"To change the world, we must be good to those who cannot repay us."

- Pope Francis
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▼ Lay ecclesial ministers listen to a presentation from Archbishop Kurtz at the first Lay Ecclesial Minister Assembly at Saint Meinrad Seminary. This event was made possible by the National Initiative to Address Economic Challenges Facing Pastoral Leaders, funded by a $1 million grant from the Lilly Endowment. Ninety pastoral leaders attended.
Dear Friends in Christ,

May God bless you!

“To change the world, we must be good to those who cannot repay us.” With these prophetic words, Pope Francis invites us to selfless outreach in Christ’s name.

This annual Accountability Report details way in which we have sought to change the world in so many areas of ministry: worship, education and formation, social services, family life, administration, vocations, multicultural ministry, and evangelization. Inspired by the spirit and fueled by God’s grace, we seek always to proclaim the Good News to a world sorely in need of this message.

The past year has been a difficult one in many ways for our Church and for our nation. It is easy to get discouraged and wonder if our prayer, ministry, and efforts are bearing fruit. In the Joy of the Gospel, Pope Francis reminds us that our efforts to listen and respond to the voice of the Holy Spirit alive in our midst are worthy, even if we are not always able to see the results:

“We can know quite well that our lives will be fruitful, without our claiming to know how, or where, or when. We may be sure that none of our acts of love will be lost, nor any of our acts of sincere concern for others. No single act of love for God will be lost, no generous effort is meaningless, no painful endurance is wasted. All of these encircle our world like a vital force.”
(Evangelii Gaudium 279)

Our local Church, the Archdiocese, exists to assist and empower the faithful and our parishes as they listen to the Holy Spirit and seek to transform their communities in the light of Christ’s love. This report reflects our efforts to be accountable to this activity and to our common mission to proclaim the Good News of Jesus Christ.

I thank each of you for your stewardship and faithfulness.

Sincerely yours in our Lord,

Most Reverend Joseph E. Kurtz, D.D.
Archbishop of Louisville
School counselors Laura Probus and Jim Higgins serve as trainers for a safe environment workshop. This training is mandatory for all priests and deacons and for lay employees and volunteers who work with children. Last year, the Archdiocese held 45 safe environment workshops for 2,756 staff and volunteers.

Students at Saint Agnes School working in a butterfly garden on the school campus. Saint Agnes was the first Catholic school in the Archdiocese to receive recognition as a U.S. Department of Education Green Ribbon School. Nominated by the Kentucky Environmental Education Council, Saint Agnes School demonstrated its commitment to reduce environmental impact and costs, improve student and staff health and wellness, and provide effective environmental and sustainability education.

The Browning family at Saint Peter the Apostle Parish. This family participated in a new six-part video series called Work of the People – The Catholic Mass that highlights and explains the important role of individual Catholics (the “Assembly”) in the Mass. See www.ArchLou.org/work-people.
Three men — Anthony Cecil, Steven Reeves, and Kirby Rust — were ordained in May to the priesthood for the Archdiocese of Louisville.

Participants at Catholic Charities’ first-of-its-kind National Labor Trafficking Conference, which welcomed 250 participants from across the United States.

Ann Gardner and Joyce Frazier at the opening Mass for the African American Catholic Day of Reflection. Last year, the Office of Multicultural Ministry developed the first African American Catholic Five-Year Pastoral Plan of Action for the Archdiocese of Louisville. The Plan provides a foundation for all ministries serving Catholics from the African Diaspora.
Father Martin Martiny, O.P., Chaplain of the Catholic Campus Ministry at the University of Louisville, welcomes four FOCUS missionaries to minister to students at the University. These young adults minister to students through Bible studies, prayer groups, and discipleship activities.

Archbishop Kurtz at a press conference discussing a report based upon an independent investigator’s review of archdiocesan files of priests accused of sexual abuse. The report by former U.S. Attorney, former Commissioner of the Kentucky State Police, and retired Judge Advocate General Mark Miller (left) details Mr. Miller’s review of diocesan files and the history of the archdiocesan response to sexual abuse by clergy. It also contains a list of credibly accused clergy. See www.ArchLou.org/report-sexual-abuse.

