

2020 Accountability Report



We are called

to do justice, love goodness,
to walk humbly with God.

— Micah 6:8



ARCHDIOCESE
OF LOUISVILLE



Table of Contents

A Message from the Archbishop 1

Report on Mission 2

Archdiocesan Response to Sexual Abuse 8

Report on Finances 9



The Archdiocese completed the restoration of its 19th century painting, *The Dead Christ Mourned – The Three Maries after Carracci* by Kentucky native Matthew Harris Jouett and arranged a display of the restored painting at The Speed Art Museum.

A Message from the Archbishop

Dear Sisters and Brothers in Christ:

What a year! I began this fiscal year last July embarked on a personal journey of healing as I sought treatment for cancer, which I am happy to say was successful. We ended the year this past June dealing with the terrible COVID-19 pandemic and a national reckoning with racial injustice, which has caused so much pain for so many of our brothers and sisters for too long.

This annual *Accountability Report* presents a sampling of the ways in which our Archdiocese seeks to do justice, love mercy, and walk humbly with our God. It also includes a financial report based upon the audited financials of the Archdiocese. This report portrays many areas of ministry, including parish and family life, education and formation, multicultural ministry, social services, leadership for ministry, and evangelization and stewardship.

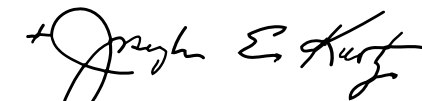
As I seek beacons of hope in these difficult days, I have been reflecting on the difference between hope and optimism. Optimism proclaims that things will always get better. Hope is the theological virtue that assures us of God’s presence and power in good times and in bad. We need not fear for God is with us.

At the end of the gospel according to St. Matthew, Jesus announces the great commission to go and baptize all nations in the name of the Father and of the Son and of the Holy Spirit and to teach all that He has taught. He reminds us that He will be with us until the end of the ages. In the midst of the pandemic, the challenges of racism, and the growing cultural sense that we no longer need God in our lives, the virtue of hope is that gift from God that we need to receive, deepen, and nourish even more in these challenging days.

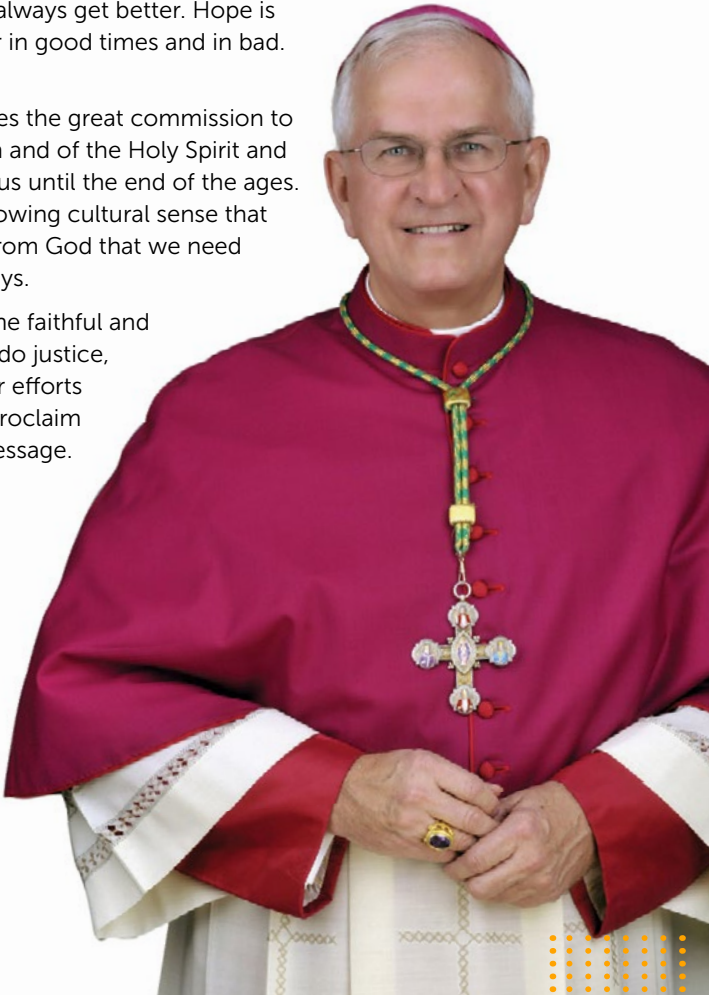
Our local Church, the Archdiocese, exists to assist and empower the faithful and our parishes as they answer the invitation of the prophet Micah to do justice, love mercy, and walk humbly with our God. This report reflects our efforts to be accountable to this activity and to our common mission to proclaim the Good News of Jesus Christ to a world sorely in need of this message.

