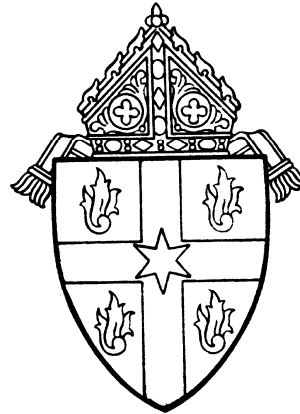


Catholic
Diocese of
Saginaw
Centralized
Programs and
Administration



Years Ended
June 30, 2016
and 2015

Financial
Statements
and
Supplementary
Financial
Information

CATHOLIC DIOCESE OF SAGINAW CENTRALIZED PROGRAMS AND ADMINISTRATION

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INDEPENDENT AUDITORS' REPORT

October 27, 2016

Most Reverend Joseph R. Cistone
Roman Catholic Bishop
Catholic Diocese of Saginaw
Saginaw, Michigan

We have audited the accompanying financial statements of the *Catholic Diocese of Saginaw Centralized Programs and Administration* (the "Diocese"), which comprise the statements of financial position as of June 30, 2016 and 2015, and the related statements of activities and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

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

Independent Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Basis for Qualified Opinion

As explained in Note 1 to the financial statements, the Diocese follows the financial reporting policy of expensing property and equipment at the time of purchase. In our opinion, accounting principles generally accepted in the United States of America require capitalization of property and equipment acquired and depreciation of such assets over their estimated useful lives. The effects of this departure from generally accepted accounting principles on the accompanying financial statements and notes thereto have not been determined.

Opinion

In our opinion, except for the effects of the matter described in the Basis for Qualified Opinion paragraph, the financial statements referred to above present fairly, in all material respects, the financial position of the *Catholic Diocese of Saginaw Centralized Programs and Administration* as of June 30, 2016 and 2015, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Rehmann Lobson LLC

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

STATEMENTS OF FINANCIAL POSITION

	June 30	
	2016	2015
ASSETS		
Cash and cash equivalents	\$ 722,921	\$ 460,127
Deposits held with the Interparish Deposit and Loan Program	10,422,211	9,423,091
Total cash and cash equivalents	11,145,132	9,883,218
Michigan no fault self insurance loss reserve	25,590	20,210
Catholic Services Appeal (CSA) pledges receivable	1,335,056	1,404,994
Accounts receivable, net of allowance for doubtful accounts of \$67,767 for both years	199,213	154,407
Other assets	215,371	99,794
Notes receivable, including CSA, net of allowance for doubtful accounts of \$238,845 (\$240,414 in 2015)	1,190,462	1,528,208
Total assets	\$ 14,110,824	\$ 13,090,831
LIABILITIES AND NET ASSETS		
Accounts payable	\$ 427,823	\$ 273,382
Accrued expenses and other liabilities	217,043	202,711
Michigan no fault self insurance loss reserve	25,590	20,210
Funds held for others	253,943	240,500
Total liabilities	924,399	736,803
Commitments and contingencies (Note 5)		
Net assets		
Unrestricted		
Undesignated	3,148,142	3,148,142
Designated	2,352,175	2,215,116
Temporarily restricted		
For specified use	3,993,109	3,297,764
For use in future years	3,692,999	3,693,006
Total net assets	13,186,425	12,354,028
Total liabilities and net assets	\$ 14,110,824	\$ 13,090,831

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

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

STATEMENTS OF ACTIVITIES

	Year Ended June 30, 2016		
	Unrestricted	Temporarily Restricted	Total
Revenues, gains, and other support			
Contributions	\$ 500,214	\$ 1,644,336	\$ 2,144,550
CSA	-	3,697,757	3,697,757
Interest income	130,525	67,950	198,475
Workshops and tuition	201,107	-	201,107
Rentals and other services	780,303	-	780,303
Related services	1,982	-	1,982
Other	364,820	-	364,820
Net assets released:			
Satisfaction of purpose restrictions	1,016,941	(1,016,941)	-
Expiration of time restrictions-CSA	3,697,764	(3,697,764)	-
Total revenues, gains, and other support	6,693,656	695,338	7,388,994
Expenses and transfers			
Program	5,775,896	-	5,775,896
Administration	603,892	-	603,892
Fundraising	144,982	-	144,982
Transfer to CCFMM	31,827	-	31,827
Total expenses and transfers	6,556,597	-	6,556,597
Change in net assets	137,059	695,338	832,397
Net assets - beginning of year	5,363,258	6,990,770	12,354,028
Net assets - end of year	\$ 5,500,317	\$ 7,686,108	\$ 13,186,425

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



Year Ended June 30, 2015

Unrestricted	Temporarily Restricted	Total
\$ 392,646	\$ 1,526,289	\$ 1,918,935
-	3,693,006	3,693,006
134,141	54,580	188,721
177,208	-	177,208
785,015	-	785,015
2,878	-	2,878
418,924	-	418,924
1,139,542	(1,139,542)	-
3,661,238	(3,661,238)	-
<u>6,711,592</u>	<u>473,095</u>	<u>7,184,687</u>
5,911,365	-	5,911,365
544,635	-	544,635
154,398	-	154,398
28,074	-	28,074
<u>6,638,472</u>	<u>-</u>	<u>6,638,472</u>
73,120	473,095	546,215
5,290,138	6,517,675	11,807,813
<u>\$ 5,363,258</u>	<u>\$ 6,990,770</u>	<u>\$ 12,354,028</u>

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

STATEMENTS OF CASH FLOWS

	Year Ended June 30	
	2016	2015
Cash flows from operating activities		
Change in net assets	\$ 832,397	\$ 546,215
Adjustments to reconcile change in net assets to net cash provided by operating activities		
Reduction to uncollectible notes receivable	(1,569)	(7,504)
Changes in operating assets and liabilities which (used) provided cash		
CSA pledges receivable	(144,505)	(266,628)
Accounts receivable	(44,806)	(66,722)
Other assets	(115,577)	(35,613)
Accounts payable	154,441	95,907
Accrued expenses and other liabilities	14,332	12,513
Funds held for others	13,443	(273,878)
Net cash provided by operating activities	708,156	4,290
Cash flows from investing activities		
Issuance of notes receivable	-	(99,439)
Collections of notes receivable	553,758	251,665
Net cash provided by investing activities	553,758	152,226
Net increase in cash and cash equivalents	1,261,914	156,516
Cash and cash equivalents - beginning of year	9,883,218	9,726,702
Cash and cash equivalents - end of year	\$ 11,145,132	\$ 9,883,218

