We reviewed the four quarterly assessment reports for the Church's current fiscal year and performed the following procedures:

- a. We agreed the four quarterly assessment reports to the general ledger and determined that they were in compliance with Diocesan policy.
- b. We conducted an inquiry of and discussions with Church staff and determined that the Church does not have any existing debt with the Diocese but has a construction loan payable to a financial institution.
- c. Per inquiry of Church staff, we determined that the Parish only has a preschool and as such there were no subsidy payments made to a school.

*No exceptions were noted in performing these procedures.*

15. We examined two amounts remitted to the Diocese for two special collections by noting the amount of each collection and the dates of collection and remittance to determine that national and special collections are being remitted timely to the Diocese.

The amounts that make up two special collections which we reviewed are illustrated in the table below:

	<b>Special Collection</b>	<b>Dates of Collection</b>	<b>Remittance Date</b>	<b>Remittance Amount</b>	<b>Timely remittance (within 30 days of last collection date)</b>
1)	Retirement Fund for Religious	12/14/14 – 12/28/14	1/8/15	6,737.81	Yes
2)	Catholic Relief Services	3/1/15 – 3/29/15	4/9/15	6,286.84	Yes

*No exceptions were noted in performing these procedures.*

16. We inquired of the Church staff to determine what financial reports are presented to appropriate governing groups, such as the parish council, parish finance committee, or board of directors, as applicable.

*We were informed that the Finance Committee is supplied with the following: a monthly (summary and detailed) Balance Sheet and Income Statement, year-to-date (summary and detailed) Balance Sheet and Income Statement (with budget vs. actual comparison), Contributions Graphs, and Average Attendance & Giving reports.*

17. We verified that the Church published its prior fiscal year's financial reports in accordance with Diocesan policy.

<b>Reports</b>	<b>Date of Publication</b>	<b>Length of Publication</b>	<b>Publication Medium</b>
Parish Annual Report	July 2013 - June 2014	11 pages	Website and Print

18. We obtained the Pastoral Center fiscal year end statement of unpaid invoices; note payable activity and balance; and Funds on Deposit activity and balance and reconciled them to the respective general ledger.

*No exceptions were noted in performing these procedures.*

St. Francis of Assisi Catholic Church  
September 16, 2015

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19. Meet with the Church's Pastor, Business Manager and Finance Committee and review the results of the annual financial review.

*Meeting to be held September 16<sup>th</sup>.*

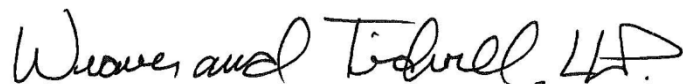
20. We obtained representation from the Pastor of the Church in the format prescribed by the Diocese.

*A copy of the signed representation letter is attached to this report as Exhibit 4.*

21. Based on the findings we noted in performing procedures listed above, we noted one area for improvement that could be made to the internal control environment at the Church. Accordingly, we have made recommendations to the Church that should be considered. The recommendations are attached to this report at Exhibit 3.

We were not engaged to, and did not conduct an audit, the objective of which would be the expression of an opinion on the accounting records of the Church. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of management of St. Francis of Assisi Catholic Church and the Roman Catholic Diocese of Dallas and is not intended to be and should not be used by anyone other than these specified parties.



WEAVER AND TIDWELL, L.L.P.

Dallas, Texas  
September 16, 2015

# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENTS OF FINANCIAL POSITION

Account Number		6/30/2015	6/30/2014
<b>Assets</b>			
<b>Cash &amp; Cash Equivalents</b>			
1001	Operating Checking Account	\$ 350,848	\$ 583,546
1002	Money Market Account	7,976	7,565
1003	Savings Account	5,131	5,602
1004	Certificates of Deposit	1,240,231	1,300,036
1005	Treasury Securities	-	-
1006	Diocesan Funds on Deposit	-	-
1007	Petty Cash	304	304
		1,604,490	1,897,053
<b>Receivables</b>			
1101	Tuition & Fees Receivable	-	-
1102	Accounts Receivable	-	-
1103	Allowance for Uncollectible Receivables	-	-
1104	Pledges Receivable	-	-
1105	Allowance for Uncollectible Pledges	-	-
		-	-
<b>Other Assets</b>			
1201	Prepaid Expenses	31,212	31,934
1202	Inventory of Scrip Vouchers	-	-
1203	Inventory (e.g. bookstore, religious articles, etc.)	-	-
1204	Deferred Charges	-	-
1205	Deposits	-	-
1206	Other	-	2,800
1208	Undeposited Funds	-	-
		31,212	34,734
<b>Property &amp; Equipment</b>			
1301	Land	965,000	965,000
1302	Land not in use	-	-
1303	Land Improvements	2,844,615	2,839,585
1304	Buildings	25,337,365	25,337,365
1305	Building Improvements	1,091,085	291,480
1306	Furniture & Fixtures	1,164,373	1,090,535
1308	Equipment	548,223	528,250
1310	Vehicles	101,726	101,726
1312	Leasehold Improvements	-	-
1313	Construction In Progress	-	-
	Total Cost Property & Equipment	32,052,387	31,153,941
1322	Accumulated Depreciation - Land Improv.	(1,216,497)	(1,027,209)
1323	Accumulated Depreciation - Building	(3,138,316)	(2,504,477)
1324	Accumulated Depreciation - Building Improv.	(92,996)	(21,167)
1325	Accumulated Depreciation - Furniture & Fixture	(425,774)	(343,268)
1328	Accumulated Depreciation - Equipment	(294,932)	(254,715)
1330	Accumulated Depreciation - Vehicles	(96,787)	(95,375)



# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENTS OF FINANCIAL POSITION

Account Number		6/30/2015	6/30/2014
1332	Accumulated Depreciation - Leasehold Improv. Property & Equipment, Net of Depreciation	- 26,787,085	- 26,907,731
<b>Investments</b>			
1401	Catholic Foundation	-	-
1402	Parish Trust	-	-
1404	Other	-	-
<b>Total Assets</b>		<b>\$ 28,422,786</b>	<b>\$ 28,839,519</b>
<b>Liabilities</b>			
<b>Accounts Payable</b>			
2005	Vendors & Suppliers	143,652	76,988
2010	Payables to Diocesan Entities	522	450
2015	Other Accounts Payable	-	-
		<u>144,174</u>	<u>77,438</u>
<b>Credit Cards Payable</b>			
2031	Credit Card Payable	12,642	7,890
		<u>12,642</u>	<u>7,890</u>
<b>Special Collections</b>			
2051	Catholic University of America	-	-
2052	World Mission Sunday	-	-
2053	Catholic Campaign for Human Dev	-	-
2054	Retirement Fund for Religious	14	-
2055	Church in Latin America	-	-
2056	Aid to Church in Eastern Europe	-	10
2057	Catholic Relief Services	30	13
2058	Holy Land	25	-
2059	Catholic Home Missions	25	40
2060	Black & Indian Missions	5	-
2061	Catholic Communications	55	1,769
2062	Peter's Pence	4,453	2,966
2063	Operation Rice Bowl	-	1,061
2064	Missionary Co-op	-	-
2065	Other Special Collections	60,232	44,793
2066	Annual Diocesan Campaign	-	-
		<u>64,838</u>	<u>50,652</u>
<b>Other Accrued Expenses &amp; Liabilities</b>			
2101	Assessment Payable to Diocese	30,473	93,019
2102	Accrued Expenses	-	-
2103	Security Deposits	875	1,100
2104	Accrued Interest on Loan(s)	-	-
		<u>31,348</u>	<u>94,119</u>
<b>Payroll Liabilities</b>			

ST FRANCIS OF ASSISI PARISH, FRISCO  
STATEMENTS OF FINANCIAL POSITION

Account Number		6/30/2015	6/30/2014
2201	Federal Income Tax Withholding	-	-
2202	Medicare Tax Withholding	-	-
2203	Medicare Tax - Employer Liability	-	-
2204	FICA Tax Withholding	-	-
2205	FICA Tax Employer Liability	-	-
2206	403(B) Withholding	-	-
2207	Accrued Employer 403(B) Liability	-	-
2208	Garnishments	-	-
2209	Sec. 125/Flexible Spending	-	-
2210	Unpaid Stipends	9,260	13,592
2211	Payroll Liabilities - Other	-	-
		<u>9,260</u>	<u>13,592</u>
<b>Loans Payable</b>			
2301	Construction Loans	-	-
2302	Loans from Diocese	-	-
2303	Mortgage Loans	7,319,646	8,006,982
2304	Loans from Parishioners	-	-
2305	Capitalized Lease Obligations	-	-
		<u>7,319,646</u>	<u>8,006,982</u>
<b>Deferred Revenue</b>			
2401	Deferred Religious Ed Fees	68,393	59,478
2402	Deferred Tuition	-	-
2403	Other Deferred Revenue	94,942	36,287
		<u>163,335</u>	<u>95,764</u>
<b>Total Liabilities</b>		<u><b>7,745,242</b></u>	<u><b>8,346,437</b></u>
<b>Net Assets</b>			
3010	Beginning Unrestricted Net Assets	20,493,082	18,722,124
3011	Current Year Unrestricted Change	184,462	1,309,553
3020	Beginning Temporarily Restricted Net Assets	-	461,405
3021	Current Year Temporarily Restricted Change	-	-
3030	Begin Permanently Restricted Net Assets	-	-
3031	Current Year Permanently Restricted Change	-	-
<b>Total Net Assets</b>		<u><b>20,677,544</b></u>	<u><b>20,493,082</b></u>
<b>Total Liabilities &amp; Net Assets</b>		<u><b>\$ 28,422,786</b></u>	<u><b>\$ 28,839,519</b></u>

# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENTS OF ACTIVITIES

Account Number		<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
	<b>Change in Unrestricted Net Assets</b>		
	<b>Revenues</b>		
<b>4000</b>	<b>Collections</b>		
4010	Regular Collections		
4011	Sunday Collections	\$ 2,898,060	\$ 2,512,077
4012	Holy Day Collections	32,182	37,076
		<u>2,930,242</u>	<u>2,549,153</u>
		<b><u>2,930,242</u></b>	<b><u>2,549,153</u></b>
<b>4100</b>	<b>Fundraisers &amp; Investment Income</b>		
4110	Fundraisers		
4111	Bingo	-	-
4112	Carnivals/Bazaars/Auctions	-	-
4113	Raffles	-	-
4114	Scrip Program	-	-
4115	Other Fundraisers	73,363	109,365
4116	Bulletin Revenue	-	-
4117	Gift Shop Revenues	-	-
		<u>73,363</u>	<u>109,365</u>
4120	Investment Income		
4121	Unrealized Gains/(Losses) on Securities	-	-
4122	Realized Gains/(Losses) on Sales of Securities	74	462
4123	Interest & Dividend Income	2,606	1,109
		<u>2,680</u>	<u>1,571</u>
		<b><u>76,043</u></b>	<b><u>110,936</u></b>
<b>4200</b>	<b>Fees &amp; Other Revenues</b>		
4210	Pre-School & Other Child Care Services		
4211	Revenue from Child Care Program	7,899	24,474
		<u>7,899</u>	<u>24,474</u>
4220	Faith Formation Fees & Tuition		
4221	Tuition	189,316	177,748
4222	Fees	194,703	166,435
		<u>384,019</u>	<u>344,183</u>
4230	Sacramental/Evangelization		
4231	Fees	6,800	4,625
4232	Other Revenues	-	-
		<u>6,800</u>	<u>4,625</u>
4240	Rental & Lease Revenue		
4241	Rental Revenues	21,850	22,046
		<u>21,850</u>	<u>22,046</u>