Four delegates (from bottom left: Saint James, Elizabethtown parishioner, Jacqueline Ortiz, and Hispanic Ministry Director Eva Gonzalez; top left, seminarian Fermin Luna, and Annunciation, Shelbyville and Saint John Chrysostom, Eminence pastor Father Michael Tobin) from the Archdiocese gather at the V National Encuentro with Archbishop Kurtz in September of 2018. This gathering of more than 3,000 Hispanic and Latino Catholics focused on 28 ministerial areas of importance for the future of Hispanic/Latino ministry in the Church with 10 priority areas including evangelization and mission, family life ministry, youth and young adult ministry, faith formation and catechesis, and vocations. More than 200 local Hispanic Catholics then gathered at a Louisville Encuentro, last October, to discuss these priorities in preparation for local implementation.

Local pilgrims at the World Youth Day in Panama. Eight young adults attended from the Archdiocese of Louisville.

Father Martin Martiny, O.P., Chaplain of the Catholic Campus Ministry at the University of Louisville, welcomes four FOCUS missionaries to minister to students at the University. These young adults minister to students through Bible studies, prayer groups, and discipleship activities.
Catholic Charities created a *Wildflower Garden Guide*, providing encouragement and education for individuals, parishes, and schools to plant and care for pollinator gardens, another way of showing care for our common home, the Earth.

The Family Ministry Office emails *Love Being Married* to nearly 4,500 individuals. This monthly electronic newsletter provides resources and support to couples in their first five years of marriage.

Visitors check out Dare To Care’s new Oasis, a micro-grocery located inside the Sister Visitor Center. Last year, the Sister Visitor Center provided nearly 15,000 instances of food, rental and utility assistance, case management services, clothing, and other emergency items — totalling more than $162,000 in aid — to 4,559 residents of West Louisville.
Attendees pray during the Catholic Men’s Conference, attended by 330 men, which featured keynote speakers Archbishop Kurtz and recording artist and national speaker, Steve Angrisano.

More than 180 high school students and adult leaders gather at the first ArchLou Catholic Youth Conference. The day featured music, Mass, Reconciliation, Eucharistic Adoration, addresses by Archbishop Kurtz and keynote speaker Paul Kim, presentations on the gifts of the Holy Spirit, and a service project for Shively Area Communities Ministries.

Our Lady of Lourdes school students spelled out OLOL in the school parking lot as they celebrate being named a 2018 National Blue Ribbon School by the U.S. Department of Education. Our Lady of Lourdes and Sacred Heart Model School received this honor in 2018, both for the second time.
On August 15, 2018, Archbishop Kurtz promulgated his Pastoral Letter: *The Soul of the Parish: Being Led by the Holy Spirit Alive in Our Midst*. This letter reflected on the conclusion of the parish discernment process in the Archdiocese and offered directions for parishes going forward. Archbishop Kurtz concluded the letter with the following prayer to the Holy Spirit and for our local Church:

**Come, Holy Spirit, fill the hearts of your faithful and kindle in them the fire of your love.**

**Send forth your Spirit, and they shall be created, and you will renew the face of the earth.**

**Lord, by the light of the Holy Spirit you have taught the hearts of your faithful.**

**In the same Spirit, help us to relish what is right and always rejoice in your consolation.**

**We ask this through Christ our Lord. Amen.**
Archdiocesan Response to Sexual Abuse

The Charter for the Protection of Children and Young People provides a comprehensive framework for addressing allegations of sexual abuse and for creating safe environments in parishes and schools. In the fall of 2018, the United States Conference of Catholic Bishops audited the Archdiocese for the 15th time. As a result of this audit, the Archdiocese of Louisville was found to be fully compliant with all elements of the Charter, with no required changes or recommendations for changes.

