



St. Pius X Catholic High School, Inc.

FINANCIAL STATEMENTS

June 30, 2023 and 2022



	Page
REPORT	
Independent Auditors' Report	1
FINANCIAL STATEMENTS	
Statements of Financial Position.....	3
Statements of Activities	5
Statements of Functional Expenses	7
Statements of Cash Flows	9
Notes to Financial Statements	11



REPORT





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INDEPENDENT AUDITORS' REPORT

To the Board of Directors and Management of
St Pius X Catholic High School, Inc.
Atlanta, Georgia

Opinion

We have audited the accompanying financial statements of St Pius X Catholic High School, Inc. (a nonprofit organization), which comprise the statements of financial position as of June 30, 2023 and 2022, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of St Pius X Catholic High School, Inc. (the School) as of June 30, 2023 and 2022, 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.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the School and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Notes 2 and 7 to the financial statements, the School adopted FASB ASC 842, *Leases*, during the year ended June 30, 2023. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

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

In performing an audit in accordance with generally accepted auditing standards, we:

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

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Atlanta, Georgia
December 12, 2023



FINANCIAL STATEMENTS



St. Pius X Catholic High School, Inc.
Statements of Financial Position

June 30, 2023

	Without donor restrictions	With donor restrictions	Total
Assets			
Cash and cash equivalents	\$ 1,665,332	\$ -	\$ 1,665,332
Funds on deposit with CENGI	18,557,028	7,159,349	25,716,377
Accounts receivable, net	50,658	-	50,658
Promises to give, net	1,717,849	-	1,717,849
Inventory	117,377	-	117,377
Investments at fair value	50,907	-	50,907
Beneficial interest in assets held by foundation	-	8,883,195	8,883,195
Operating lease right-of-use assets, net	29,306	-	29,306
Property and equipment, net	28,045,906	-	28,045,906
Other assets	396,756	-	396,756
Total assets	\$ 50,631,119	\$ 16,042,544	\$ 66,673,663
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 3,002,909	\$ -	\$ 3,002,909
Accounts payable - related parties	8,103	-	8,103
Performance obligation liabilities	3,414,687	-	3,414,687
Agency funds	235,295	-	235,295
Operating lease liabilities	29,306	-	29,306
Total liabilities	6,690,300	-	6,690,300
Net assets			
Without donor restrictions			
Undesignated	31,767,189	-	31,767,189
Board designated	12,173,630	-	12,173,630
With donor restrictions			
Purpose restrictions	-	7,110,854	7,110,854
Perpetual in nature	-	8,931,690	8,931,690
Total net assets	43,940,819	16,042,544	59,983,363
Total liabilities and net assets	\$ 50,631,119	\$ 16,042,544	\$ 66,673,663

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

St. Pius X Catholic High School, Inc.
Statements of Financial Position (Continued)

June 30, 2022

	Without donor restrictions	With donor restrictions	Total
Assets			
Cash and cash equivalents	\$ 5,498,181	\$ -	\$ 5,498,181
Funds on deposit with CENGI	12,632,761	10,277,531	22,910,292
Accounts receivable, net	34,269	-	34,269
Promises to give, net	2,956,887	-	2,956,887
Inventory	155,768	-	155,768
Investments at fair value	48,446	-	48,446
Beneficial interest in assets held by foundation	-	8,254,572	8,254,572
Property and equipment, net	21,257,271	-	21,257,271
Other assets	731,375	-	731,375
Total assets	\$ 43,314,958	\$ 18,532,103	\$ 61,847,061
Liabilities and Net Assets			
Liabilities			
Accounts payable and accrued expenses	\$ 1,952,430	\$ -	\$ 1,952,430
Accounts payable - related parties	274,387	-	274,387
Performance obligation liabilities	3,068,140	-	3,068,140
Agency funds	297,326	-	297,326
Total liabilities	5,592,283	-	5,592,283
Net assets			
Without donor restrictions			
Undesignated	24,253,502	-	24,253,502
Board designated	13,469,173	-	13,469,173
With donor restrictions			
Purpose restrictions	-	10,212,287	10,212,287
Perpetual in nature	-	8,319,816	8,319,816
Total net assets	37,722,675	18,532,103	56,254,778
Total liabilities and net assets	\$ 43,314,958	\$ 18,532,103	\$ 61,847,061

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

St. Pius X Catholic High School, Inc.
Statements of Activities

For the year ended June 30, 2023

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Revenue from student tuition, fees and auxiliary services	\$ 18,063,954	\$ -	\$ 18,063,954
Contributions, subsidies and support	1,861,343	3,049,463	4,910,806
Other income	769,455	100,545	870,000
Net assets released from restrictions	6,160,677	(6,160,677)	-
Total revenue and support	26,855,429	(3,010,669)	23,844,760
Expenses			
<i>Program services</i>			
Instructional	10,468,037	-	10,468,037
Student services	6,490,135	-	6,490,135
Operations	1,160,552	-	1,160,552
Total program services	18,118,724	-	18,118,724
<i>Supporting services</i>			
General and administrative	1,700,476	-	1,700,476
Development and fundraising	714,537	-	714,537
Total supporting services	2,415,013	-	2,415,013
Total expenses	20,533,737	-	20,533,737
Change in net assets before other changes	6,321,692	(3,010,669)	3,311,023
Unrealized and realized gain on investments	3,352	-	3,352
Change in value of beneficial interest	-	414,210	414,210
Change in net assets	6,325,044	(2,596,459)	3,728,585
Net assets transferred to endowment	(106,900)	106,900	-
Net assets at beginning of year	37,722,675	18,532,103	56,254,778
Net assets at end of year	\$ 43,940,819	\$ 16,042,544	\$ 59,983,363