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

CATHOLIC DIOCESE OF SAGINAW

CENTRALIZED PROGRAMS AND ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

1. MISSION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

The accompanying financial statements report the centralized programs and administration assets, liabilities, activities and cash flows of the *Catholic Diocese of Saginaw* (the "Diocese"). The Centralized Programs of the Diocese enable the Bishop of the Diocese of Saginaw to offer on-going monetary support, in the name of the Diocese, to charitable causes on a national and international level and to offer programs and activities on a diocesan and parochial level by way of the personnel and resources in his employment. The accompanying financial statements exclude the assets, liabilities, activities and cash flows of the parishes and related parish organizations, St. Francis Home, St. Vincent Home, The Partnership Center, Emmaus House, Catholic Family Service, Clergy Benefit Society, Bay Area Catholic Schools, Saginaw Area Catholic Schools, Catholic School Foundation, Catholic Parish Endowment, Catholic Community Foundation of Mid-Michigan ("CCFMM"), Little Books, and St. Mary's Hospital. These excluded organizations are funded substantially from sources other than the Diocese. During the normal course of operations, the Diocese periodically makes cash and in-kind donations to these organizations. The Diocesan staff may also provide administrative support to these and other Catholic organizations. The support may be donated or provided for a fee.

The accompanying financial statements also exclude the assets, liabilities, activities and cash flows of the Catholic Diocese of Saginaw's Interparish Deposit and Loan Program (the "Program") and the Catholic Diocese of Saginaw Catholic Cemeteries (the "Cemeteries"). Accordingly, these financial statements do not present the consolidated financial position of the Diocese and related organizations under its control.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the year. Actual results could differ from those estimates. Significant estimates include but are not limited to the determination of the allowance for losses on accounts and notes receivable.

Basis of Accounting

The financial statements of the Diocese have been prepared on the accrual basis, and accordingly, reflect all significant receivables, payables and other liabilities.

Financial Statement Presentation

The Diocese reports information regarding its financial position and activities according to three classes of net assets depending on the existence or absence of donor-imposed restrictions: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

All financial transactions have been recorded and reported by net asset classes as follows:

Unrestricted net assets represent expendable funds available for support of Diocesan operations.

CATHOLIC DIOCESE OF SAGINAW

CENTRALIZED PROGRAMS AND ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

Temporarily restricted net assets represent expendable funds restricted by a donor, grantor or other outside party for particular operating purposes, or funds for use in a specified future period. These funds are reported as revenue when the Diocese receives the funds or the unconditional promise to give from the donor, and are reclassified to unrestricted net assets when the purpose restriction or time restrictions have been met.

Permanently restricted net assets represent funds subject to restrictions of gift and trust instruments requiring that the principal be invested in perpetuity and the income only be used for particular purposes. Income earned on these funds is reported as revenue in the temporarily restricted funds. The Diocese has no permanently restricted net assets as of June 30, 2016 and 2015.

Fair Value Measurements

Fair value refers to the price that would be received to sell an asset or paid to transfer a liability (an exit price) in an orderly transaction between market participants in the market in which the reporting entity transacts such sales or transfers based on the assumptions market participants would use when pricing an asset or liability. Assumptions are developed based on prioritizing information within a fair value hierarchy that gives the highest priority to quoted prices in active markets and the lowest priority to unobservable data such as the reporting entity's own data. At June 30, 2016 and 2015, the Diocese had not elected the fair value option for any financial assets or liabilities and the Diocese does not have any financial assets or liabilities reported at fair value other than impaired notes receivable which are not considered material.

Cash and Cash Equivalents, including Deposits Held with the Interparish Deposit and Loan Program

Cash and cash equivalents consist of cash on hand, demand deposits with banks or other financial institutions, and deposits with the Interparish Deposit and Loan Program.

The Diocese maintains cash accounts with insured financial institutions. Some of these accounts exceed federally insured limits resulting in uninsured balances of approximately \$358,000 at June 30, 2016. The Diocese also maintains uninsured deposits of approximately \$10,422,000 at June 30, 2016, with the Catholic Diocese of Saginaw Interparish Deposit and Loan Program. Management does not believe the Diocese is exposed to any significant interest, credit, or other financial risk as a result of these deposits.

Revenue Recognition

Other than contributions, including the Catholic Services Appeal ("CSA"), the Diocese's revenue consists of interest income, rentals, workshops, tuition, and other services. Revenues are generally recognized at the time of performance of the services.

Accounts Receivable

Accounts receivable are stated at the amount management expects to collect from balances outstanding at year-end. The Diocese provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. Changes in the valuation allowance have not been material to the financial statements.

CATHOLIC DIOCESE OF SAGINAW

CENTRALIZED PROGRAMS AND ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

Notes Receivable

Notes receivable consist of unsecured cash advances made to seminarians, Catholic organizations within the Diocese, and Catholic parishes, primarily regarding receivables related to the Catholic Services Appeal (CSA). Collection terms vary and the notes bear interest at rates ranging from 0% to 4% as of June 30, 2016 and 2015.

Notes receivable are stated at the amount management expects to collect from outstanding balances. The Diocese provides for probable uncollectible amounts through a charge to earnings and a credit to a valuation allowance based on its assessment of the current status of individual accounts. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to notes receivable. Changes in the valuation allowance have not been material to the financial statements.

Nonperforming notes receivable are comprised of accruing notes receivable contractually past due 90 days or more as to interest or principal payments and not making regular payments, as well as notes receivable modified under troubled debt restructurings. (See Note 2)

Allowance for Notes Receivable

The allowance for losses on notes receivable ("allowance") is an estimate of losses inherent in the Diocese's notes receivable portfolio. The allowance is established through a provision for losses which is charged to expense. Additions to the allowance are expected to maintain the appropriateness of the total allowance after losses on notes receivable. Losses on notes receivable are charged off against the allowance when the Diocese determines the notes receivable balance to be uncollectible. Cash received on previously charged off amounts is recorded as a recovery to the allowance.

The allowance is maintained by management at a level considered adequate to absorb estimated potential losses inherent in the notes receivable portfolio. At least annually, management reviews the appropriateness of the allowance, including consideration of collectability of notes receivable based on historical experiences, general economic conditions, information about specific borrower situations including their financial position, effects of current developments for a specific borrower, and other factors and estimates which are subject to change over time. If management determines that changes are warranted based on its review, the allowance is adjusted. Allowances for impaired receivables are generally determined based on the present value of estimated cash flows. In management's judgment, the allowance for losses is maintained at a level adequate to provide for estimated losses inherent in the notes receivable portfolio. However, because of uncertainties inherent in the estimation process, it is possible that the allowance for losses may change in the near term.