May God bless you! I thank each of you for your stewardship and faithfulness.

Sincerely yours in our Lord,



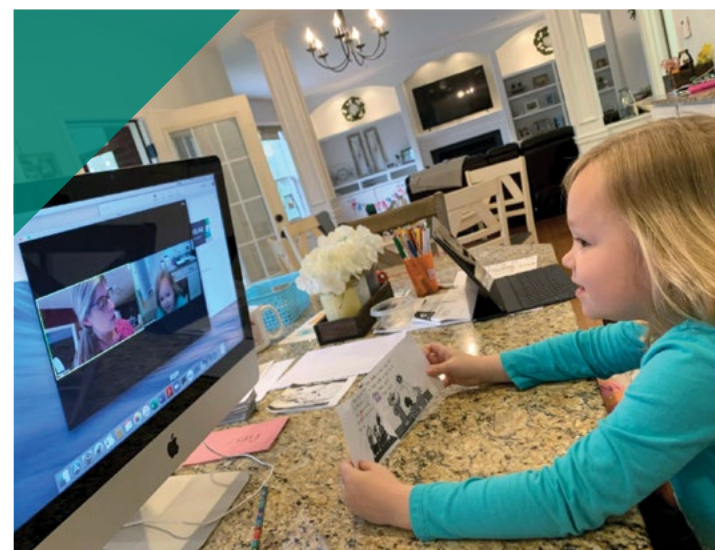
Most Reverend Joseph E. Kurtz, D.D.
Archbishop of Louisville



REPORT ON MISSION

Parish and Family Life

Catholic Cemeteries, the Family Ministries Office, the Tribunal, and the Office of Worship support families and parishes as they seek to awaken and affirm a vibrant Catholic faith arising from the celebration of the Eucharist and our response to the Gospel of Jesus Christ.



Archbishop Kurtz celebrates the Chrism Mass at an empty Cathedral during the time public worship was suspended due to the COVID-19 pandemic. The Office of Worship provided detailed liturgical, sacramental, and pastoral care guidance to parishes on the suspension and resumption of public worship due to this pandemic.

Father Jerry Bell hangs an ornament on the "Tree of Remembrance" at Calvary Cemetery. In addition to providing families with burial services, Catholic Cemeteries serves as an extension of the parish, providing a final resting place for Catholics as well as people of other faiths.

A family participates in the local March for Life. The Family Ministries Office and Office of Youth and Young Adults collaborate each year to advance a culture of life by marking the anniversary of the Roe versus Wade decision.

During the past year, the counseling services department of the Family Ministries Office referred 698 individuals or couples for counseling, per requests from parishes, the court system, the community mental health system, and other sources.



Education and Formation

Catholic Campus Ministry, the Offices of Catholic Schools and Faith Formation and the Office of Youth and Young Adults offer dozens of programs and services designed to advance excellence in and accessibility to lifelong Catholic education and formation for all members of the Body of Christ, the Church.

Archbishop Kurtz celebrates the Rite of Election and Call to Continuing Conversion ceremony for 388 men, women, and children preparing to enter the Church. The Office of Faith Formation provides training and resources for parish RCIA programs each year.

A student is engaged in distance learning at Holy Trinity School. During the 2019-2020 school year, the Office of Catholic Schools assisted teachers and school leaders as they implemented eight weeks of remote instruction due to the COVID-19 pandemic.

Teens attend the Archdiocese of Louisville's Catholic Youth Conference. The Office of Youth and Young Adults completed a four-year agency plan based upon the work of a 16-person task force of pastors, youth, young adult and campus ministers, deacons, and archdiocesan staff. This plan includes five goals and 42 action steps.