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

St. Pius X Catholic High School, Inc.
Statements of Activities (Continued)

For the year ended June 30, 2022

	Without Donor Restrictions	With Donor Restrictions	Total
Revenue and Support			
Revenue from student tuition, fees and auxiliary services	\$ 17,370,367	\$ -	\$ 17,370,367
Contributions, subsidies and support	2,215,235	6,014,991	8,230,226
Other income	523,637	21,151	544,788
Net assets released from restrictions	2,092,759	(2,092,759)	-
Total revenue and support	22,201,998	3,943,383	26,145,381
Expenses			
<i>Program services</i>			
Instructional	10,536,520	-	10,536,520
Student services	5,755,308	-	5,755,308
Operations	975,551	-	975,551
Total program services	17,267,379	-	17,267,379
<i>Supporting services</i>			
General and administrative	2,023,276	-	2,023,276
Development and fundraising	959,304	-	959,304
Total supporting services	2,982,580	-	2,982,580
Total expenses	20,249,959	-	20,249,959
Change in net assets before change in beneficial interest	1,952,039	3,943,383	5,895,422
Change in value of beneficial interest	-	(1,205,383)	(1,205,383)
Change in net assets	1,952,039	2,738,000	4,690,039
Net assets transferred to endowment	(109,300)	109,300	-
Net assets at beginning of year	35,879,936	15,684,803	51,564,739
Net assets at end of year	\$ 37,722,675	\$ 18,532,103	\$ 56,254,778

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

St. Pius X Catholic High School, Inc.
Statements of Functional Expenses

For the year ended June 30, 2023

	Program Services				Supporting Services		Total
	Instructional	Student Services	Operations	Programs subtotal	General and Administrative	Development and Fundraising	
Salaries and benefits	\$ 8,559,431	\$ 2,091,332	\$ 346,012	\$ 10,996,775	\$ 953,373	\$ 438,248	\$ 12,388,396
Payroll taxes	375,953	169,046	16,530	561,529	105,142	15,959	682,630
Advertising	-	-	-	-	1,390	-	1,390
Bookstore	-	305,841	-	305,841	-	-	305,841
Cafeteria	-	1,177,423	-	1,177,423	-	-	1,177,423
Depreciation	572,410	709,646	49,931	1,331,987	49,934	16,645	1,398,566
Dues and subscriptions	-	-	-	-	17,547	-	17,547
Events and activities	-	1,363,977	-	1,363,977	-	66,196	1,430,173
Instructional materials	234,821	49,054	-	283,875	-	-	283,875
Insurance	111,706	103,095	7,254	222,055	7,254	2,418	231,727
Miscellaneous	275,220	172,921	646,866	1,095,007	381,346	167,035	1,643,388
Operating supplies	-	351	69,853	70,204	96,213	-	166,417
Professional development	62,150	-	-	62,150	-	-	62,150
Professional fees	-	4,850	-	4,850	64,170	-	69,020
Repairs and maintenance	130,890	162,270	11,418	304,578	11,418	3,806	319,802
Utilities	145,456	180,329	12,688	338,473	12,689	4,230	355,392
Total expenses	\$ 10,468,037	\$ 6,490,135	\$ 1,160,552	\$ 18,118,724	\$ 1,700,476	\$ 714,537	\$ 20,533,737

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

St. Pius X Catholic High School, Inc.
Statements of Functional Expenses (Continued)

For the year ended June 30, 2022

	Program Services				Supporting Services		
	Instructional	Student Services	Operations	Programs subtotal	General and Administrative	Development and Fundraising	Total
Salaries and benefits	\$ 8,681,134	\$ 1,884,016	\$ 393,222	\$ 10,958,372	\$ 1,220,991	\$ 463,366	\$ 12,642,729
Payroll taxes	415,636	157,007	18,448	591,091	104,754	19,274	715,119
Advertising	-	-	-	-	1,960	-	1,960
Bookstore	-	226,050	-	226,050	-	-	226,050
Cafeteria	-	1,044,949	-	1,044,949	-	-	1,044,949
Depreciation	551,115	683,244	48,076	1,282,435	48,076	16,026	1,346,537
Dues and subscriptions	-	-	-	-	14,845	-	14,845
Events and activities	-	1,117,301	-	1,117,301	-	291,517	1,408,818
Instructional materials	217,487	50,287	-	267,774	-	-	267,774
Insurance	88,793	74,689	5,255	168,737	5,256	1,752	175,745
Interest	-	-	-	-	811	-	811
Miscellaneous	268,134	168,410	426,059	862,603	470,309	159,328	1,492,240
Operating supplies	-	2,770	61,415	64,185	92,903	-	157,088
Professional development	37,684	-	-	37,684	-	-	37,684
Professional fees	-	3,750	-	3,750	39,248	-	42,998
Repairs and maintenance	144,921	179,664	12,642	337,227	12,642	4,214	354,083
Utilities	131,616	163,171	10,434	305,221	11,481	3,827	320,529
Total expenses	\$ 10,536,520	\$ 5,755,308	\$ 975,551	\$ 17,267,379	\$ 2,023,276	\$ 959,304	\$ 20,249,959