ST FRANCIS OF ASSISI PARISH, FRISCO  
STATEMENTS OF ACTIVITIES

Account Number		<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
4250	Votive Candles		
4251	Votive Candles	18,931	10,285
		<u>18,931</u>	<u>10,285</u>
4260	Cemetery/Columbarium		
4261	Sale of Burial Plots	-	-
4262	Sale of Niches	-	-
4263	Sale of Mausoleum Crypts	-	-
4264	Interments	-	-
4265	Perpetual Care Revenue	-	-
4266	Other Cemetery Revenues	-	-
		<u>-</u>	<u>-</u>
4290	Miscellaneous Revenues		
4291	Miscellaneous Revenues	75,977	32,320
		<u>75,977</u>	<u>32,320</u>
		<u>515,477</u>	<u>437,933</u>
<b>4400</b>	<b>Gifts, Bequests, &amp; Property Sales</b>		
4410	Gifts from Other Parishes		
4411	Gifts from Other Parishes	-	-
		<u>-</u>	<u>-</u>
4420	Gifts & Bequests		
4421	Gifts & Bequests	-	-
		<u>-</u>	<u>-</u>
4430	Gain/(Loss) on Sale of Property		
4431	Gain/(Loss) on Sale of Property	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
<b>4500</b>	<b>Assets Released from Restriction</b>		
4510	Assets Released from Restriction		
4511	Assets Released from Restriction	849,940	1,688,935
		<u>849,940</u>	<u>1,688,935</u>
		<u>849,940</u>	<u>1,688,935</u>
	<b>Total Revenues</b>	<u>4,371,702</u>	<u>4,786,957</u>
	<b>Expenses</b>		
<b>5000</b>	<b>Compensation &amp; Benefits</b>		
5010	Salaries & Wages		
5011	Lay Employees	877,885	855,782
5012	Clergy	75,465	71,904
5013	Cash Allow for Pastor/Administrator	22,506	20,667
5014	Religious Sisters & Brothers	-	-
5015	Extra Priests	6,425	5,275

ST FRANCIS OF ASSISI PARISH, FRISCO  
STATEMENTS OF ACTIVITIES

Account Number		<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
		982,281	953,628
5020	Payroll Taxes		
5021	FICA	53,397	52,800
5022	Medicare	12,433	12,348
5025	Payroll Expenses - Other	-	-
		<u>65,830</u>	<u>65,148</u>
5030	Employee Benefits		
5031	Group Insurance Premiums	186,806	158,749
5032	Pension - Clergy	38,925	30,600
5033	403(B) Lay Retirement Plan	40,411	40,552
		<u>266,141</u>	<u>229,902</u>
5040	Contract Labor		
5041	Contract Labor	32,406	21,225
		<u>32,406</u>	<u>21,225</u>
		<u>1,346,658</u>	<u>1,269,903</u>
<b>5100</b>	<b>Contributions &amp; Assessments</b>		
5110	Contributions & Assessments		
5111	Contributions to Other Charitable & Religious Orgs.	20,304	29,358
5112	Charitable Gifts for Individuals	29,181	26,857
5113	Diocesan Assessment	338,917	353,313
5114	School Subsidy	-	-
5115	Shortfall on Annual Campaign	-	-
		<u>388,401</u>	<u>409,527</u>
		<u>388,401</u>	<u>409,527</u>
<b>5200</b>	<b>Professional Fees</b>		
5210	Professional Fees		
5211	Audit & Accounting	9,816	9,210
5212	Legal	3,413	419
5213	Other	9,011	7,903
5214	Parish Community Education	3,026	5,784
5215	Staff Continuing Education & Development	8,567	7,677
		<u>33,833</u>	<u>30,991</u>
		<u>33,833</u>	<u>30,991</u>
<b>5260</b>	<b>Insurance &amp; Risk Management</b>		
5261	Insurance & Risk Management		
5262	Auto - Clergy	3,389	3,812
5263	Insurance - Property, Casualty, Etc	94,972	74,232
5264	Deductibles & Uninsured Casualty Losses	-	-
5265	Safe Environment Program	7,138	6,968