Principal Pam Breunig and teacher Lori Graves celebrate Saint Dominic School in Springfield, Kentucky being honored as a Blue Ribbon School. In 2019, Saint Dominic and Ascension Schools received this award for the first time. To date, 22 of 49 Catholic schools in the Archdiocese have received recognition as Blue Ribbon schools.



REPORT ON MISSION

Social Services

Established in 1939, Catholic Charities of Louisville is the social-service arm of the Archdiocese. Catholic Charities provides help and creates hope for the poor and vulnerable through a wide range of programs.



■ A volunteer holds an infant in the nursery of the Mother-Infant Care Program. Over the past year, the Family Support Services Department provided programs for 64 families. These included Mother-Infant Care six-week sessions, Mama Matters group meetings, and Arts in Play.

■ A student of the Common Table Culinary Art program works in the program's kitchen. Twenty-four students graduated from the Common Table program, a social enterprise activity that provides training in the culinary arts for refugees, former inmates, and Louisville residents who are in need of job assistance.

■ As part of its advocacy and education efforts, Catholic Charities organized a "Lights for Liberty" prayer vigil at the Cathedral of the Assumption. At this event, local faith leaders and concerned citizens prayed for migrants, refugees, and asylum seekers, especially those persons held in detention camps on the U.S. southern border.

■ Volunteers fold clothing at the Sister Visitor Center. Over the past year, Sister Visitor provided 15,829 instances of food, rental, and utility assistance, case management, clothing, and other emergency items totaling more than \$217,988 in aid to 2,942 residents of West Louisville, including special initiatives during the Covid-19 pandemic.

Multicultural Ministry

The Office of Multicultural Ministry and the new Office of Hispanic Ministry celebrate the growing breadth of diversity in our Church, work to overcome the sin of racism, and respond to diverse ethnic needs within the Archdiocese.



■ In 2019, Archbishop Kurtz commissioned a group of 27 priests involved in Hispanic ministry to determine how best to serve the Hispanic/Latino population in the Archdiocese. Based upon this study, Archbishop Kurtz established a new Office of Hispanic Ministry, which will invite, engage, and strengthen the participation of the Hispanic/Latino community in the life of the local Church. Eva Gonzalez, pictured here setting up a Day of the Dead altar, is the new director of the office.

■ An instructor teaches students a dance routine during Camp Africa at the Office of Multicultural Ministry's Catholic Enrichment Center (CEC). During the past year, the CEC celebrated its 20th anniversary and served the community with 28,200 interactions through a wide variety of intergenerational programming.

■ The opening Mass concludes for the archdiocesan Encuentro VII. This annual event attracted 370 participants – the highest number of attendees in its history. It focused on the family as one of the top priorities of Hispanic ministry in the Archdiocese, based on consultation at the local, provincial, regional, and national level.

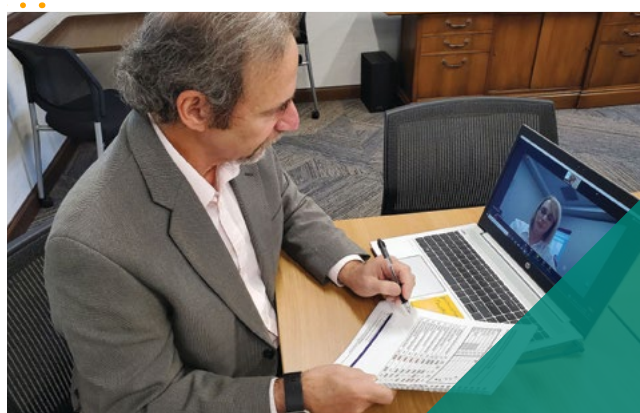
■ In 2019, the Office of Multicultural Ministry launched Circle of Friends, a six-week program designed to foster and strengthen relationships from a multicultural perspective, with 45 families participating. For more than 35 years, this office has been offering programs such as this to promote human dignity and reject the sin of racism.



REPORT ON MISSION

Leadership for Ministry

The Diaconate Office, the Parish Leadership Development Office, the Office of Priest Personnel, and the Vocation Office empower leaders by identifying, forming, training, and supporting leadership for ministry and evangelization.



Forty-four altar servers are honored at the Cathedral by the Vocation Office. This new annual initiative seeks to recognize altar servers who “set a good example for all those present in the assembly.”