A note is considered impaired when, based on current information and events, it is probable that the Diocese will be unable to collect the scheduled payments of principal or interest when due according to the contractual terms of the note receivable agreement. Factors considered by management in determining impairment include payment status, collateral value, and the probability of collecting scheduled principal and interest payments when due. Notes receivable that experience insignificant payment delays and payment shortfalls generally are not classified as impaired. Management determines the significance of payment delays and payment shortfalls on a case-by-case basis, taking into consideration all of the circumstances surrounding the note receivable and the borrower, including the length of the delay, the reasons for the delay, the borrower's prior payment record, and the amount of the shortfall in relation to the principal and interest owed. Impairment is measured on a note-by-note basis by

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either the present value of expected future cash flows discounted at the note receivable's effective interest rate, or the note receivable's obtainable market price.

Under certain circumstances, the Diocese will provide borrowers relief through note receivable restructurings. A note receivable restructuring constitutes a troubled debt restructuring ("TDR") if for economic or legal reasons related to the borrower's financial difficulties the Diocese grants a concession to the borrower that it would not otherwise consider. Restructured notes receivable typically present an elevated level of credit risk as the borrowers are not able to perform according to the original contractual terms. Loans that are reported as TDRs are considered impaired and measured for impairment as described above.

Property and Equipment

Property and equipment purchased by the Diocese are consistently charged to operations during the year purchased. Generally accepted accounting principles require capitalization of property and equipment purchases that exceed a specific threshold and one year of service and depreciation of those assets over their estimated useful lives.

Contributions

Contributions, including unconditional promises to give, are recognized as revenues in the period received and are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence and/or nature of any donor restrictions. The Diocese reports gifts of cash and other assets as restricted support if they are received with donor stipulations that limit the use of the donated assets. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the year in which the contributions are received. All other donor restricted contributions are reported as increases in temporarily or permanently restricted net assets, depending on the nature of the restrictions. When a donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statements of activities as net assets released from restrictions.

Contributed Services

Support arising from contributed services of certain religious and lay personnel has not been recorded in the financial statements as the rendering of such services does not involve creation of non-financial assets, and such services would not typically need to be procured if not provided by donation.

Designation of Unrestricted Net Assets

It is the policy of the Finance Council of the Diocese to review its plans for future property improvements, operational expenditures and acquisitions from time to time and to designate appropriate sums of unrestricted net assets to assure adequate financing of such improvements and acquisitions.

Donated Assets

Donated marketable securities and other non-cash donations are recorded as contributions at their estimated fair values at the date of donation.

Income Taxes

The Diocese is a not-for-profit organization that is exempt from income tax under Section 501(c)(3) of the Internal Revenue Code and is a religious entity exempt from tax filing requirements. It is exempt from similar state and local taxes. Although the Diocese was

CATHOLIC DIOCESE OF SAGINAW

CENTRALIZED PROGRAMS AND ADMINISTRATION

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granted income tax exemption by the Internal Revenue Service, such exemption does not apply to “unrelated business taxable income.”

The Diocese analyzes its income tax filing positions in the federal and state jurisdictions where it is required to file income tax returns, as well as all open tax years in these jurisdictions, to identify potential uncertain tax positions. The Diocese treats interest and penalties attributable to income taxes, and reflects any charges for such, to the extent they arise, as a component of its administrative expenses.

The Diocese has evaluated its income tax filing positions for the fiscal years 2012 through 2016, the years which remain subject to examination by major tax jurisdictions as of June 30, 2016. The Diocese concluded that there are no significant uncertain tax positions requiring recognition in the Diocese’s financial statements. The Diocese does not expect the total amount of unrecognized tax benefits (“UTB”) (e.g., tax deductions, exclusions, or credits claimed or expected to be claimed) to significantly change in the next twelve months. The Diocese does not have any amounts accrued for interest and penalties related to UTBs at June 30, 2016 or 2015, and it is not aware of any claims for such amounts by federal or state income tax authorities.

Reclassification

Certain amounts as reported in the 2015 financial statements have been reclassified to conform with the 2016 presentation.

Subsequent Events

In preparing these financial statements, the Diocese has evaluated, for potential recognition or disclosure, significant events or transactions that occurred during the period subsequent to June 30, 2016, the most recent statement of financial position presented herein, through October 27, 2016, the date these financial statements were available to be issued. No significant such events or transactions were identified.

2. NOTES RECEIVABLE AND ALLOWANCE FOR LOSSES

The Diocese grants notes receivable to seminarians, Catholic organizations within the Diocese, and Catholic parishes primarily regarding receivables related to the Catholic Services Appeal (CSA) receivables, and the CCFMM. Notes receivable are substantially unsecured and all are evaluated individually for impairment.

Notes receivable are summarized as follows at June 30:

	2016	2015
Seminarian	\$ 162,719	\$ 166,688
Parish and other organizations	632,112	734,655
Parish - CSA	257,650	317,279
CCFMM	<u>376,826</u>	<u>550,000</u>
Total notes	1,429,307	1,768,622
Allowance for losses	<u>238,845</u>	<u>240,414</u>
Notes receivable, net	<u>\$ 1,190,462</u>	<u>\$ 1,528,208</u>

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

NOTES TO FINANCIAL STATEMENTS

The allowance for losses on notes receivable is as follows for the years ended June 30:

2016	Seminarian	Parish and Other Organizations	Parish - CSA	Total
Allowance for losses:				
Balance at beginning of year	\$158,488	\$ 81,926	\$ -	\$ 240,414
Notes charged off	<u>1,569</u>	<u>-</u>	<u>-</u>	<u>1,569</u>
Balance at end of year	<u>\$156,919</u>	<u>\$ 81,926</u>	<u>\$ -</u>	<u>\$ 238,845</u>

2015	Seminarian	Parish and Other Organizations	Parish - CSA	Total
Allowance for losses:				
Balance at beginning of year	\$159,188	\$ 81,926	\$ 6,804	\$ 247,918
Notes charged off	<u>700</u>	<u>-</u>	<u>6,804</u>	<u>7,504</u>
Balance at end of year	<u>\$158,488</u>	<u>\$ 81,926</u>	<u>\$ -</u>	<u>\$ 240,414</u>

The following tables show the notes receivable allocated by payment activity as of June 30:

2016	Credit Risk Profile by Payment Activity				
	Seminarian	Parish and Other Organizations	Parish - CSA	CCFMM	Total
Payment activity					
Performing	\$ 5,800	\$ 577,191	\$ 229,846	\$ 376,826	\$1,189,663
Non-performing	<u>156,919</u>	<u>54,921</u>	<u>27,804</u>	<u>-</u>	<u>239,644</u>
Total	<u>\$ 162,719</u>	<u>\$ 632,112</u>	<u>\$ 257,650</u>	<u>\$ 376,826</u>	<u>\$1,429,307</u>