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

St. Pius X Catholic High School, Inc.
Statements of Cash Flows

<i>For the years ended June 30,</i>	2023	2022
Operating Activities		
Change in net assets	\$ 3,728,585	\$ 4,690,039
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities		
Depreciation	1,398,566	1,346,537
Amortization of operating lease right-of-use assets	24,218	-
Allowance for doubtful promises to give	(35,763)	155,000
Loss on disposal of property and equipment	82,893	-
Unrealized and realized gain on investments	(3,352)	-
Change in value of beneficial interest	(414,210)	1,205,383
Change in operating assets and liabilities		
Accounts receivable	(16,389)	(30,158)
Promises to give	1,274,801	336,531
Inventory	38,391	8,732
Other assets	334,619	(9,143)
Accounts payable and accrued expenses	(781,347)	(40,192)
Accounts payable - related parties	(266,284)	248,887
Operating lease liabilities	(24,218)	-
Performance obligation liabilities	346,547	120,313
Agency funds	(62,031)	(99,227)
Net cash provided by (used in) operating activities	5,625,026	7,932,702
Investing Activities		
Transfer of funds to foundation	(214,413)	(351,541)
Purchase of investments	-	(48,446)
Proceeds from sale of investments	891	-
Purchase of property and equipment	(6,438,268)	(3,420,348)
Net cash provided by (used in) investing activities	(6,651,790)	(3,820,335)
Financing Activities		
Payments on capital lease obligations	-	(25,698)
Net cash provided by (used in) financing activities	-	(25,698)
Net change in cash and cash equivalents and funds on deposit with CENGI	(1,026,764)	4,086,669

(Continued)

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

St. Pius X Catholic High School, Inc.
Statements of Cash Flows (Continued)

<i>For the years ended June 30,</i>	2023	2022
Net change in cash and cash equivalents and funds on deposit with CENGI <i>(from previous page)</i>	(1,026,764)	4,086,669
Cash and cash equivalents and funds on deposit with CENGI at beginning of year	28,408,473	24,321,804
Cash, cash equivalents and funds on deposit with CENGI at end of year	\$ 27,381,709	\$ 28,408,473

Presented on Statements of Financial Position as:

Cash and cash equivalents	\$ 1,665,332	\$ 5,498,181
Funds on deposit with CENGI	25,716,377	22,910,292
Cash, cash equivalents and funds on deposit with CENGI at end of year	\$ 27,381,709	\$ 28,408,473

Schedule of Noncash Transactions:

Change in accounts payable related to purchase of property and equipment	\$ 1,831,826	\$ 699,424
Lease liabilities arising from obtaining operating lease right-of-use assets	\$ 53,524	\$ -

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

St. Pius X Catholic High School, Inc. Notes to Financial Statements

Note 1: DESCRIPTION OF THE ORGANIZATION

St. Pius X Catholic High School, Inc. (the School) was established in 1958 to provide college preparatory education for the formation of the mind, body and spirit in accordance with the teaching ministry of the Catholic Church. Catholic Education of North Georgia, Inc. (CENGI) is the sole member of the School and exercises its control through its ability to appoint the members of the School's Board of Directors. CENGI owns and operates five schools within the territory of the Roman Catholic Archdiocese of Atlanta (the Archdiocese). The School's enrollment was approximately 1,100 students for the years ended June 30, 2023 and 2022.

The School was incorporated on May 5, 2023. Prior to incorporation, the School operated as an unincorporated division of CENGI. On the date of incorporation, all of the related operations were transferred to St. Pius X Catholic High School, Inc. The accompanying financial statements include the operations of the School from July 1, 2021, through May 4, 2023, when it operated as an unincorporated division of CENGI, as well as the operations from incorporation on May 5, 2023, to June 30, 2023.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Use of Estimates

The preparation of U.S. GAAP financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and changes therein, and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates. Estimates that are particularly susceptible to significant change in the near term are related to the allowance for doubtful accounts and allocation of functional expenses.

Program Services

Instructional – The School provides students with access to college preparatory classes, accredited teachers, instructional materials and other instructional supplies.

Student Services – The School integrates spiritual formation, artistic sensibility, and provides athletic opportunities for students, among other extracurricular activities.

Operations – The School provides upkeep of physical infrastructure and maintains optimal conditions of the School's facilities.

Cash and Cash Equivalents

Cash and cash equivalents include cash and all highly liquid investments with an original maturity of 90 days or less. Funds on deposit with CENGI are considered cash and cash equivalents, however they are presented separately on the statements of financial position.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Funds on Deposit with CENGI

The School has funds set aside by management for capital replacements and other specific uses. Funds are invested in the CENGI Deposit and Loan Fund. CENGI's Deposit and Loan Fund receives funds from the various CENGI schools and in turn loans funds to other CENGI schools. The School's funds invested in the CENGI Deposit and Loan Fund earn interest at a rate which varied between 0.75% and 2.75% during the years ended June 30, 2023 and 2022.

Accounts Receivable

Accounts receivable are stated at unpaid balances, less an allowance for doubtful accounts. The School provides for losses on accounts receivable using the allowance method. The allowance is based on experience and other circumstances, which may affect the ability of students' families to meet their obligations.

Receivables are considered impaired if full payment is not received in accordance with the contractual terms. It is the School's policy to charge off uncollectible accounts receivable when management determines the receivable will not be collected. All accounts receivable are considered collectible and no allowance has been recorded as of June 30, 2023 and 2022.

Promises to Give

Conditional promises to give are not recognized in the financial statements until the conditions are substantially met or explicitly waived by the donor. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in more than one year are recorded at fair value, which is measured as the present value of their future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Amortization of the discounts is included in contribution revenue. In the absence of donor stipulations to the contrary, promises with payments due in future periods are restricted to use after the due date. Promises that remain uncollected more than one year after their due dates are written off unless the donors indicate that payment is merely postponed. At June 30, 2023 and 2022, there was an allowance for uncollectible promises in the amount of \$119,000 and \$155,000, respectively.