ST FRANCIS OF ASSISI PARISH, FRISCO  
STATEMENTS OF ACTIVITIES

Account Number		<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
		105,499	85,012
		<b>105,499</b>	<b>85,012</b>
<b>5300</b>	<b>Supplies, Repairs &amp; Maintenance, Equipment, &amp; Other</b>		
5310	Supplies		
5311	Textbooks	66,472	57,745
5312	Classroom Supplies	10,395	11,876
5313	Food & Beverages	71,111	68,997
5314	Postage & Delivery	3,244	4,515
5315	Printing & Reproduction	7,343	17,078
5316	Liturgical Supplies	19,434	19,232
5317	Office Supplies	14,442	18,982
5318	Miscellaneous Supplies	23,507	23,691
		<u>215,948</u>	<u>222,116</u>
5320	Purchased Furniture & Equipment		
5321	Minor Purchased Furniture & Equipment	27,632	19,253
5322	Major Purchased Furniture & Equipment	-	-
		<u>27,632</u>	<u>19,253</u>
5330	Repairs & Maintenance		
5331	Vehicles	8,226	15,738
5332	Building Repairs & Maintenance	14,860	4,071
5333	Equipment Repairs	51,667	36,649
5334	Maintenance Services	74,890	41,580
5335	Janitorial Supplies	7,850	7,586
		<u>157,494</u>	<u>105,624</u>
5340	Rental Expense		
5341	Leased Equipment	12,330	15,976
5342	Facilities Leasing & Rentals	-	-
		<u>12,330</u>	<u>15,976</u>
5350	Other Services & Charges		
5351	Texas Catholic Subscriptions	56,421	51,349
5352	Subscriptions	9,467	6,195
5353	Offertory Envelopes	24,954	23,578
5354	Dues & Memberships	757	468
5355	Advertising & Promotion	588	-
5356	Travel & Lodging	127,920	125,889
5358	Property Taxes	767	1,404
5360	Scrip Program Purchases	-	-
5361	Gift Shop, Spirit Store, Etc. Purchases	-	-
5362	Miscellaneous Other Services & Charges	84,133	98,279
		<u>305,008</u>	<u>307,163</u>
		<b>718,411</b>	<b>670,132</b>

ST FRANCIS OF ASSISI PARISH, FRISCO  
STATEMENTS OF ACTIVITIES

Account Number		<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
<b>5400</b>	<b>Utilities</b>		
5410	Utilities		
5415	Electric	178,111	108,384
5420	Gas	26,506	25,181
5425	Water & Sewer	16,959	18,855
5430	Telephone	16,060	15,764
5435	Internet	-	-
5440	Cell Phones	3,232	3,183
5450	Alarm Monitoring & Security	-	-
5460	Cable TV (& Internet)	1,501	1,375
		<u>242,369</u>	<u>172,742</u>
		<b><u>242,369</u></b>	<b><u>172,742</u></b>
<b>5600</b>	<b>Interest &amp; Financing Charges</b>		
5610	Interest Expense		
5611	Interest Expense	313,999	142,812
		<u>313,999</u>	<u>142,812</u>
5620	Financing Costs		
5621	Financing Costs	-	-
		<u>-</u>	<u>-</u>
5630	Bank Charges		
5631	Bank Account Fees	478	1,154
		<u>478</u>	<u>1,154</u>
5640	Credit Card Fees		
5641	Credit Card Fees	18,498	23,921
		<u>18,498</u>	<u>23,921</u>
		<b><u>332,975</u></b>	<b><u>167,886</u></b>
<b>5700</b>	<b>Bad Debt Expense</b>		
5710	Bad Debt Expense		
5711	Bad Debt Expense	-	-
		<u>-</u>	<u>-</u>
5720	Uncollectible Pledges		
5721	Uncollectible Pledges	-	-
		<u>-</u>	<u>-</u>
		<u>-</u>	<u>-</u>
<b>5800</b>	<b>Depreciation &amp; Amortization</b>		
5810	Depreciation & Amortization		
5811	Depreciation Expense	1,019,092	671,211
5821	Amortization Expense	-	-
		<u>1,019,092</u>	<u>671,211</u>
		<b><u>1,019,092</u></b>	<b><u>671,211</u></b>
	<b>Total Expenses</b>	<b><u>4,187,240</u></b>	<b><u>3,477,404</u></b>

ST FRANCIS OF ASSISI PARISH, FRISCO  
STATEMENTS OF ACTIVITIES

Account Number		<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
	<b>Total Change in Unrestricted Net Assets</b>	<b>184,462</b>	<b>1,309,553</b>
	<b>Change in Temporarily Restricted Net Assets</b>		
7010	Capital Campaign Pledges		
7011	Pledges Received	-	-
		-	-
7020	Other Contributions		
7021	Contributions Received	849,940	1,688,935
		849,940	1,688,935
7030	Parish Special Collections		
7031	Parish Special Collections	-	-
		-	-
7040	Investment Income		
7041	Unrealized Gains/(Losses) on Securities	-	-
7042	Realized Gains/(Losses) on Sales of Securities	-	-
7043	Interest & Dividends	-	-
		-	-
7050	Uncollectible Pledges		
7051	Uncollectible Pledges	-	-
		-	-
7060	Other Expenses & Costs		
7061	Other Expenses	-	-
		-	-
7070	Assets Released from Restriction		
7071	Funds Released from Restriction	(849,940)	(1,688,935)
		(849,940)	(1,688,935)
	<b>Total Change in Temporarily Restricted Net Assets</b>	<b>-</b>	<b>-</b>
	<b>Change in Permanently Restricted Net Assets</b>		
8010	Pledges		
8011	Pledges Received	-	-
		-	-
8020	Other Contributions		
8021	Contributions Received	-	-
		-	-
8050	Uncollectible Pledges		
8051	Uncollectible Pledges	-	-



ST FRANCIS OF ASSISI PARISH, FRISCO  
 STATEMENTS OF ACTIVITIES

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Account Number	<u>7/1/2014 - 6/30/2015</u>	<u>7/1/2013 - 6/30/2014</u>
	-	-
<b>Total Change in Permanently Restricted Net Assets</b>	-	-
<b>Combined Change in Net Assets</b>	<u><u>\$ 184,462</u></u>	<u><u>\$ 1,309,553</u></u>

## ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number		Actual	Budget	Variance
	<b>Change in Unrestricted Net Assets</b>			
	<b>Revenues</b>			
<b>4000</b>	<b>Collections</b>			
4010	Regular Collections			
4011	Sunday Collections	\$ 2,898,060	\$ 2,778,326	\$ 119,735
4012	Holy Day Collections	32,182	26,500	5,682
		<u>2,930,242</u>	<u>2,804,826</u>	<u>125,416</u>
		<u><b>2,930,242</b></u>	<u><b>2,804,826</b></u>	<u><b>125,416</b></u>
<b>4100</b>	<b>Fundraisers &amp; Investment Income</b>			
4110	Fundraisers			
4111	Bingo	-	-	-
4112	Carnivals/Bazaars/Auctions	-	-	-
4113	Raffles	-	-	-
4114	Scrip Program	-	-	-
4115	Other Fundraisers	73,363	177,147	(103,784)
4116	Bulletin Revenue	-	-	-
4117	Gift Shop Revenues	-	-	-
		<u>73,363</u>	<u>177,147</u>	<u>(103,784)</u>
4120	Investment Income			
4121	Unrealized Gains/(Losses) on Securities	-	-	-
4122	Realized Gains/(Losses) on Sales of Securities	74	-	74
4123	Interest & Dividend Income	2,606	1,200	1,406
		<u>2,680</u>	<u>1,200</u>	<u>1,480</u>
		<u><b>76,043</b></u>	<u><b>178,347</b></u>	<u><b>(102,304)</b></u>
<b>4200</b>	<b>Fees &amp; Other Revenues</b>			
4210	Pre-School & Other Child Care Services			
4211	Revenue from Child Care Program	7,899	5,418	2,481
		<u>7,899</u>	<u>5,418</u>	<u>2,481</u>
4220	Faith Formation Fees & Tuition			
4221	Tuition	189,316	171,576	17,740
4222	Fees	194,703	246,449	(51,746)
		<u>384,019</u>	<u>418,025</u>	<u>(34,006)</u>
4230	Sacramental/Evangelization			
4231	Fees	6,800	4,800	2,000
4232	Other Revenues	-	-	-
		<u>6,800</u>	<u>4,800</u>	<u>2,000</u>
4240	Rental & Lease Revenue			
4241	Rental Revenues	21,850	24,600	(2,750)

# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number		Actual	Budget	Variance
		21,850	24,600	(2,750)
4250	Votive Candles			
4251	Votive Candles	18,931	10,400	8,531
		18,931	10,400	8,531
4260	Cemetery/Columbarium			
4261	Sale of Burial Plots	-	-	-
4262	Sale of Niches	-	-	-
4263	Sale of Mausoleum Crypts	-	-	-
4264	Interments	-	-	-
4265	Perpetual Care Revenue	-	-	-
4266	Other Cemetery Revenues	-	-	-
		-	-	-
4290	Miscellaneous Revenues			
4291	Miscellaneous Revenues	75,977	23,788	52,189
		75,977	23,788	52,189
		<b>515,477</b>	<b>487,031</b>	<b>28,446</b>
<b>4400</b>	<b>Gifts, Bequests, &amp; Property Sales</b>			
4410	Gifts from Other Parishes			
4411	Gifts from Other Parishes	-	-	-
		-	-	-
4420	Gifts & Bequests			
4421	Gifts & Bequests	-	-	-
		-	-	-
4430	Gain/(Loss) on Sale of Property			
4431	Gain/(Loss) on Sale of Property	-	-	-
		-	-	-
		-	-	-
<b>4500</b>	<b>Assets Released from Restriction</b>			
4510	Assets Released from Restriction			
4511	Assets Released from Restriction	849,940	633,016	216,924
		849,940	633,016	216,924
		<b>849,940</b>	<b>633,016</b>	<b>216,924</b>
	<b>Total Revenues</b>	<b>4,371,702</b>	<b>4,103,219</b>	<b>268,483</b>
	<b>Expenses</b>			
<b>5000</b>	<b>Compensation &amp; Benefits</b>			
5010	Salaries & Wages			
5011	Lay Employees	877,885	921,468	43,583
5012	Clergy	75,465	74,520	(945)

## ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number		Actual	Budget	Variance
5013	Cash Allow for Pastor/Administrator	22,506	21,475	(1,031)
5014	Religious Sisters & Brothers	-	-	-
5015	Extra Priests	6,425	8,075	1,650
		<u>982,281</u>	<u>1,025,538</u>	<u>43,257</u>
5020	Payroll Taxes			
5021	FICA	53,397	57,446	4,049
5022	Medicare	12,433	13,435	1,002
5025	Payroll Expenses - Other	-	-	-
		<u>65,830</u>	<u>70,881</u>	<u>5,051</u>
5030	Employee Benefits			
5031	Group Insurance Premiums	186,806	198,702	11,896
5032	Pension - Clergy	38,925	38,925	-
5033	403(B) Lay Retirement Plan	40,411	43,763	3,352
		<u>266,141</u>	<u>281,390</u>	<u>15,249</u>
5040	Contract Labor			
5041	Contract Labor	32,406	23,295	(9,111)
		<u>32,406</u>	<u>23,295</u>	<u>(9,111)</u>
		<u><b>1,346,658</b></u>	<u><b>1,401,104</b></u>	<u><b>54,445</b></u>
<b>5100</b>	<b>Contributions &amp; Assessments</b>			
5110	Contributions & Assessments			
5111	Contributions to Other Charitable & Religious Orgs.	20,304	44,700	24,396
5112	Charitable Gifts for Individuals	29,181	32,247	3,067
5113	Diocesan Assessment	338,917	356,041	17,125
5114	School Subsidy	-	-	-
5115	Shortfall on Annual Campaign	-	-	-
		<u>388,401</u>	<u>432,988</u>	<u>44,587</u>
		<u><b>388,401</b></u>	<u><b>432,988</b></u>	<u><b>44,587</b></u>
<b>5200</b>	<b>Professional Fees</b>			
5210	Professional Fees			
5211	Audit & Accounting	9,816	9,742	(74)
5212	Legal	3,413	-	(3,413)
5213	Other	9,011	8,550	(461)
5214	Parish Community Education	3,026	4,428	1,402
5215	Staff Continuing Education & Development	8,567	10,736	2,169
		<u>33,833</u>	<u>33,456</u>	<u>(377)</u>
		<u><b>33,833</b></u>	<u><b>33,456</b></u>	<u><b>(377)</b></u>
<b>5260</b>	<b>Insurance &amp; Risk Management</b>			
5261	Insurance & Risk Management			

# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number		Actual	Budget	Variance
5262	Auto - Clergy	3,389	3,560	171
5263	Insurance - Property, Casualty, Etc	94,972	97,602	2,630
5264	Deductibles & Uninsured Casualty Losses	-	-	-
5265	Safe Environment Program	7,138	6,805	(333)
		<u>105,499</u>	<u>107,967</u>	<u>2,468</u>
		<b>105,499</b>	<b>107,967</b>	<b>2,468</b>
<b>5300</b>	<b>Supplies, Repairs &amp; Maintenance, Equipment, &amp; Other</b>			
5310	Supplies			
5311	Textbooks	66,472	78,012	11,540
5312	Classroom Supplies	10,395	22,145	11,750
5313	Food & Beverages	71,111	147,991	76,880
5314	Postage & Delivery	3,244	6,493	3,249
5315	Printing & Reproduction	7,343	7,254	(89)
5316	Liturgical Supplies	19,434	23,695	4,261
5317	Office Supplies	14,442	16,624	2,182
5318	Miscellaneous Supplies	23,507	39,621	16,114
		<u>215,948</u>	<u>341,835</u>	<u>125,887</u>
5320	Purchased Furniture & Equipment			
5321	Minor Purchased Furniture & Equipment	27,632	9,810	(17,822)
5322	Major Purchased Furniture & Equipment	-	-	-
		<u>27,632</u>	<u>9,810</u>	<u>(17,822)</u>
5330	Repairs & Maintenance			
5331	Vehicles	8,226	13,900	5,674
5332	Building Repairs & Maintenance	14,860	10,300	(4,560)
5333	Equipment Repairs	51,667	31,779	(19,888)
5334	Maintenance Services	74,890	72,640	(2,250)
5335	Janitorial Supplies	7,850	12,000	4,150
		<u>157,494</u>	<u>140,619</u>	<u>(16,875)</u>
5340	Rental Expense			
5341	Leased Equipment	12,330	15,145	2,815
5342	Facilities Leasing & Rentals	-	-	-
		<u>12,330</u>	<u>15,145</u>	<u>2,815</u>
5350	Other Services & Charges			
5351	Texas Catholic Subscriptions	56,421	58,680	2,259
5352	Subscriptions	9,467	7,100	(2,367)
5353	Offertory Envelopes	24,954	25,450	496
5354	Dues & Memberships	757	2,745	1,988
5355	Advertising & Promotion	588	200	(388)
5356	Travel & Lodging	127,920	175,000	47,080

# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number		Actual	Budget	Variance
5358	Property Taxes	767	1,120	353
5360	Scrip Program Purchases	-	-	-
5361	Gift Shop, Spirit Store, Etc. Purchases	-	-	-
5362	Miscellaneous Other Services & Charges	84,133	83,295	(838)
		<u>305,008</u>	<u>353,590</u>	<u>48,582</u>
		<u>718,411</u>	<u>860,999</u>	<u>142,587</u>
<b>5400</b>	<b>Utilities</b>			
5410	Utilities			
5415	Electric	178,111	165,650	(12,461)
5420	Gas	26,506	48,880	22,374
5425	Water & Sewer	16,959	21,400	4,441
5430	Telephone	16,060	16,200	140
5435	Internet	-	-	-
5440	Cell Phones	3,232	3,360	128
5450	Alarm Monitoring & Security	-	-	-
5460	Cable TV (& Internet)	1,501	1,860	359
		<u>242,369</u>	<u>257,350</u>	<u>14,981</u>
		<u>242,369</u>	<u>257,350</u>	<u>14,981</u>
<b>5600</b>	<b>Interest &amp; Financing Charges</b>			
5610	Interest Expense			
5611	Interest Expense	313,999	337,625	23,626
		<u>313,999</u>	<u>337,625</u>	<u>23,626</u>
5620	Financing Costs			
5621	Financing Costs	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
5630	Bank Charges			
5631	Bank Account Fees	478	456	(22)
		<u>478</u>	<u>456</u>	<u>(22)</u>
5640	Credit Card Fees			
5641	Credit Card Fees	18,498	21,027	2,529
		<u>18,498</u>	<u>21,027</u>	<u>2,529</u>
		<u>332,975</u>	<u>359,108</u>	<u>26,133</u>
<b>5700</b>	<b>Bad Debt Expense</b>			
5710	Bad Debt Expense			
5711	Bad Debt Expense	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>
5720	Uncollectible Pledges			
5721	Uncollectible Pledges	-	-	-
		<u>-</u>	<u>-</u>	<u>-</u>

# ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number	Actual	Budget	Variance
	-	-	-
<b>5800 Depreciation &amp; Amortization</b>			
5810 Depreciation & Amortization			
5811 Depreciation Expense	1,019,092	1,015,200	(3,892)
5821 Amortization Expense	-	-	-
	<u>1,019,092</u>	<u>1,015,200</u>	<u>(3,892)</u>
	<b>1,019,092</b>	<b>1,015,200</b>	<b>(3,892)</b>
<b>Total Expenses</b>	<b>4,187,240</b>	<b>4,468,172</b>	<b>280,932</b>
<b>Total Change in Unrestricted Net Assets</b>	<b>184,462</b>	<b>(364,953)</b>	<b>549,415</b>
<b>Change in Temporarily Restricted Net Assets</b>			
7010 Capital Campaign Pledges			
7011 Pledges Received	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
7020 Other Contributions			
7021 Contributions Received	849,940	633,016	216,924
	<u>849,940</u>	<u>633,016</u>	<u>216,924</u>
7030 Parish Special Collections			
7031 Parish Special Collections	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
7040 Investment Income			
7041 Unrealized Gains/(Losses) on Securities	-	-	-
7042 Realized Gains/(Losses) on Sales of Securities	-	-	-
7043 Interest & Dividends	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
7050 Uncollectible Pledges			
7051 Uncollectible Pledges	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
7060 Other Expenses & Costs			
7061 Other Expenses	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>
7070 Assets Released from Restriction			
7071 Funds Released from Restriction	(849,940)	(633,016)	(216,924)
	<u>(849,940)</u>	<u>(633,016)</u>	<u>(216,924)</u>
<b>Total Change in Temporarily Restricted Net Assets</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Change in Permanently Restricted</b>			

## ST FRANCIS OF ASSISI PARISH, FRISCO

## STATEMENT OF ACTIVITIES

July 1, 2014 to June 30, 2015

Account Number		Actual	Budget	Variance
	<b>Net Assets</b>			
8010	Pledges			
8011	Pledges Received	-	-	-
		-	-	-
8020	Other Contributions			
8021	Contributions Received	-	-	-
		-	-	-
8050	Uncollectible Pledges			
8051	Uncollectible Pledges	-	-	-
		-	-	-
	<b>Total Change in Permanently Restricted Net Assets</b>	-	-	-
	<b>Combined Change in Net Assets</b>	<b>\$ 184,462</b>	<b>(\$ 364,953)</b>	<b>\$ 549,415</b>



**Bank/Investment Account Information  
As of June 30, 2015 and  
For the Year Then Ended**

Entity Name St. Francis of Assisi Parish, Frisco

Entity's Administrator Fr. Larry Pichard  
(type or print)

	<u>Account Name</u>	<u>Bank Name</u>	<u>Account Number</u>	<u>Purpose</u>	<u>Authorized Signers</u>
1	<u>Building Fund (checking)</u>	<u>Inwood Bank</u>	<u>3227833</u>	<u>Building Fund</u>	<u>Larry Pichard, Frank Reyna, Paul Ierson</u>
2	<u>Operating Fund (checking)</u>	<u>Inwood Bank</u>	<u>3228289</u>	<u>General Operations</u>	<u>Larry Pichard, Frank Reyna, Paul Ierson</u>
3	<u>Reserve (checking)</u>	<u>Inwood Bank</u>	<u>3228297</u>	<u>Funds for payroll, Diocesan Assessment, Special Collections, etc.</u>	<u>Larry Pichard, Frank Reyna, Paul Ierson</u>
4	<u>Money Market (money market)</u>	<u>Inwood Bank</u>	<u>2042677</u>	<u>Funds for disaster, unexpected maintenance needs, summer slump, etc.</u>	<u>Larry Pichard, Frank Reyna, Paul Ierson</u>
5	<u>St. Francis Money Market (CDs)</u>	<u>Inwood Bank</u>	<u>1015449329</u>	<u>Excess funds from Money Market, Reserve &amp; Operating Fund accts.</u>	<u>Larry Pichard, Paul Iverson</u>
6	<u>St. Francis (Securities)</u>	<u>Merrill Lynch</u>	<u>311-02122</u>	<u>Building Fund</u>	<u>Larry Pichard</u>
7	<u>PBO - AMD/CD (checking)</u>	<u>American Bank of Texas</u>	<u>603332217</u>	<u>AMD/CD (PBO)</u>	<u>Larry Pichard, Don Dyson, Raymond Dimas</u>
8	<u>PBO - Salve Regina (checking)</u>	<u>Wells Fargo</u>	<u>8891810346</u>	<u>Salve Regina (PBO) - <del>CLOSED</del></u>	<u>Larry Pichard, Terry Bannerman, Stephanie Chilek</u>
9	<u>PBO - Women of St. Francis (checking)</u>	<u>First National Bank</u>	<u>4021836</u>	<u>Women of St. Francis (PBO)</u>	<u>Larry Pichard, Constance Moffett, Alphecca Nguyen</u>
10	<u>PBO - Salve Regina (savings)</u>	<u>Wells Fargo</u>	<u>6225967717</u>	<u>Salve Regina (PBO) - <del>CLOSED</del></u>	<u>Larry Pichard, Terry Bannerman, Stephanie Chilek</u>
11	<u>PBO - Women of St. Francis Savings (savings)</u>	<u>American Bank of Texas</u>	<u>606713068</u>	<u>Women of St. Francis (PBO)</u>	<u>Larry Pichard, Constance Moffett, Alphecca Nguyen</u>
12					
13					
14					
15					

Certification:

I confirm that all accounts for the entity and entity-based organizations are listed above and all have been included in the entity's general ledger and related financial reports for the year ended identified in heading.

Signed: Fr. Larry Pichard  
Pastor/Principal/Administrator

Date: 8.14.15

**ST. FRANCIS OF ASSISI CATHOLIC CHURCH (the Church)  
RECOMMENDATION BASED ON AGREED-UPON PROCEDURES  
YEAR ENDED JUNE 30, 2015**

The following recommendation is based on a finding noted in performing the agreed-upon procedures contained in the attached "Independent Accountant's Report on Applying Agreed-Upon Procedures":

1. The Agreed-Upon Procedures required us to ensure that all salaries had been appropriately approved. We noted that a change to an employee's approved pay raise was not appropriately documented in the employee's file. We recommend that either a new form is filled out and signed reflecting the changes made, or the change is noted and initialed on the original form to evidence that the salary change has been approved.