2015	Credit Risk Profile by Payment Activity				
	Seminarian	Parish and Other Organizations	Parish - CSA	CCFMM	Total
Payment activity					
Performing	\$ 8,200	\$ 679,734	\$ 295,492	\$ 550,000	\$1,263,373
Non-performing	<u>158,488</u>	<u>54,921</u>	<u>21,787</u>	<u>-</u>	<u>505,249</u>
Total	<u>\$ 166,688</u>	<u>\$ 734,655</u>	<u>\$ 317,279</u>	<u>\$ 550,000</u>	<u>\$1,768,622</u>

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

NOTES TO FINANCIAL STATEMENTS

The following tables show an aging analysis of the notes receivable portfolio by time past due as of June 30:

2016	Accruing Interest			Total Nonaccrual	Total Loans
	Current	30-89 Days Past Due	More Than 90 Days Past Due		
Seminarian	\$ -	\$ -	\$ -	\$ 162,719	\$ 162,719
Parish and other organizations	577,191	-	-	54,921	632,112
Parish - CSA	229,846	-	27,804	-	257,650
CCFMM	376,826	-	-	-	376,826
Total	\$ 1,183,863	\$ -	\$ 27,804	\$ 217,640	\$ 1,429,307

2015	Accruing Interest			Total Nonaccrual	Total Loans
	Current	30-89 Days Past Due	More Than 90 Days Past Due		
Seminarian	\$ -	\$ -	\$ -	\$ 166,688	\$ 166,688
Parish and other organizations	679,734	-	-	54,921	734,655
Parish - CSA	293,917	1,575	21,787	-	317,279
CCFMM	550,000	-	-	-	550,000
Total	\$ 1,523,651	\$ 1,575	\$ 21,787	\$ 221,609	\$ 1,768,622

The following tables present information related to impaired notes receivable as of June 30:

2016	Unpaid Principal Balance	Related Allowance	Average Unpaid Principal Balance
Notes receivable with an allowance recorded			
Seminarian	\$ 156,919	\$ 156,919	\$ 157,369
Parish and other organizations	324,974	81,926	324,974
Total impaired loans	\$ 481,893	\$ 238,845	\$ 482,343

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CENTRALIZED PROGRAMS AND ADMINISTRATION**

NOTES TO FINANCIAL STATEMENTS

2015	Unpaid Principal Balance	Related Allowance	Average Unpaid Principal Balance
Notes receivable with an allowance recorded			
Seminarian	\$ 158,488	\$ 158,488	\$ 158,837
Parish and other organizations	<u>324,974</u>	<u>81,926</u>	<u>324,974</u>
Total impaired loans	<u>\$ 483,462</u>	<u>\$ 240,414</u>	<u>\$ 483,811</u>

Interest income recognized on impaired loans was not significant in 2016 or 2015.

The Diocese does not have material commitments to lend additional funds to borrowers whose loans are classified as nonaccrual.

There were no loans modified in troubled debt restructurings during 2016 or 2015.

3. MULTI-EMPLOYER DEFINED BENEFIT PENSION PLAN

The Diocese participates in the Michigan Catholic Conference Lay Employees Retirement Plan (the Plan), a multi-employer defined benefit pension plan. The Plan Number and Employer Identification Number of the Plan is 38-1971920. Contributions to the Plan were \$157,141 and \$152,777 in fiscal 2016 and 2015, respectively. Based on information as of June 30, 2015, the year-end of the Plan, the Diocese's contributions to the Plan did not represent more than 5% of the total contributions received by the Plan. The amount of the Diocese's contributions to the Plan was 8.1% (7.6% in 2015) of all full-time employees' wages. Specific Plan information for the Diocese is not available from the Plan's administrator. A covered unit which is under the control of an Archbishop or Bishop of Michigan Diocese may not withdraw from participation in the Plan. The following information is based on the financial statements of the Plan as of June 30:

	Michigan Catholic Conference Lay Employees Retirement Plan	
	2015	2014
Total Plan assets	\$ 1,300,435,037 (a)	\$ 1,328,800,650
Actuarial present value of accumulated Plan benefits	\$ 1,445,713,866	\$ 1,372,114,573
Total contributions received by the Plan	\$ 23,936,354	\$ 22,600,572
Indicated level of funding	90.0%	96.8%

(a) Total assets include approximately \$81.9 million transferred from Health Care Trust.

CATHOLIC DIOCESE OF SAGINAW CENTRALIZED PROGRAMS AND ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

4. RELATED PARTY TRANSACTIONS

Transactions with the Catholic Diocese of Saginaw Interparish Deposit and Loan Program

The Diocese has interest bearing accounts on deposit with the Program of \$10,422,211 and \$9,423,091 at June 30, 2016 and 2015, respectively. Interest income from such deposits for fiscal 2016 and 2015 was \$181,016 and \$171,013, respectively.

The Program pays management fees to the Diocese. These management fees amounted to \$144,012 and \$144,000 for fiscal years 2016 and 2015, respectively.

Transactions with CCFMM

CCFMM has received pledges to fund two large construction projects that commenced in fiscal 2011 and were completed in 2013 at two of the high schools within the Saginaw and Bay City Area Catholic Schools. The proceeds of this fund raising effort will be provided to the Diocese to pay the construction costs in future periods. As of June 30, 2016 and 2015, construction costs paid by the Diocese in excess of contributions received from CCFMM amount to approximately \$2,102,000 and \$2,230,000, respectively (see also Exhibit 1 included in the supplementary financial information).

CCFMM pays management fees to the Diocese. These management fees amounted to approximately \$223,700 for the fiscal years 2016 and 2015. Accounts receivable from CCFMM was \$17,645 at June 30, 2016. There were no accounts receivable from CCFMM at June 30, 2015.

The Diocese holds a note receivable from CCFMM. The note which commenced as of February 1, 2013, calls for interest charged at 0.25% payable on an annual basis. A balloon payment of \$376,826 is due in February 2018. The balance of the note receivable was \$376,826 and \$550,000 at June 30, 2016 and 2015, respectively.

Transactions with Cemeteries

The Diocese received rent and a management fee from Cemeteries in the amount of \$51,078 and \$50,044 for fiscal 2016 and 2015, respectively.

Transactions with Little Books

The Diocese received rent and a management fee from Little Books in the amount of \$100,368 for fiscal years 2016 and 2015.

Transactions with Catholic Family Services

The Diocese received rent from Catholic Family Services in the amount of \$9,552 and \$10,414 for fiscal 2016 and 2015, respectively.