Inventory

Inventories are stated at the lower of cost or net realizable value, determined by the first-in, first-out method. When evidence exists that the net realizable value of inventory is lower than its cost, the difference is recognized as a loss in the statement of activities in the period in which it occurs. Inventories consist primarily of school apparel and supplies.

Beneficial Interest in Assets Held by the Foundation

The School is the beneficiary of certain endowment funds held and administered by the Catholic Foundation of North Georgia (the Foundation), the purpose of which is to support the future needs of the School. The Foundation has ownership and control of the endowment funds. Pursuant to financial accounting standards, the value of the School's interest is valued at the net present value of the School's expected future cash flows from the funds and has been recorded as net assets with donor restrictions and related beneficial interest in assets held by the Foundation in the financial statements.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments

The School reports investments in equity securities with readily determinable fair values and all investments in debt securities at their fair values in the statements of financial position. Unrealized gains and losses are included in the change in net assets in the accompanying statements of activities. Investment income and gains restricted by donors are reported as increases in net assets without donor restrictions if the restrictions are met (either a stipulated time period ends, or a purpose restriction is accomplished) in the reporting period in which the income and gains are recognized. During the years ended June 30, 2023 and 2022, total investment income restricted by donors was \$100,545 and \$21,151, respectively.

At June 30, 2023 and 2022, the School's investments were in a pooled investment fund known as the AoA Common Fund Trust. The investment allocation within the pooled investment fund includes equities and fixed income investments.

Property and Equipment

Title for real property, land, land improvements and building is held by the parent company, Catholic Education of North Georgia, Inc., for exclusive use by the school.

All acquisitions of property and equipment in excess of \$2,500 and all expenditures for maintenance, renewals, and betterments that materially prolong the useful lives of assets are capitalized. Repairs and maintenance are expensed as incurred. Property and equipment are carried at cost or, if donated, at the approximate fair value at the date of donation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets.

Leases

The School has one operating lease for a trailer. The School determines if an arrangement is a lease at inception. Operating leases are included in operating lease right-of-use (ROU) assets and operating lease liabilities on the statements of financial position.

ROU assets represent the right to use an underlying asset for the lease term and lease liabilities represent the obligation to make lease payments arising from the lease. Operating lease ROU assets and liabilities are recognized at commencement date based on the present value of lease payments over the lease term. As the lease does not provide an implicit rate, the School uses its risk-free rate based on the information available at commencement date in determining the present value of lease payments. The operating lease ROU asset also includes any lease payments made and excludes lease incentives. The lease terms may include options to extend or terminate the lease when it is reasonably certain that the School will exercise that option. Lease expense for lease payments is recognized on a straight-line basis over the lease term.

The School's lease agreements do not contain any material residual value guarantees or material restrictive covenants.

Net Assets

The School reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets (continued)

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of the School, the environment in which it operates, the purposes specified in its corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations. The governing board has designated, from net assets without donor restrictions, net assets for various reserves (Notes 3 and 9).

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

Revenue Recognition

Student tuition, enrollment and application fees, and student activity fees are accounted for under ASC Topic 606, *Revenue from Contracts with Customers* (ASC 606), recognizing revenue when performance obligations under the terms of the contracts with student families are satisfied. Revenue received in advance is deferred and recognized over the periods to which the dates and fees relate. These amounts are included in performance obligation liabilities within the statements of financial position.

Contributions are recognized when cash, other assets, an unconditional promise to give, or notification of a beneficial interest is received. Conditional promises to give are not recognized until the conditions on which they depend have been substantially met or the donor has explicitly released the restriction. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions are received are classified as net assets without donor restrictions.

Donated Assets

Donated investments and other noncash donations are recorded as contributions at their fair values at the date of donation.

Donated Services

Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by the School. Volunteers also provided fund-raising services throughout the year that are not recognized as contributions in the financial statements since the recognition criteria were not met.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses

Directly identifiable expenses are charged to programs and supporting services. Other expenses that are common to several functions, such as payroll, utilities, insurance, depreciation, repairs and maintenance, and interest, are allocated among the programs and supporting activities based on time spent and estimates of asset usage.

Advertising

The School uses advertising to promote its programs among the audiences it serves. The production costs of advertising are expensed as incurred. During the years ended June 30, 2023 and 2022, advertising costs were approximately \$1,400 and \$2,000, respectively.

Income Taxes

The School is included in the group exemption issued to the United States Conference of Catholic Bishops and thereby has been granted exemption from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income taxes has been included in the financial statements. Income from certain activities not directly related to the School's tax-exempt purpose is subject to taxation as unrelated business income. The School considers all of its activities to be directly related to its exempt purpose in 2023 and 2022.

Reclassifications

Certain reclassifications were made to prior year balances to conform with current year presentation.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued December 12, 2023, and determined that there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent Accounting Pronouncements

In February 2016, the Financial Accounting Standards Board (FASB) issued guidance (Accounting Standards Codification [ASC] 842, *Leases*) to increase transparency and comparability among organizations by requiring the recognition of right-of-use (ROU) assets and lease liabilities on the statement of financial position. Most prominent among the changes in the standard is the recognition of ROU assets and lease liabilities by lessees for those leases classified as operating leases. Under the standard, disclosures are required to meet the objective of enabling users of financial statements to assess the amount, timing, and uncertainty of cash flows arising from leases.