Prevention/Education
• The Archdiocese released two major reports reviewing the history of sexual abuse by clergy in the Archdiocese and describing how the Archdiocese now deals with sexual abuse:
  • Overview and Analysis of Files Provided by the Archdiocese of Louisville, February 6, 2019, by independent investigator Mark L. Miller. Mr. Miller’s report also contains a list of credibly accused clergy. See www.ArchLou.org/report-sexual-abuse.
• Archbishop Kurtz began sending a regular e-briefing on the topic of sexual abuse (Archbishop’s Leadership Briefing – www.ArchLou.org/archbishops-leadership-briefings) to more than 2,600 pastoral leaders and key volunteers. Eighteen editions were sent in FY 2019.
• The Archdiocese trained 2,756 employees in 45 safe environment workshops during the past fiscal year. For more information, see www.ArchLou.org/safe.
• All school children in the Archdiocese participate in various approved training programs, such as Speak up Be Safe, Theology of the Body, Safe Sheep, and other religious education curriculum.
• The Honor Thy Children newsletter is emailed monthly to all pastors, principals, pastoral associates, parish catechetical leaders, youth ministers, parish safe environment coordinators, counselors, and business managers.
• The Archdiocese sent bulletin blurbs about sexual abuse to parishes and schools for Sexual Abuse Prevention Month in April.
• Extensive information is online about child abuse prevention, resources for parents, safe environment programs, and other materials. See www.ArchLou.org/restoringtrust.

Sexual Abuse Review Board
• The Review Board reviews cases and monitors the implementation of our sexual abuse policies.

Victim Assistance and Outreach
• The victim assistance coordinator, Ms. Martine Siegel, RN, MSN, CNS, meets and assists victims. She can be reached by calling (502) 636-1044 or emailing victimassistance@archlou.org.

Cooperation with Civil Authorities
• Reports or suspicion of child abuse are relayed immediately to civil authorities, and the Archdiocese cooperates fully with any investigation. Call 1-877-597-2331 to report child abuse to the police.

Sexual Abuse Expenditures
The following summarizes expenditures from July 1, 2018 to June 30, 2019:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Counseling Fees and Support for Victims/Survivors</td>
<td>$2,250</td>
</tr>
<tr>
<td>Legal Expense</td>
<td>$4,872</td>
</tr>
<tr>
<td>Sexual Abuse Prevention/Education</td>
<td>$169,744</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>$176,866</strong></td>
</tr>
</tbody>
</table>
Archdiocese of Louisville – June 30, 2019

As part of the Archdiocese of Louisville’s ongoing commitment to communication and accountability, this report presents a brief summary of the financial operations of the various entities (Pastoral Center, Catholic Cemeteries, Catholic Charities, and Catholic Foundation of Louisville) of the Archdiocese of Louisville for fiscal year ending June 30, 2019. The information presented has been derived from the audited financial statements and does not include the activities of parishes, missions, and schools of the Archdiocese. The complete audited financial statements are available for public inspection at www.ArchLou.org.

Pastoral Center Operations

Operating Income

Fiscal Year Ending June 30, 2019

- Parish Assessments $9.2M
- Catholic Services Appeal $3.8M
- Special Collections $0.4M
- Investment Income-Net $2.8M
- Donations & Bequests $1.8M
- Other Income $0.3M

Total Operating Income $18.3 Million

- Parish assessments of $9.2M represent a key income source for the Archdiocese. The Christian faithful are obliged to assist with the needs of the Church, so that the Church has what is necessary for divine worship, for the works of the apostolate and of charity, and for the decent support of ministers (Canon 222). Parish assessments are comprised of three components: 1) an ordinary assessment on parish income of 3.50% to carry on the foreseeable needs of the Church; please note the ordinary assessment on parishes decreased .25% compared to prior year; 2) a specific assessment of 1.34% to provide funds for the support of retired priests; and 3) a specific assessment of .66% for the archdiocesan newspaper The Record and other communication efforts. In addition to the assessments, the parishes contribute 1% for the Catholic Elementary School Plan, which provides tuition assistance to help families send their children to Catholic elementary schools.

- The Catholic Services Appeal is an annual appeal that invites free will donations from the faithful to provide support to the Church for various programs and ministries of the Archdiocese. Due to the tremendous response from the faithful, a total of $3.8M of free will offerings was raised this past year. In total, 13,248 donors responded to the invitation to participate in the appeal.

- Special collections totaling $.4M are primarily revenues from the Christmas Collection, which is used to fund the work of Catholic Charities. Other special collections (i.e. Crusade for Children, hurricane relief, etc.) are conducted throughout the year. Gifts to these collections are forwarded directly to the local, national, and international organizations for which the collection is designated.

- Investment income of $2.8M net of fees includes interest and dividends earned and reinvested into the Archdiocese of Louisville’s investment portfolio.

- Donations and bequests of $1.8M include unrestricted and restricted gifts to the Archdiocese from generous benefactors.