See Note 8, also.

CATHOLIC DIOCESE OF SAGINAW

CENTRALIZED PROGRAMS AND ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

5. COMMITMENTS AND CONTINGENCIES

General

As indicated in Note 1, the assets, liabilities, activities and cash flows of the parishes, several other Catholic organizations and the Catholic Diocese of Saginaw Interparish Deposit and Loan Program are excluded from the accompanying financial statements. The Diocese, under current state statutes owns all of the assets of the parishes within the Diocese, certain other Catholic organizations, and the Catholic Diocese of Saginaw Interparish Deposit and Loan Program and is contingently liable for all third party debts of the parishes and the other Catholic organizations.

The Diocese is also contingently liable for any claims against the parishes and certain other Catholic organizations arising from legal actions and other claims incidental to normal operations of these organizations. It is believed that the amount of any uninsured liability would not have a material impact on the financial position of the Diocese.

Other Legal Matters

The Diocese is party to various legal claims arising in the normal course of carrying out its activities. Management believes that the financial responsibility that may be incurred in settlement of such claims would not be material to the Diocese's financial position or results of operations.

Self-Insurance

The Diocese participates in the Michigan Catholic Conference Protected Loss Fund Program. Coverage includes losses resulting from damage to property, from liability claims and for employee benefit coverage. Insurance expense representing the Diocesan contribution to the Program for Centralized Programs and Administration was \$95,487 and \$85,942 for fiscal 2016 and 2015, respectively.

The Diocese is authorized by the Michigan Department of Insurance and Financial Services to self-insure no-fault risk for its vehicles for the 12 month certification period ending June 30, 2016. An authorized self-insurer is required to establish a fully funded loss reserve to pay claims which are anticipated in, and/or submitted for payment during, the certification period, as well as to pay claims which have been incurred and submitted before then but have not yet been paid. The loss reserve for the Diocese has been determined by a qualified actuary and is fully funded as of the commencement of the current certification period.

Loan Guarantee

The Diocese has guaranteed the debt of a related party aggregating approximately \$703,000 and \$781,000 as of June 30, 2016 and 2015, respectively. The debt is collateralized by real estate and has a final maturity date of August 2039. During June 2012, the Diocese committed to matching \$1 for every \$2 paid by the Parish on this note as long as the note remains current. In total, the Diocese matching payments over the remaining life of the loan are estimated to be approximately \$290,000.

CATHOLIC DIOCESE OF SAGINAW

CENTRALIZED PROGRAMS AND ADMINISTRATION

NOTES TO FINANCIAL STATEMENTS

6. DESIGNATED NET ASSETS

Certain unrestricted net assets have been designated by Diocesan management for the following purposes as of June 30:

	2016	2015
Bishop Untener Memorial Education Fund	\$ 9,810	\$ 9,004
Bishop's Ball Proceeds Fund	63,123	28,095
Bishop's Charity Fund	43,559	56,106
Bishop's Discretionary Fund	16,693	18,693
Bishop's Retirement Fund	205,067	205,067
Bishop's Vocational Fund	44,584	44,584
Black Catholic Ministry Fund	904	904
Budget Excess / Discretionary Fund	1,174,406	1,153,627
Campus Ministry	59,998	59,998
Capital Campaign	38,801	38,801
Catechesis/Evangelization	584	584
Cathedral Renovation	96,123	96,123
Catholic Schools	1,681	1,681
Center for Ministry	577,446	577,446
CFM Amenity Updates Fund	3,269	3,269
CFM Chapel Fund	113,568	113,568
Communications Fund	-	101,525
Diocesan Contingency Fund - Legacy of Faith	(2,101,907)	(2,229,707)
Diocesan Contingency Fund - Other	519,108	555,063
Faith Magazine	73,084	18,801
Future Full of Hope	70,167	71,296
Insurance Reimbursement Fund	138,174	61,594
Major Computer Replacement	161,591	118,214
Major Replacements	711,658	749,939
MYE Faith Event	-	31,380
Parish Clergy Assignments Fund	293,188	293,188
Parish Mission Projects	2,899	2,899
Priest Continuing Education Fund	30,425	29,202
Rachel's Vineyard Scholarship Fund	1,380	1,380
World Youth Day	2,792	2,792
	<u>2,352,175</u>	<u>2,215,116</u>
Total unrestricted net assets	<u>\$ 2,352,175</u>	<u>\$ 2,215,116</u>

7. RESTRICTED NET ASSETS

The Catholic Services Appeal ("CSA") Fund drive is used to fund Diocesan operations and programs and to provide for local and national charitable contributions. CSA donations are recorded as revenue when pledged. CSA donations pledged for the 2016-2017 and 2015-2016 drives are recorded as CSA donation income in temporarily restricted net assets. The outstanding pledge balance is recorded as CSA pledges receivable; all pledges are due within one year.

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

NOTES TO FINANCIAL STATEMENTS

Other contributions recorded as temporarily restricted support represent unused funds received from a donor, grantor or other outside party who have restricted the use of the funds for particular operating purposes. Investment income, recorded as temporarily restricted, represents income restricted for a particular purpose which has been earned by temporarily restricted net assets. These funds will be classified as unrestricted net assets and reported in the statements of activities as net assets released from restrictions when the Diocese has incurred expenses in compliance with the specific restriction.

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

	2016	2015
Catholic Education	\$ 1,804,381	\$ 1,467,443
Adoration Sisters	1,121	1,099
Bishop Untener Memorial Education Fund	44,498	43,619
Bishop's Charity Fund	20	11,874
Black and Native American Grant	6,349	4,317
Campus Ministry Fund	5,433	-
Cathedral Capital Fund	57,191	-
Cathedral Renovation	224,617	403,197
Cathedral Vestments	7,827	11,886
CCFMM Donations Fund	7,820	-
CFM-Chapel Fund	20,876	20,464
Colombian Mission Fund	52	51
Deacons Fund	45,504	43,868
Diocesan Priests Long-term Care	137,888	137,688
Disability Ministry	25	-
Faith Formation	7,408	23,138
Faith Magazine	602	-
Fr. Jeff Donner Lay Ministry Fund	7,415	6,923
Little Books Donation Fund	731,654	338,730
Lovay Fund for the Poor	2,843	-
Migrant Assistance Fund	9,767	10,148
Ministry to Priests	520	510
Ministry to Retired Priests & Religious	1,780	762
Missions, CRS and CHD	441,604	463,896
Mother Teresa	21,994	17,215
MYE Faith Event	-	43,958
Poor Parish Fund	33,110	26,795
Priest Continuing Education Fund	160,288	115,945
Religious Ed/Children of Special Needs	30,009	29,416
Religious Liberty Fund	9,747	10,194
Religious Retirement	24,150	2,567
Right to Life Fund	10,407	10,202
St. Mary University FOCUS Program	125	15,068
Strasel Endowment	1,022	497
SVSU Ministry	1,004	5,366
Vocation Ministry Fund	28,986	23,272