The School adopted the standard effective July 1, 2022, and recognized and measured leases existing at, or entered into after, July 1, 2022 (the beginning of the period of adoption) through a cumulative effect adjustment, with certain practical expedients available. Lease disclosures for the year ended June 30, 2022, are made under prior lease guidance in FASB ASC 840.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Recent Accounting Pronouncements (continued)

The School elected the available practical expedients to account for existing capital leases and operating leases as finance leases and operating leases, respectively, under the new guidance, without reassessing (a) whether the contracts contain leases under the new standard (b) whether classification of capital leases or operating leases would be different in accordance with new guidance, or (c) whether the unamortized initial direct costs before transition adjustments would have met the definition of initial direct costs in the new guidance at lease commencement.

As a result of the adoption of the new lease accounting guidance, the School recognized on July 1, 2022, a lease liability at the carrying amount of the operating lease obligations of \$53,524 and an operating right-of-use asset at \$53,524.

The standard had an impact on the School's statements of financial position, but did not have an impact on the statements of activities nor statements of cash flows. The most significant impact was the recognition of ROU assets and lease liabilities for operating leases, while the accounting for finance leases remained substantially unchanged.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 3: LIQUIDITY AND FINANCIAL ASSET AVAILABILITY

The School maintains its financial assets primarily in cash and cash equivalents and funds on deposit with CENGI to provide liquidity to ensure funds are available as the School's expenditures come due. The board has designated assets for various purposes, however, a portion of these amounts could be made available if necessary. The following reflects the School's financial assets as of the statement of financial position date, reduced by amounts not available for general use within one year of the statement of financial position date because of contractual or donor-imposed restrictions:

<i>June 30,</i>	2023	2022
Total assets at year-end	\$ 66,673,663	\$ 61,847,061
Less non-financial assets		
Inventory	(117,377)	(155,768)
Property and equipment, net	(28,045,906)	(21,257,271)
Operating lease right-of-use assets, net	(29,306)	-
Other assets	(396,756)	(731,375)
Total financial assets	38,084,318	39,702,647
Less those not available for general expenditures within one year, due to contractual or donor-imposed restrictions		
Restricted by donor with time or purpose restrictions		
Scholarships and faculty supplements	(319,971)	(399,311)
Capital campaign	(6,060,569)	(9,241,776)
Beneficial interest in assets held by foundation	(8,883,195)	(8,254,572)
Other donor purpose restricted	(778,809)	(636,444)
Board designated		
Operating reserve	(4,517,479)	(4,500,000)
Capital replacement reserves	(4,942,494)	(6,840,343)
Future land acquisition	(1,296,801)	(785,030)
Stadium improvements	(1,363,404)	(1,231,870)
Other	(17,406)	(19,274)
Agency funds	(36,046)	(92,656)
Total amounts not available for use	(28,216,174)	(32,001,276)
Financial assets available to meet expenditures within one year	\$ 9,868,144	\$ 7,701,371

The School is principally supported by tuition and fees charged for the education it provides. The goal of the School is to maintain available financial assets to meet its next 90 days of operating expenses.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 4: FUNDS ON DEPOSIT WITH CENGI

Funds on deposit with CENGI at June 30, 2023 and 2022, are as follows:

<i>June 30,</i>	2023	2022
Deposit and loan fund		
Tuition and fees paid in advance and operational savings	\$ 11,916,547	\$ 8,069,369
Capital replacement reserves	13,662,222	14,705,641
Agency funds	137,608	135,282
Total	\$ 25,716,377	\$ 22,910,292

Note 5: CAPITAL CAMPAIGN AND PROMISES TO GIVE

Promises to give at June 30, 2023 and 2022, consist primarily of pledges related to a capital campaign announced in September 2019. The Ring the Bell capital campaign was established to address renovations of the library, safety and security, completion of the sports complex and new field house. Promises to give as of June 30, 2023 and 2022, consist of the following:

<i>For the years ended June 30,</i>	2023	2022
Promises to give, beginning of year	\$ 3,137,287	\$ 3,478,073
Contributions of promises	522,286	2,755,622
Payments received on promises	(1,803,003)	(3,092,908)
Write-offs	(7,769)	(3,500)
Subtotal	1,848,801	3,137,287
Less net present value adjustment	(11,715)	(25,400)
Less allowance for uncollectible promises to give	(119,237)	(155,000)
Promises to give, end of year	\$ 1,717,849	\$ 2,956,887
Amounts due in:		
Receivable within one year	\$ 1,236,294	\$ 1,707,765
Receivable in one to six years	612,507	1,429,522
Total	\$ 1,848,801	\$ 3,137,287

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 6: PROPERTY AND EQUIPMENT

The components of property and equipment consist of the following at June 30, 2023 and 2022:

	Estimated Useful Lives (in years)	2023	2022
Land improvements	5-20	\$ 3,139,815	\$ 3,200,160
Buildings and improvements	5-50	23,988,104	20,681,528
Furniture, fixtures and equipment	5-20	5,914,730	5,868,978
Total depreciable property and equipment		33,042,649	29,750,666
Less accumulated depreciation		(18,527,952)	(18,288,146)
Total depreciable property and equipment, net		14,514,697	11,462,520
Land		8,555,313	8,555,313
Construction in progress		4,975,896	1,239,438
Property and equipment, net		\$ 28,045,906	\$ 21,257,271

Depreciation expense for the years ended June 30, 2023 and 2022, was \$1,398,566 and \$1,346,537, respectively.

Construction in progress represents architect fees and constructions costs related to the Ring the Bell capital campaign project (Note 5) which is in Phase II. The total estimated project cost is approximately \$14,800,000 to be completed over the next several years. The remaining commitments for contracts entered into as of June 30, 2023 is disclosed in Note 14.