- Other income of $.3M includes interest earned on loans to parishes, rent income on archdiocesan facilities, and other miscellaneous income.

For the fiscal year ending June 30, 2019, operating income was $18.3M; the 6.2% percent decrease from the prior fiscal year was mainly due to the $1.3M capital gain from the sale of the Chancery building in the prior year.
Pastoral Center Operations
Operating Expenses

- Archdiocesan program (agencies) expenses net of revenues were $8.7M, a $.3M increase compared to prior year, for the various services, activities, and ministries, which include the following:
  - The Office of Catholic Schools provides leadership, resources, and training to promote excellence in religious formation and education for Catholic schools in the Archdiocese, with expenses totaling approximately $.6M.
  - The Office of Faith Formation provides leadership, resources, and training in Catholic beliefs, traditions, and values for parishes and schools, with expenses totaling approximately $.3M.
  - The Office of Youth and Young Adults provides resources, spiritual formation, and training for youth and young adults, with expenses totaling approximately $.2M.
  - The Archdiocesan Communications Office promotes evangelization for the Archdiocese through The Record newspaper, radio and television ministries, and public relations, with expenses totaling approximately $1.3M.
  - The Office of Multicultural Ministry works to identify and provide for the diverse ethnic needs and pastoral concerns within our Catholic community, with expenses totaling approximately $.6M.
  - The Family Ministries Office serves the archdiocesan community through services to strengthen marriage and family throughout every phase of life, with expenses totaling $.4M.
  - Parish Leadership Development assists parishes with forming effective leaders, parish council training and support, and planning, with expenses of $.1M.
  - Catholic Campus Ministry promotes the mission of the Church among Catholic students at the University of Louisville through weekly liturgies, faith development, and service, with expenses of $.2M.
  - The Tribunal Office works to resolve issues of justice, primarily related to marriage, according to the teachings of the Roman Catholic Church, with expenses totaling $.3M.
  - The Vocation Office facilitates and coordinates the development and formation of those called to priesthood and religious life, with expenses totaling $.2M.
  - The Worship Office serves the archdiocesan community through liturgical education and training of Catholics, with expenses totaling $.2M.
  - The Diaconate Office coordinates the development and formation of men called to religious life as a deacon, with expenses totaling $.3M.
**Operating Expenses (Continued)**

- The Archdiocese supports the activities of Catholic Charities and other Catholic organizations by funding $1.2M for operating purposes, in part from gifts to the Catholic Services Appeal and Christmas Collection.

- Retired Priests and Other Clergy expenses of $2.3M are primarily the cost of priest retirement payments and medical insurance benefits. As of June 30, 2019, the Archdiocese had 58 retired priests receiving monthly retirement payments.

- Seminarian education expenses totaled $.7M. This past year, the Archdiocese supported 14 seminarians in various stages of theological study, with three seminarians from this group being ordained in May of 2019.

- Grants totaling $5.5M consist of a $1.5M grant to Catholic Foundation of Louisville for priest retirement, $1.3M grant to Catholic Charities for Building a Brighter Future campaign, elementary school financial aid grants of $1.3M, high school financial aid grants of $.5M, high school capital grants of $.1M, life and long-term disability insurance and other benefits paid for parish and school employees of $.3M, papal and national organizations of $.1M, and various other grants made to Catholic organizations of $.4M.

- Other expenses totaling $.4M are comprised of property and liability insurance and other miscellaneous items.

Net operating loss for the fiscal year ending June 30, 2019, is $1.5M and does not include other non-cash expenses totaling $.6M. In addition, market investment gains of $3.9M are not included in the net operating income.

**Pastoral Center Operations**

**Market Results**

Market results include $2.5M of unrealized gains and $1.4M of realized gains from the investment portfolio of the Archdiocese. The unrealized gains were due to strong returns from the domestic and international equity markets, and the realized gains resulted from portfolio rebalancing. The Archdiocese continues to review investment policies and diversify the portfolio to minimize risk in a volatile equity market, with the goal of obtaining a reasonable return.