(continued)

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

NOTES TO FINANCIAL STATEMENTS

	2016	2015
Wolohan SACS Fund	\$ 101,255	\$ -
Youth Encounter Saginaw	3,817	7,656
CSA for periods after June 30	<u>3,692,999</u>	<u>3,693,006</u>
Total	<u>\$ 7,686,108</u>	<u>\$ 6,990,770</u>

Temporarily restricted net assets were released from donor restrictions by incurring expenses satisfying the restricted purposes or by occurrence of other events specified by donors as follows during the years ended June 30:

	2016	2015
Purpose restrictions accomplished		
Catholic education	\$ 403,761	\$ 547,270
General diocesan needs	490,217	496,182
Missions	<u>122,963</u>	<u>96,090</u>
Total	1,016,941	1,139,542
Time restrictions expired		
Passage of specified time for CSA contributions	<u>3,697,764</u>	<u>3,661,238</u>
Total temporary restrictions released	<u>\$ 4,714,705</u>	<u>\$ 4,800,780</u>

8. LEASES (RELATED PARTIES)

The Diocese leases portions of the Diocesan Center to Saginaw Area Catholic Schools. The current lease agreement is renegotiated on an annual basis. Lease revenue was \$171,000 for each of the years ended June 30, 2016 and 2015. Accounts receivable related to this lease and other receivables from Saginaw Area Catholic Schools were \$68,897 and \$68,700 at June 30, 2016 and 2015, respectively (of which \$67,767 has been reserved for in the allowance for doubtful accounts receivable for both years).

A note receivable related to this lease and other receivables from Saginaw Area Catholic Schools aggregated \$270,054 for each of the years ended June 30, 2016 and 2015. The note which commenced February 1, 2014, calls for interest charged at 0.25% to be paid on an annual basis. A balloon payment in the amount of \$270,054 is due in February 2018.

CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION

■ NOTES TO FINANCIAL STATEMENTS

■ 9. SUPPLEMENTAL CASH FLOWS INFORMATION

Non-Cash Investing Activities

During 2016 and 2015, uncollected CSA pledges receivable totaling \$214,443 and \$293,916, respectively, were reclassified as notes receivable.

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**INDEPENDENT AUDITORS' REPORT
ON SUPPLEMENTARY FINANCIAL INFORMATION**

October 27, 2016

Most Reverend Joseph R. Cistone
Roman Catholic Bishop
Catholic Diocese of Saginaw
Saginaw, Michigan

We have audited the financial statements of the *Catholic Diocese of Saginaw Centralized Programs and Administration* for the years ended June 30, 2016 and 2015, and have issued our report thereon dated October 27, 2016, which appears on page 1. In that report, our opinion was qualified because the Catholic Diocese of Saginaw follows the financial reporting policy of expensing property and equipment at the time of purchase rather than the capitalization of property and equipment acquired and depreciation of such assets over their estimated useful lives in accordance with accounting principles generally accepted in the United States of America. The supplementary financial information contained in the accompanying Exhibits 1 through 3 is presented for purposes of additional analysis and is not a required part of the financial statements. Information within Exhibits 1 through 3 has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.



SUPPLEMENTARY FINANCIAL INFORMATION

EXHIBIT 1

CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION

SCHEDULE OF CHANGES IN UNRESTRICTED NET ASSETS
YEAR ENDED JUNE 30, 2016

Net Assets at Beginning of Year	Revenues, Gain or Other Support						Total Revenues, Gains, and Other Support	
	Contributions	Interest Income	Workshops and Tuition	Rental and Other Services	Related Services	Other		
Education Ministry Team	\$ 10,100	\$ -	\$ 155,112	\$ 1,344	\$ 270	\$ 21,900	\$ 188,726	
Church Ministry Team	4,277	-	37,910	-	-	4,493	46,680	
Chancery Ministry Team	1,693	-	-	76,756	301	242	78,992	
Finance Ministry Team	-	130,525	-	570,216	-	158,273	859,014	
Development Ministry Team	353,061	-	-	132,141	-	263	485,465	
Christian Service Ministry Team	2,271	-	8,085	(154)	605	68	10,875	
Parish Outreach Ministry Team	-	-	-	-	-	-	-	
Total Undesignated	\$ 3,148,142	371,402	130,525	201,107	780,303	1,176	185,239	1,669,752
Bishop Untener Memorial Education Fund	9,004	-	-	-	806	-	806	
Bishop's Ball Proceeds Fund	28,095	-	-	-	-	-	-	
Bishop's Charity Fund	56,106	-	-	-	-	-	-	
Bishop's Discretionary Fund	18,693	1,000	-	-	-	-	1,000	
Bishop's Retirement Fund	205,067	-	-	-	-	-	-	
Bishop's Vocational Fund	44,584	-	-	-	-	-	-	
Black Catholic Ministry Fund	904	-	-	-	-	-	-	
Budget Excess / Discretionary Fund	1,153,627	12	-	-	-	-	12	
Campus Ministry	59,998	-	-	-	-	-	-	
Capital Campaign	38,801	-	-	-	-	-	-	
Catechesis/Evangelization	584	-	-	-	-	-	-	
Cathedral Renovation	96,123	-	-	-	-	-	-	
Catholic Schools	1,681	-	-	-	-	-	-	
Center for Ministry	577,446	-	-	-	-	-	-	
CFM Amenity Updates Fund	3,269	-	-	-	-	-	-	
CFM Chapel Fund	113,568	-	-	-	-	-	-	
Communications Fund	101,525	-	-	-	-	-	-	
Diocesan Contingency Fund								
Legacy of Faith	(2,229,707)	127,800	-	-	-	-	127,800	
Other	555,063	-	-	-	-	-	-	
Faith Magazine	18,801	-	-	-	-	-	-	
Future Full of Hope	71,296	-	-	-	-	-	-	
Insurance Reimbursement Fund	61,594	-	-	-	-	178,358	178,358	
Major Computer Replacement	118,214	-	-	-	-	-	-	
Major Replacements	749,939	-	-	-	-	-	-	
MYE Faith Event	31,380	-	-	-	-	-	-	
Parish Clergy Assignments Fund	293,188	-	-	-	-	-	-	
Parish Mission Projects	2,899	-	-	-	-	-	-	
Priest Continuing Education Fund	29,202	-	-	-	-	1,223	1,223	
Rachel's Vineyard Scholarship Fund	1,380	-	-	-	-	-	-	
World Youth Day	2,792	-	-	-	-	-	-	
Total Designated	2,215,116	128,812	-	-	806	179,581	309,199	
Total Unrestricted Fund	\$ 5,363,258	\$ 500,214	\$ 130,525	\$ 201,107	\$ 780,303	\$ 1,982	\$ 364,820	\$ 1,978,951