Note 7: LEASES

The School has an operating lease for a trailer which has a remaining lease term of approximately one year.

The components of lease expense consist of the following:

<i>For the year ended June 30,</i>	2023
Operating lease cost	\$ 25,219

Weighted average remaining lease term and discount rates consist of the following:

<i>For the year ended June 30,</i>	2023
Weighted average remaining lease term	
Operating lease	1 year
Weighted average discount rate	
Operating lease	2.90%

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 7: LEASES (Continued)

Future minimum lease payments under non-cancellable leases as of June 30, 2023, were as follows:

<i>For the years ending June 30,</i>	Operating Lease
2024	\$ 27,511
2025	2,293
Total future minimum lease payments	29,804
Less imputed interest	(498)
Present value of lease liabilities	\$ 29,306
Reported as of June 30, 2023	
Operating lease liabilities	\$ 29,306

ASC 840

Leases were accounted for under FASB ASC 840 during the year ended June 30, 2022.

On August 1, 2019, the School entered into a capital lease agreement through June 2022. As of June 30, 2022, the cost of assets held under capital lease totaled \$73,705 with accumulated amortization of \$4,785.

Note 8: AGENCY FUNDS

The School has a number of student organizations that are associated with the School through fund raising and other student activities. All receipts and expenditures by these organizations are handled by the School but are not considered revenue and expenses of the School. The excess of receipts over expenditures of these funds are liabilities of the School and are recorded as agency funds.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 9: NET ASSETS

The Board of Directors of the School reviews its plans for future property improvements and acquisitions from time to time and designates appropriate sums of net assets without donor restrictions to ensure adequate financing of such improvements and acquisitions.

A summary of net assets without donor restrictions consists of the following:

<i>June 30,</i>	2023	2022
Unrestricted	\$ 31,767,189	\$ 24,253,502
Board designated		
Operating reserve	4,517,479	4,500,000
Capital replacement reserves	4,942,494	6,840,343
Future land acquisition	1,296,801	785,030
Stadium improvements	1,363,404	1,231,870
Parent associations	36,046	92,656
Other	17,406	19,274
Total net assets without donor restrictions	\$ 43,940,819	\$ 37,722,675

A summary of net assets with restrictions follows:

<i>June 30,</i>	2023	2022
Subject to passage of time or expenditure for specified purpose:		
Scholarships	\$ 271,476	\$ 334,067
Capital campaign	6,060,569	9,241,776
Various restricted donations	778,809	636,444
Total	7,110,854	10,212,287
Perpetual in nature:		
Scholarships	48,495	65,244
Beneficial interest in assets held by Foundation	8,883,195	8,254,572
Total	8,931,690	8,319,816
Total net assets with donor restrictions	\$ 16,042,544	\$ 18,532,103

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 10: REVENUE

Revenue from Tuition and Fees

Student tuition and fees are accounted for in accordance with ASC 606. Education provided during the school year is considered the primary performance obligation and, thus, tuition along with registration and application fees are recorded ratably over the course of the School's year as increases in net assets without restrictions, net of applicable discounts. Tuition and fees received in advance are deferred until the applicable school term and are recorded as performance obligations on the statements of financial position.

Other student activity revenue related to events and activities are recorded either at a point in time or over a period of time depending on the nature of the event or activity. Cafeteria revenue, included in revenue from student tuition, fees and auxiliary services, is recognized when meals are provided to students.

Financial aid and scholarships are awarded based on need and other factors as specified by the scholarship's donor or determined by management and are recognized ratably over the course of the school year as education is provided.

As of June 30, 2023, there were \$3,414,687 of performance obligations to be satisfied, all of which is expected to be recognized as revenue in 2024.

Faculty with students enrolled at the School receive a discount on each student's tuition. The benefit associated with the faculty discount is recognized in salaries and benefits expense. For the years ended June 30, 2023 and 2022, there was approximately \$166,000 and \$134,000 of employee benefit expenses, respectively.

Contributions, Subsidies and Support

The School receives a tuition subsidy from the Archdiocese. Additionally, the School receives contributions throughout the year from various donors. The Schools recognizes these items when received or when an unconditional promise to give is made known, and considers them to be available for use without restriction unless the donor stipulates otherwise, in accordance with ASU 2018-08.

Fundraising revenue is related to special events and activities of the Home and School Association and other groups whose primary function is to raise additional funds for the School.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 10: REVENUE (Continued)

Disaggregated Revenue

A summary of disaggregated revenue information follows:

<i>For the years ended June 30,</i>	2023	2022
Tuition, net of discounts	\$ 16,764,771	\$ 16,102,360
Enrollment and application fees	363,000	377,600
Bookstore	538,465	588,294
Student activities	199,692	175,210
Cafeteria	1,208,608	1,118,918
Financial aid and scholarships	(1,010,582)	(992,015)
Total revenue from tuition and fees, net	18,063,954	17,370,367
Related party tuition subsidies	190,000	200,000
Contributions	3,923,229	7,058,562
Events and fundraising	797,577	971,664
Total contributions, subsidies and support	4,910,806	8,230,226
Investment income	404,596	150,104
Other income	465,404	394,684
Total other income	870,000	544,788
Total revenue and other support	\$ 23,844,760	\$ 26,145,381

Contract Balances

<i>June 30,</i>	2023	2022
Contract assets		
Receivable from contracts, beginning of year	\$ 34,269	\$ 4,111
Receivable from contracts, end of year	\$ 50,658	\$ 34,269
Contract liabilities		
Performance obligation liabilities, beginning of year	\$ 3,068,140	\$ 2,947,827
Performance obligation liabilities, end of year	\$ 3,414,687	\$ 3,068,140

St. Pius X Catholic High School, Inc. Notes to Financial Statements

Note 11: ENDOWMENTS

The School's endowment and investment funds consist of various funds established for a variety of purposes. The endowment funds include both donor-restricted endowment funds and funds designated by the board to function as endowments. Net assets associated with endowment funds are classified and reported based on the existence or absence of donor-imposed restrictions. There are no board designated endowments as of June 30, 2023 and 2022.