**Pastoral Center Operations Summary**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Net Loss from Operations*</td>
<td>($1.5) Million</td>
</tr>
<tr>
<td>Other Expenses &amp; Non-Cash</td>
<td>(.6) Million</td>
</tr>
<tr>
<td>Market Investment Realized and Unrealized Gains</td>
<td>3.9 Million</td>
</tr>
<tr>
<td><strong>Overall Net Income</strong></td>
<td><strong>$1.8 Million</strong></td>
</tr>
</tbody>
</table>

*Please note that two one-time grants — $1.3M to the Catholic Charities Building a Brighter Future Campaign and the $1.5M transfer to The Catholic Foundation of Louisville for Priest Retirement — account for the $1.5M net operating loss.
Investment Portfolio Fund Allocation

The investment portfolio of the Archdiocese totals approximately $135.7M as of fiscal year ending June 30, 2019, with parishes and other Catholic organizations owning approximately 47% of investments. The General Fund assumes all risks associated with market conditions and continues to fluctuate in a volatile environment. Please see the chart below for fund allocation information.
Catholic Cemeteries Operations

Cemeteries had net income of $.8M for fiscal year ending June 30, 2019, an increase of $.2M from the prior fiscal year. Burial sales, monuments/memorials, and fees totaled $3.6M for the fiscal year 2019, a 20% increase from the prior year. The remaining income of $.4M is from interest income on investments and other miscellaneous income. Expenses totaled $3.2M, of which the cost of sales is $.4M. Program costs, including salaries and benefits, totaled $1.7M, a grant of $.3M to Catholic Charities Building a Brighter Future campaign, and other expenses of $.8M include repair and maintenance, insurance, depreciation, and administrative expenses.
Catholic Charities Operations

Catholic Charities had a net income of $4.1M for fiscal year ending June 30, 2019. The significant increase in income is due to Building a Brighter Future Campaign donations of $3.9M; see graph below for details of gift and pledge donations. The political and economic challenges experienced in the past few years have required Catholic Charities to carefully monitor costs. Of the total income of $16.5M, most of this agency’s income, $9.6M, flowed from federal and state grants, particularly in connection with refugee services ($8.3M). Program Fee income for services totaled $1.2M, Donations/Bequests totaled $1.7M (includes archdiocesan support of $.9M), and Other Income of $.1M. Expenses totaled $12.4M, including refugee program expenses of $8.3M. Other client services programs, such as the Bakhita Empowerment Initiative and Sister Visitor Center, totaled $1.5M. Program costs, including salaries and benefits, totaled $1.8M, with other expenses of $.8M for administration, development and fundraising, and other support services.
The Catholic Foundation of Louisville

The Catholic Foundation of Louisville (CFL) is a separate 501c(3) non-profit corporation that was first formed using the proceeds from the prior Building a Future of Hope Campaign. The archdiocesan CFL initiatives funds are as follows: Priest Retirement, Seminarian Education, Parish Assistance, and Legacy Funds. For the fiscal year ending June 30, 2019, the total archdiocesan investment balance in the Foundation was $9.1M. Please note the Archdiocese made a grant of $1.5M to the Priest Retirement Fund. The grants awarded from the initiatives during the fiscal year were from the following initiative funds: Seminarian Education $100K, Parish Assistance $65K, and the Legacy Fund $20K. Funds are invested in the market using a moderately conservative investment policy that focuses on minimizing risk and maximizing return. For more information or to donate to these funds, please contact the Office of Mission Advancement.

In 2017, the CFL investment program was further expanded for parishes, schools, and other archdiocesan agencies to build a diversified portfolio for their future needs. By the end of June 2019, parishes and schools had invested $3.7M, and Catholic Cemeteries had invested $2M in the various investment options. The combined total invested in the Catholic Foundation of Louisville was $14.8M at fiscal year-end, as shown on the chart below.
Catholic Services Appeal
(2016 through 2019)

The revenues generated from the annual Catholic Services Appeal (CSA) make possible the various programs, services, and ministries within the Archdiocese. Without it, these services would not be available. The Catholic Services Appeal serves as one of the Archdiocese’s key income sources of free will offerings from the faithful.

This past year, the CSA donations totaled $3.8M, thanks to the generosity of donors and the dedicated leadership of priests and lay ministers.

The Archdiocese strives to serve the community and fulfill the spiritual and individual needs of people through the Catholic Services Appeal. There are various ways to contribute to this annual appeal. A parishioner may contribute through his or her parish during the in-pew collection process, respond to the archdiocesan appeal letter, or donate online at www.ArchLou.org/csa.