EXHIBIT 1

Expenses								
Salary and Benefits	Operational Costs	Donations	Membership Conferences	Services	Total Expenses	Transfers	Net Assets End of Year	
\$ 375,970	\$ 201,972	\$ 180,600	\$ 255,553	\$ 43,764	\$ 1,057,859	\$ 869,133		
571,203	248,010	337,106	59,877	12,813	1,229,009	1,182,329		
921,028	327,391	84,337	(22,366)	620,008	1,930,398	1,851,406		
899,860	208,083	3,693	9,525	146,482	1,267,643	408,629		
254,772	47,440	125,533	86,282	8,442	522,469	37,004		
305,393	51,926	64,395	16,257	9,596	447,567	436,692		
65,455	10,279	-	-	25,918	101,652	101,652		
3,393,681	1,095,101	795,664	405,128	867,023	6,556,597	4,886,845	\$ 3,148,142	
-	-	-	-	-	-	-	9,810	
-	-	-	-	-	-	35,028	63,123	
-	-	-	-	-	-	(12,547)	43,559	
-	-	-	-	-	-	(3,000)	16,693	
-	-	-	-	-	-	-	205,067	
-	-	-	-	-	-	-	44,584	
-	-	-	-	-	-	-	904	
-	-	-	-	-	-	20,767	1,174,406	
-	-	-	-	-	-	-	59,998	
-	-	-	-	-	-	-	38,801	
-	-	-	-	-	-	-	584	
-	-	-	-	-	-	-	96,123	
-	-	-	-	-	-	-	1,681	
-	-	-	-	-	-	-	577,446	
-	-	-	-	-	-	-	3,269	
-	-	-	-	-	-	-	113,568	
-	-	-	-	-	-	(101,525)	-	
-	-	-	-	-	-	-	(2,101,907)	
-	-	-	-	-	-	(35,955)	519,108	
-	-	-	-	-	-	54,283	73,084	
-	-	-	-	-	-	(1,129)	70,167	
-	-	-	-	-	-	(101,778)	138,174	
-	-	-	-	-	-	43,377	161,591	
-	-	-	-	-	-	(38,281)	711,658	
-	-	-	-	-	-	(31,380)	-	
-	-	-	-	-	-	-	293,188	
-	-	-	-	-	-	-	2,899	
-	-	-	-	-	-	-	30,425	
-	-	-	-	-	-	-	1,380	
-	-	-	-	-	-	-	2,792	
-	-	-	-	-	-	(172,140)	2,352,175	
\$ 3,393,681	\$ 1,095,101	\$ 795,664	\$ 405,128	\$ 867,023	\$ 6,556,597	\$ 4,714,705	\$ 5,500,317	

CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION

SCHEDULE OF CHANGES IN TEMPORARILY RESTRICTED NET ASSETS
YEAR ENDED JUNE 30, 2016

Trusts	Temporarily Restricted Net Assets at Beginning of Year	Revenues, Gains, and Other Support		
		Contributions	Interest Income	Total Revenues, Gains, and Other Support
Berberovich Scholarship Fund	\$ 16,447	\$ -	\$ 331	\$ 331
Kozak Trust	112,392		2,350	2,350
Bishop Carlson Seminarian Fund	792,232	96,267	19,502	115,769
Total Trusts	921,071	96,267	22,183	118,450
Adoration Sisters	1,099		22	22
Bishop Untener Memorial				
Education Fund	43,619	-	879	879
Bishop's Charity Fund	11,874	-	189	189
Black and Native American Grant	4,317	5,000	130	5,130
Campus Ministry Fund	-	150	67	217
Cathedral Capital Fund	-	54,482	709	55,191
Cathedral Renovation	403,197	-	7,616	7,616
Cathedral Vestments	11,886	-	229	229
Catholic Education Fund	40,656	-	1,234	1,234
Catholic Schools	502,421	439	10,738	11,177
CCFMM Donations Fund	-	234,372	20	234,392
CFM-Chapel Fund	20,464	-	412	412
Colombian Mission Fund	51	-	1	1
Deacons Fund	43,868	750	886	1,636
Diocesan Priests Long-term Care	137,688	450	2,750	3,200
Disability Ministry	-	25	-	25
Faith Formation	23,138	-	305	305
Faith Magazine	-	600	2	602
Fr. Jeff Donner Lay Ministry Fund	6,923	-	151	151
Little Books Donation Fund	338,730	1,000,000	2,762	1,002,762
Lovay Fund for the Poor	-	-	21	21
Migrant Assistance Fund	10,148	5,341	191	5,532
Ministry to Priests	510	-	10	10
Ministry to Retired Priests & Religious	762	1,000	18	1,018
Missions, CRS and CHD	463,896	91,568	9,103	100,671
Mother Teresa	17,215	4,077	364	4,441
MYE Faith Event	43,958	10,000	172	10,172
Poor Parish Fund	26,795	-	612	612
Priest Continuing Education Fund	115,945	-	2,857	2,857
Rel Ed/Children of Special Needs	29,416	-	593	593
Religious Liberty Fund	10,194	-	204	204
Religious Retirement	2,567	21,425	122	21,547
Right to Life Fund	10,202	-	205	205
Schools Grants Fund	3,295	-	-	-
St. Mary University FOCUS Program	15,068	90	267	357
Strasel Endowment	497	-	16	16
SVSU Ministry	5,366	5,000	54	5,054
Vocation Ministry Fund	23,272	5,000	485	5,485
Wolohan Fund for Notre Dame	-	7,500	-	7,500
Wolohan SACS Fund	-	100,000	1,255	101,255
Youth Encounter Saginaw	7,656	800	116	916
CSA	3,693,006	3,697,757	-	3,697,757
Total	\$ 6,990,770	\$ 5,342,093	\$ 67,950	\$ 5,410,043