Religious women and men are honored at the World Day for Consecrated Life Mass. At this annual event, religious renew their vows and mark major anniversaries among those in attendance.

Father Anthony Chandler, left, at the 2019 ordination of three new priests. In 2019, Archbishop Kurtz appointed Father Chandler as the new Vocation Director for the Archdiocese.

Sal Della Bella, Director of the Parish Leadership Development Office, meets virtually with Andrea Colpo, Director of the Personnel Office, to provide feedback and coaching for a Benchmark 360 Leadership Assessment. Last year, this assessment and coaching, funded by a Lilly Endowment grant, provided 69 priests and parish and archdiocesan staff the opportunity to gain insight into their effectiveness as Church leaders by receiving feedback from the people they work and minister with.

The diaconate class of 2020 gathers at Saint Meinrad Seminary for formation classes. The Diaconate Office promotes the order of the Diaconate by providing formation for deacon candidates and by coordinating continuing education and pastoral supervision of current deacons. Eighteen deacons will be ordained in 2020, and 16 new candidates have been welcomed for the diaconate class of 2024.

Evangelization and Stewardship

The Archbishop’s Office, Archdiocesan Communications Office, Archives, and the Offices of Facilities Management, Finance, Mission Advancement, and Personnel focus on supporting the mission and ministry of archdiocesan agencies and parishes, seeking to be responsible stewards of the human and material resources with which our Archdiocese has been blessed.



Archbishop Kurtz appointed Tim Tomes as the first full-time archivist for the Archdiocese. Pictured here is Mr. Tomes, center, with archdiocesan historian Father Dale Cieslik, right, and former archdiocesan historian, Father Clyde Crews, left.

The Archdiocese published its seventh strategic plan with six goals and 94 action steps in the areas of parish and family life, evangelization, diversity, empowering leaders, formation and education, and stewardship of ministries.

Archbishop Kurtz interviews Paul Schulte during the 11th season of his half-hour television program, *Conversations with Archbishop Kurtz*. Mr. Schulte, founder of the research and marketing company, *HorizonInsight*, completed the fifth readership survey for *The Record* in 2019. This study revealed that *The Record* remains a resilient and relevant print publication.



REPORT ON MISSION

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 2019, the United States Conference of Catholic Bishops audited the Archdiocese for the 16th time. This audit found the Archdiocese of Louisville to be fully compliant with all elements of the *Charter*, with no required changes or recommendations for changes.

Prevention/Education

- Archbishop Kurtz continues to send periodic e-briefings 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. Archbishop Kurtz wrote seven editions in FY 19-20.
- The Archdiocese trained 2,341 employees and volunteers in 40 safe environment workshops during the past fiscal year, and the same individuals received a criminal background check. Since the program began in 2003, 54,384 individuals have been trained. The Family Ministries Office staff who provides safe environment training adapted workshops for the COVID-19 pandemic so that attendees could receive training safely after March of 2020. For more information, see www.archlou.org/safe.
- Children in schools and religious education programs of 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 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 by emailing victimassistance@archlou.org.

Cooperation with Civil Authorities

- The Archdiocese immediately relays reports or suspicion of child abuse to civil authorities, and the Archdiocese cooperates fully with investigations. Call 1-877-597-2331 to report child abuse to the police.

Sexual Abuse Expenditures

The following summarizes expenditures from July 1, 2019 to June 30, 2020:

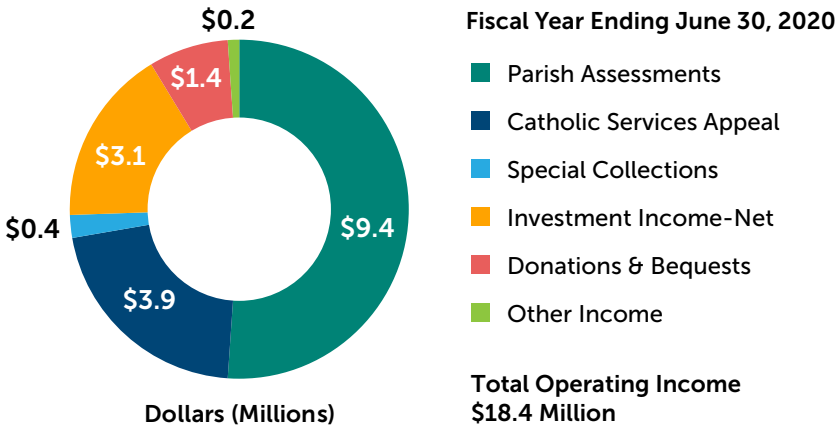
Legal Expense	\$ 1,440
Sexual Abuse Prevention/Education	\$ 141,796
TOTAL	\$ 143,236

REPORT ON FINANCES

Archdiocese of Louisville June 30, 2020

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, 2020. 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.