An endowment was established with the Foundation (Note 2) for the purpose of providing a permanent endowment to support the future needs and general mission of the School. The Foundation has ultimate authority and control over the endowment fund (the Fund) and it is subject to the investing and spending policies of the Foundation. However, the School is the beneficiary of these funds and is entitled to receive distributions of income after the endowment reaches a specified target amount (three million dollars), subject to the Foundation's spending policies. Pursuant to financial accounting standards, the Fund has been recognized as a beneficial interest in the assets held by the Foundation in the accompanying statements of financial position at the net present value of expected future cash flows from the Fund.

Absent explicit donor stipulations to the contrary, management of the School has interpreted Georgia's Uniform Prudent Management of Institutional Funds Act (UPMIFA) as requiring the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds absent explicit donor stipulations to the contrary. As a result of this interpretation, the School classifies as net assets with donor restrictions perpetual in nature (a) the original value of gifts donated to the permanent endowment, (b) the original value of subsequent gifts to the permanent endowment, and (c) accumulations to the permanent endowment made in accordance with the direction of the applicable donor gift instrument at the time the accumulation is added to the fund. The remaining portion of the donor-restricted endowment fund that is not classified as net assets with donor restrictions which are perpetual in nature is classified as net assets subject to expenditure for a specified purpose until those amounts are appropriated for expenditure by the School in a manner consistent with the standard of prudence prescribed by UPMIFA. In accordance with UPMIFA, the School considers the following factors in making a determination to appropriate or accumulate donor-restricted endowment funds: (1) the duration and preservation of the various funds, (2) the purposes of the donor-restricted endowment funds, (3) general economic conditions, (4) the possible effect of inflation and deflation, (5) the expected total return from income and the appreciation of investments, (6) other resources of the School's, and (7) the School's investment policies.

Investment Return Objectives, Risk Parameters and Strategies. The School has adopted investment and spending policies for endowment assets that attempt to provide a predictable stream of funding to programs supported by its endowments while seeking to maintain the purchasing power of the endowment assets. Endowment assets include those assets of donor-restricted funds that the School must hold in perpetuity or for a donor-specified period(s). Under this policy the endowment assets are invested in a manner that is intended to produce a reasonable rate of return under current market conditions with minimal risk. The School also has to maintain compliance with the Archdiocese of Atlanta investment policies.

Spending Policy. The School has a policy of appropriating for distribution each year eligible earnings from the prior year plus additional amounts expected for annual contributions for scholarships. Some of the donor restricted scholarships require five to twenty percent of the earnings to be added to corpus each year. In establishing this policy, the School considered the long-term expected return on its endowment. Accordingly, over the long term, the School expects the current spending policy to allow its endowment to grow at a rate that will maintain the purchasing power of the endowment assets held in perpetuity as well as to provide additional real growth through new gifts and investment return.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 11: ENDOWMENTS (Continued)

The endowment funds held by the Foundation are subject to the investment and distribution policies of the Foundation.

Endowment net asset composition by type of fund as of June 30, 2023 and 2022:

<i>June 30,</i>	2023	2022
Endowment funds with donor restrictions		
Subject to expenditure for a specified purpose		
Scholarships	\$ 271,476	\$ 334,067
Perpetual in nature		
Scholarships	48,495	65,244
Beneficial interest in assets held by foundation	8,883,195	8,254,572
Total endowment funds	\$ 9,203,166	\$ 8,653,883

Changes in endowment net assets for the years ended June 30, 2023 and 2022:

<i>For the year ended June 30, 2023</i>	Subject to expenditure for specified purpose	Perpetual in Nature	Total
Endowment net assets, beginning of year	\$ 334,067	\$ 8,319,816	\$ 8,653,883
Contributions	396,550	-	396,550
Change in value of beneficial interest	-	414,210	414,210
Designations (used)	(263,747)	-	(263,747)
Transfers	(90,764)	197,664	106,900
Appropriation for expenditure	(104,630)	-	(104,630)
Endowment net assets, end of year	\$ 271,476	\$ 8,931,690	\$ 9,203,166

<i>For the year ended June 30, 2022</i>	Subject to expenditure for specified purpose	Perpetual in Nature	Total
Endowment net assets, beginning of year	\$ 148,480	\$ 9,407,434	\$ 9,555,914
Contributions	313,766	-	313,766
Investment income	898	-	898
Change in value of beneficial interest	-	(1,205,383)	(1,205,383)
Transfers	(8,465)	117,765	109,300
Appropriation for expenditure	(120,612)	-	(120,612)
Endowment net assets, end of year	\$ 334,067	\$ 8,319,816	\$ 8,653,883

Note 12: FAIR VALUE MEASUREMENTS

Fair value is the exchange price that would be received for an asset or paid to transfer a liability (exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. There are three levels of inputs that may be used to measure fair values:

Level 1: Quoted prices (unadjusted) for identical assets or liabilities in active markets that the entity has the ability to access as of the measurement date.