EXHIBIT 2

Inter-Fund Transfers	Temporarily Restricted Net Assets End of Year
\$ -	\$ 16,778
6,074	120,816
139,929	1,047,930
<u>146,003</u>	<u>1,185,524</u>
-	1,121
-	44,498
(12,043)	20
(3,098)	6,349
5,216	5,433
2,000	57,191
(186,196)	224,617
(4,288)	7,827
29,427	71,317
33,942	547,540
(226,572)	7,820
-	20,876
-	52
-	45,504
(3,000)	137,888
-	25
(16,035)	7,408
-	602
341	7,415
(609,838)	731,654
2,822	2,843
(5,913)	9,767
-	520
-	1,780
(122,963)	441,604
338	21,994
(54,130)	-
5,703	33,110
41,486	160,288
-	30,009
(651)	9,747
36	24,150
-	10,407
(3,295)	-
(15,300)	125
509	1,022
(9,416)	1,004
229	28,986
(7,500)	-
-	101,255
(4,755)	3,817
<u>(3,697,764)</u>	<u>3,692,999</u>
<u>\$ (4,714,705)</u>	<u>\$ 7,686,108</u>

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

**SCHEDULE OF DONATIONS AND DISTRIBUTIONS FROM SPECIAL EVENTS
YEAR ENDED JUNE 30, 2016**

A&D Charitable Foundation	\$ 200
Abortion Alternatives	10,800
Apostolic Nunciature-Peter's Pence/Canon 1271	65,000
Ave Maria Radio	10,000
Bay Area Women's Center	200
Bishops Charity Ball Grants	14,024
Black and Indian Missions	16,150
CAN Council	750
Capuchin Soup Kitchen	250
Catholic Community Foundation of Mid-Michigan	31,827
Catholic Diocese of Lansing	800
Catholic Family Service	220,000
Catholic University of America	4,000
Columban Fathers	150
Community Village	100
Cribs for Kids / Mother Teresa Fund	5,212
East Side Soup Kitchen	1,110
Emmaus House	7,000
Field Neurosciences Institute	600
Good Samaritan Rescue Mission	2,500
Habitat for Humanity - Arenac County	2,000
Habitat for Humanity - Bay County	2,000
Habitat for Humanity - Blue Water	2,000
Habitat for Humanity - Cass River	2,000
Habitat for Humanity - Clare County	2,000
Habitat for Humanity - Gladwin County	2,000
Habitat for Humanity - Gratiot County	2,000
Habitat for Humanity - Isabella County	2,000
Habitat for Humanity - Midland County	2,000
Habitat for Humanity - Saginaw County	2,000
Habitat for Humanity - Upper Thumb	2,000
Historical Society of Saginaw County	250
Institute on Religious Life	200
International Catholic Deaf Association	200
Isabella Community Soup Kitchen	350

(continued)

**CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION**

**SCHEDULE OF DONATIONS AND DISTRIBUTIONS FROM SPECIAL EVENTS
YEAR ENDED JUNE 30, 2016**

John H. Goodrow Fund	\$ 100
La Union Civica Mexicana	200
Les Creations Pierre Charbonneau	826
Mid-Michigan Building Families	200
Midland Area Homes Homelessness Prevention Program	5,000
Midland Based HELPS Fund	200
Miscellaneous Donations & Other Acts of Goodwill	54,010
Mustard Seed Shelter	29,180
National Association of Catholic Chaplains	200
National Catholic Bioethics Center	500
National Council of Catholic Women	250
Open Door, The	5,000
Operation Rice Bowl Grants	
*Abortion Alternatives	1,000
*Chesaning Area Emergency Relief	1,000
*Cros-Lex Project Blessings	1,000
*East Side Soup Kitchen	1,000
*Emmaus House of Saginaw	1,000
*Hidden Harvest	1,000
*HIS Restoration Ministries	750
*John H. Goodrow Fund	1,000
*Midland Area Homes Homelessness Prevention Program	1,500
*Mustard Seed Shelter	1,000
*Rosebush Emergency Assistance	1,250
*Sacred Heart Mission Food Pantry	500
*Shared Blessings Food Pantry	750
*Society St. Vincent DePaul Bay County Council	1,000
*SS. Peter & Paul Food Pantry	750
*St. Agatha Food Pantry	750
*St. Agnes Parish - Outreach Program	500
*St. Christopher Food Pantry	750
*St. Mary Cathedral Neighborhood Breakfast	1,000
*St. Mary's of Michigan Center of Hope	1,000
*St. Paul's Episcopal Church Feeding Ministry	1,000
*Underground Railroad	500

(continued)

CATHOLIC DIOCESE OF SAGINAW
CENTRALIZED PROGRAMS AND ADMINISTRATION

SCHEDULE OF DONATIONS AND DISTRIBUTIONS FROM SPECIAL EVENTS
YEAR ENDED JUNE 30, 2016

Pope Paul VI Institute	\$ 250
Right to Life - Bay County	280
Right to Life - Midland County	320
Right to Life - Saginaw County	350
Sacred Heart Mission Food Pantry	100
Sacred Heart Parish, Mt. Pleasant	255
Saginaw Area Catholic Schools	440
Saginaw County Chamber of Commerce	275
Saginaw Rescue Mission	2,500
Shared Blessings Food Pantry	100
Sisters of St. Clare	20,000
Society St. Vincent DePaul Bay County Council	100
SS. Peter & Paul Food Pantry	100
St. Agatha Food Pantry	100
St. Agnes Parish - Outreach Program	100
St. Christopher Food Pantry	100
St. Dominic Parish, Saginaw	200
St. Joseph Parish, Saginaw	38,955
St. Mary Cathedral	200
St. Mary Cathedral Neighborhood Breakfast	100
St. Mary University Parish, Mt. Pleasant	165,300
St. Mary's of Michigan Foundation	4,200
USCCB-Catholic Communication Campaign	4,250
USCCB-Catholic Home Missions Appeal	8,075
USCCB-Church in Africa	3,800
USCCB-Church in Latin America	11,875
USCCB-Papal Visit	4,000
	<hr/>
Total	<u><u>\$ 795,664</u></u>



Rehmann Robson

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October 28, 2016

Most Reverend Joseph R. Cistone
Roman Catholic Bishop
Catholic Diocese of Saginaw
5900 Weiss
Saginaw, MI 48603

Dear Bishop Cistone:

Enclosed are 2 bound copies and 1 unbound copy of the financial statements of Catholic Diocese of Saginaw Interparish Deposit and Loan Program for the years ended June 30, 2016 and 2015.

Also enclosed are 2 bound copies and 1 unbound copy of the financial statements of the Catholic Diocese of Saginaw Centralized Programs and Administration for the years ended June 30, 2016 and 2015, and 2 bound copies and 1 unbound copy of the SAS No. 114/115 letter.

Sincerely,

A handwritten signature in black ink that reads "Kelly Bebow".

Kelly J. Bebow, CPA
Principal

Enclosures