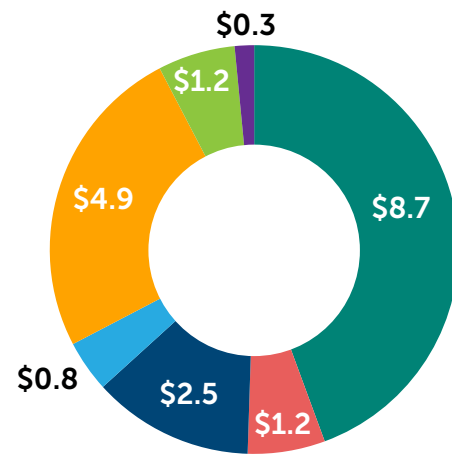
Pastoral Center Operations Operating Income



- Parish assessments of \$9.4M 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; 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 \$3.9M of free will offerings was raised this past year. In total, 13,206 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 \$3.1M, net of fees, includes interest and dividends earned and reinvested into the Archdiocese of Louisville's investment portfolio.
- Donations and bequests of \$1.4M include unrestricted and restricted gifts to the Archdiocese from generous benefactors.
- Other income of \$.2M includes interest earned on loans to parishes, rent income on archdiocesan facilities, and other miscellaneous income.

For the fiscal year ending June 30, 2020, operating income was \$18.4M, a slight increase from the prior fiscal year.

Pastoral Center Operations
Operating Expenses



Dollars (Millions)

Fiscal Year Ending June 30, 2020

- Archdiocesan Programs (Agencies)
- Catholic Charities & Other Catholic Organizations
- Retired Priests & Other Clergy
- Seminarian Formation
- Grants
- Interest Paid
- Other Expense

Total Operating Expense
\$19.6 Million

Net Operating Loss
\$1.2 Million

Archdiocesan programs (agencies) expenses net of revenues were \$8.7M 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 \$0.6M.
- The Office of Faith Formation provides leadership, resources, and training in Catholic beliefs, traditions, and values for parishes and schools, with expenses totaling approximately \$0.3M.
- The Office of Youth and Young Adults provides resources, spiritual formation, and training for youth and young adults, with expenses totaling approximately \$0.2M.
- 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 \$0.5M.
- The Family Ministries Office serves the archdiocesan community through services to strengthen marriage and family throughout every phase of life, with expenses totaling \$0.4M.
- Parish Leadership Development assists parishes with forming effective leaders, parish council training and support, and planning, with expenses of \$0.1M.
- 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 \$0.2M.
- 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 \$0.3M.
- The Vocation Office facilitates and coordinates the development and formation of those called to priesthood and religious life, with expenses totaling \$0.2M.
- The Worship Office serves the archdiocesan community through liturgical education and training of Catholics, with expenses totaling \$0.2M.
- The Diaconate Office coordinates the development and formation of men called to religious life as a deacon, with expenses totaling \$0.3M.

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 \$2.5M are primarily the cost of priest retirement payments and medical insurance benefits. As of June 30, 2020, the Archdiocese had 60 retired priests receiving monthly retirement payments.
- Seminarian education expenses totaled \$0.8M. This past year, the Archdiocese supported 14 seminarians in various stages of theological study.
- Grants totaling \$4.9M consist of elementary school financial aid grants of \$1.3M, high school financial aid grants of \$1.6M, high school capital grants of \$1.1M, life and long-term disability insurance and other benefits paid for parish and school employees of \$0.3M, papal and national organizations of \$0.1M, and various other grants made to Catholic organizations of \$0.5M.
- Other expenses totaling \$0.3M are comprised of property and liability insurance and other miscellaneous items.