Level 2: Significant other observable inputs other than Level 1 prices, such as:

- Quoted prices for similar assets or liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs, other than quoted prices, that are:
 - observable; or
 - can be corroborated by observable market data.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3: Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques maximize the use of relevant observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodologies used for assets measured at fair value. There have been no changes in the methodologies used at June 30, 2023 and 2022.

The School's investment balance at June 30, 2023 and 2022, consists of investments in the AoA Common Fund Trust which were measured using the net asset value practical expedient based on the fair value of the underlying assumptions.

Beneficial interest in assets held by the Foundation - the fair value of beneficial interest in assets held by the Foundation (Notes 2 and 11) is based upon the net present value of the School's expected future cash flows. The School does not have the ability to redeem this beneficial interest and withdrawals are limited to the terms of the School's agreement with the Foundation.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the School believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine fair value of certain financial instruments could result in different fair value measurements at the reporting date.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 12: FAIR VALUE MEASUREMENTS (Continued)

Assets measured at fair value on a recurring basis, are summarized for the years ended June 30, 2023 and 2022:

June 30, 2023	Level 1	Level 2	Level 3	Total
Beneficial interest in assets held by foundation	\$ -	\$ -	\$ 8,883,195	\$ 8,883,195
AoA Common Fund Trust ^(A)	\$ -	\$ -	\$ -	\$ 50,907
<hr/>				
June 30, 2022	Level 1	Level 2	Level 3	Total
Beneficial interest in assets held by foundation	\$ -	\$ -	\$ 8,254,572	\$ 8,254,572
AoA Common Fund Trust ^(A)	\$ -	\$ -	\$ -	\$ 48,446

^(A) Investments that are measured at fair value using the net asset value per share have been excluded from the fair value hierarchy.

The following is a reconciliation of the change in fair value for the years ended June 30, 2023 and 2022 for Level 3:

<i>For the years ended June 30,</i>	2023	2022
Beneficial interest in assets held by foundation		
Balance, beginning of year	\$ 8,254,572	\$ 9,108,414
Transfer from funds on deposit with CENGI	107,513	242,241
Transfer of funds from operations	106,900	109,300
Change in value	414,210	(1,205,383)
<hr/>		
Balance, end of year	\$ 8,883,195	\$ 8,254,572

Changes in Fair Value Levels

The availability of observable market data is monitored to assess the appropriate classification of financial instruments within the fair value hierarchy. Changes in economic conditions or model-based valuation techniques may require the transfer of financial instruments from one fair value level to another. In such instances, the transfer is reported at the beginning of the reporting period.

Management evaluated the significance of transfers between levels based upon the nature of the financial instrument and size of the transfer relative to total assets. For the years ended June 30, 2023 and 2022, there were no transfers in or out of Levels 1, 2 or 3.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 13: CONCENTRATIONS

The Financial Accounting Standards Board requires disclosure about financial instruments and related off-balance sheet risk and concentrations of credit risk. The students attending the School are primarily with families who are members of various parishes within the Archdiocese of Atlanta. Any off-balance sheet risk or credit risk is dependent on the financial situation of the families and subsequent support of the Archdiocese.

The School maintains cash deposits with financial institutions at June 30, 2023 and 2022, in excess of federally insured limits of approximately \$1,498,000 and \$5,100,000, respectively. Funds on deposit with CENGI are not FDIC insured.

Note 14: COMMITMENTS

Ring the Bell Commitments

In May 2022 the School entered into a contract with Catholic Construction Services Inc., Parish Construction Group Inc., and CDH Architecture for renovations to buildings as part of the Ring the Bell Capital Campaign. The total contract sum was approximately \$14,800,000 when renovations began in May 2022. The renovations will be funded through the School's Ring the Bell Capital Campaign (Note 5). As of June 30, 2023, the School had \$1,832,000 in unpaid liabilities under the renovation contract. The remaining commitments for contracts entered into as of June 30, 2023 is approximately \$10,668,000. Additionally, the School entered into contracts for other capital improvements with remaining commitments of approximately \$219,000 at June 30, 2023. Subsequent to year-end, the School entered into an additional \$862,000 of commitments related to capital improvements.

Note 15: RELATED PARTY TRANSACTIONS

Archdiocese Tuition Subsidies

During the years ended June 30, 2023 and 2022, the School received a tuition subsidy totaling \$190,000 and \$200,000, respectively, from the Roman Catholic Archdiocese of Atlanta, Inc. (Chancery) to be used for financial aid.

Employee Benefit Plans

The School participates in a defined contribution retirement plan (the Plan), which is administered by RCAA Administrative Services, Inc. (Services) and covers substantially all lay employees who are over the age of twenty-one and have completed one year of service. Contributions to the Plan are determined based on a percentage of covered employees' salaries, not in excess of amounts allowable under the Internal Revenue Code regulations. The School's contributions to the Plan on behalf of the employees were approximately \$466,000 and \$489,000 for the years ended June 30, 2023 and 2022, respectively.

St. Pius X Catholic High School, Inc.
Notes to Financial Statements

Note 15: RELATED PARTY TRANSACTIONS (Continued)

Health and Life Insurance

Health and life insurance for the School's employees are provided under the plans administered by AOA Group Healthcare Plan, LLC. Expenses related to total insurance premiums during the years ended June 30, 2023 and 2022 were approximately \$2,145,000 and \$2,089,000, respectively. Amounts owed to AOA Group Healthcare Plan, LLC at June 30, 2023 and 2022 were approximately \$8,000 and \$274,000, respectively.

Funds on Deposit with CENGI

Funds are invested with the CENGI Deposit and Loan Fund (Notes 2 and Note 4).