# ST. FRANCIS OF ASSISI

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## CATHOLIC CHURCH

*September 16, 2015*

*Weaver and Tidwell, L.L.P.  
12221 Merit Drive, Suite 1400  
Dallas, Texas 75251*

We are providing this letter in connection with the Agreed Upon Accounting Review Procedures performed on the financial statements and accounting records of St. Francis of Assisi Catholic Church (the Church) as of June 30, 2015 and for the year then ended. We confirm that we are responsible for the accurate and fair presentation of the financial statements of the Church. We are also responsible for adopting sound accounting policies, establishing and maintaining internal control, and preventing and detecting fraud.

We confirm, to the best of our knowledge and belief, as of September 16, 2015, the following representations made to you during the time you conducted your procedures.

1. We have made available to you all –
  - a. Financial statements, financial records and related data.
  - b. Information you have requested completely and to the best of our knowledge.
  - c. Minutes of the meetings of the Finance Committee or summaries of actions of recent meetings for which minutes have not yet been prepared.
2. There are no material transactions of the entity that have not been properly recorded in the accounting records underlying the financial statements.
3. The financial statements include:
  - a. All assets and liabilities under the Church's control, including all trusts and support organizations.
  - b. All of the Church's funds, bank accounts and investments in all accounts at financial institutions and/or brokerage firms, including all trusts and entity-based organizations.

4. There have been no communications from regulatory agencies (e.g., Diocese of Dallas, Internal Revenue Service, etc.) concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statements.
5. There are no uncorrected financial statement misstatements.
6. We acknowledge our responsibility for the design and implementation of programs and controls to prevent and detect fraud.
7. We have no knowledge (other than previously disclosed) of any fraud or suspected fraud affecting the Church involving:
  - a. Management,
  - b. Employees who have significant roles in the internal control, or
  - c. Others where the fraud could have a material effect on the financial statements.
8. Related party transactions, including revenues, expenses, assessments, and amounts receivable from or payable to related parties have been properly recorded or disclosed in the financial statements.

No events have occurred subsequent to the statement of financial position date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements.

Signed: Clifford Pichard  
Reverend Clifford Pichard

Date: 9-16-15

Signed: Tracy R. Brown  
Tracy Brown, Financial Director

Date: 9/16/15

## EXHIBIT 5

**ST. FRANCIS OF ASSISI CATHOLIC CHURCH**  
**NOTABLE BUDGET TO ACTUAL EXPENSE VARIANCES**  
**(VARIANCES IN EXCESS OF 20% AND \$5,000)**

Account Number	Description	Actual	Budget	\$ Variance	% Variance	Comment
4012	Holy Day Collections	32,182	26,500	5,682	21.4%	Donations have not been consistent over the years. Management planned for a slight increase but wanted to stay conservative.
4115	Other Fundraisers	73,363	177,147	(103,784)	-58.6%	Management had planned to begin a Sunday morning food and fellowship event that would result in food income (and subsequent expenses), but it did not occur.
4222	Fees	194,703	246,449	(51,746)	-21.0%	Retreat event income saw lower attendance across many departments.
4251	Votive Candles	18,931	10,400	8,531	82.0%	Management budgeted based on the previous year actual of \$10,285 but there was a significant increase in use by parishioners.
4291	Miscellaneous Revenues	75,977	23,788	52,189	219.4%	The Church received approx \$45,000 in the 2015 fiscal year for insurance payout on a claim. This had not been budgeted for.
5041	Contract Labor	32,406	23,295	(9,111)	-39.1%	In the absence of one of their custodians for several months, management contracted through a vendor to provide the services in the interim.
5111	Contributions to Other Charitable & Religious Orgs	20,304	44,700	24,396	54.6%	Management had planned to begin a Sunday morning food and fellowship event that would result in food income (and subsequent expenses), but it did not occur. Parish based organizations were intended to receive the proceeds of the Sunday morning food and fellowship event for the weekends they sponsored, but the initiative didn't take off.
5312	Classroom Supplies	10,395	22,145	11,750	53.1%	Less supplies were needed than was expected, additionally some were donated.
5313	Food & Beverages	71,111	147,991	76,880	51.9%	Management had planned to begin a Sunday morning food and fellowship event that would result in food income (and subsequent expenses), but it did not occur.
5318	Miscellaneous Supplies	23,507	39,621	16,114	40.7%	Management had planned to begin a Sunday morning food and fellowship event that would result in food income (and subsequent expenses), but it did not occur. Kitchen supplies budgeted for this purpose were not needed since Sunday morning food and fellowship events did not commence.
5321	Minor Purchased Furniture & Equipment	27,632	9,810	(17,822)	-181.7%	More larger items that did not meet the capitalization threshold were needed than was initially expected. This was primarily due to the new addition.
5331	Vehicles	8,226	13,900	5,674	40.8%	Management budgeted with conservative estimates. Less fuel and repairs were needed for priests than was expected.
5333	Equipment Repairs	51,667	31,779	(19,888)	-62.6%	A review of the parish equipment was done during the year that was more costly than originally expected, as were the repairs that were required as a result of the review.
5356	Travel & Lodging	127,920	175,000	47,080	26.9%	Reduced event attendance also reduced transportation/lodging expenses.
5420	Gas	26,506	48,880	22,374	45.8%	This was the first full fiscal year in the new facilities and management had over anticipated the increase in expense.
7021	Contributions Received	849,940	633,016	216,924	34.3%	Funds received for the Building Fund & Honorarium/Memorials campaign exceeded expectations.