Net operating loss for the fiscal year ending June 30, 2020, is \$1.2M and does not include other non-cash expenses totaling \$2.4M. The non-cash expenses consist of the following: Bad Debt Expense \$1.6M, Depreciation Expense \$0.5M, and High School Debt Reduction \$0.3M. In addition, net market investment losses of \$1.7M are not included in the net operating loss.

Pastoral Center Operations
Market Results

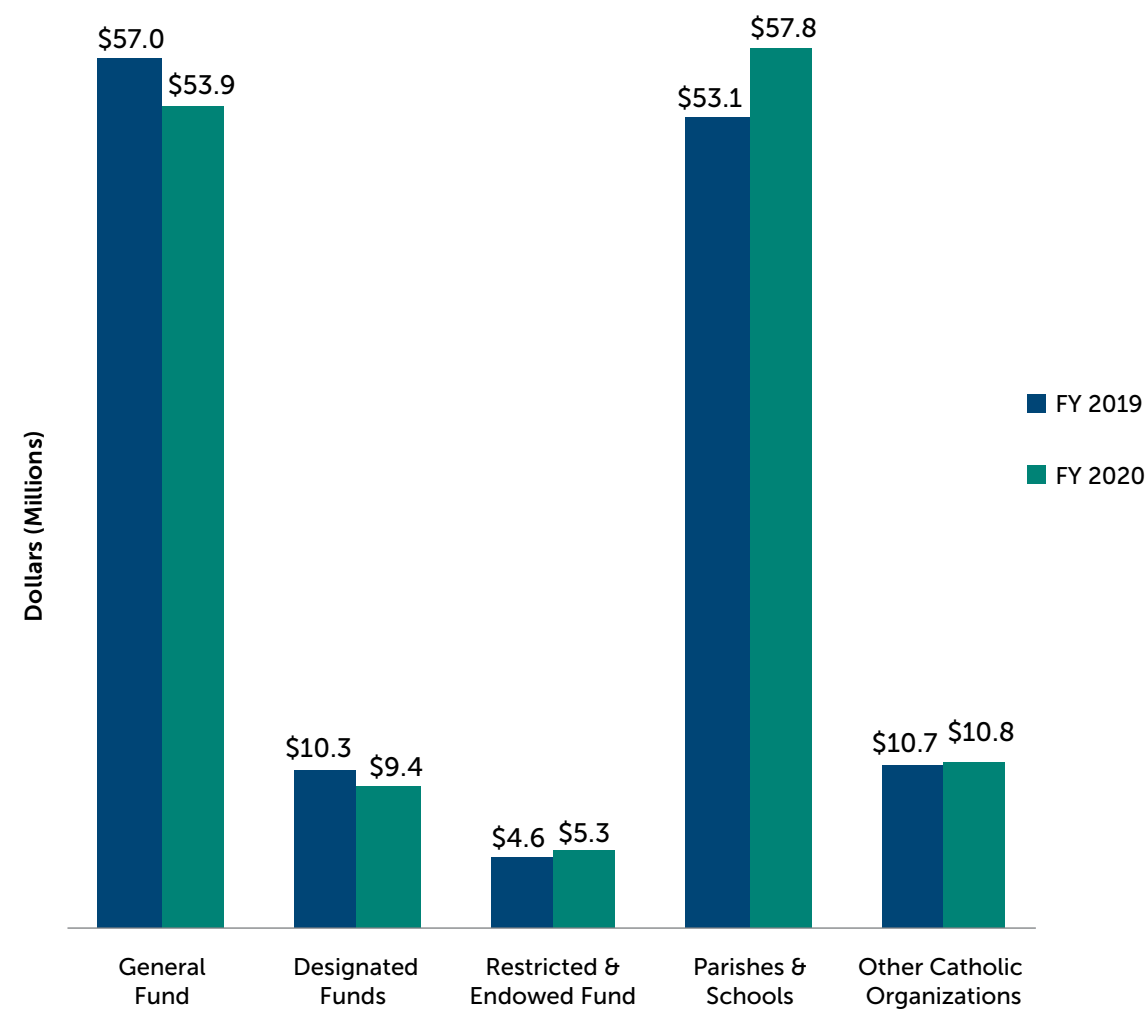
- Net market results include \$1.0M of unrealized losses and \$0.7M of realized losses from the investment portfolio of the Archdiocese. The Archdiocese continues to review investment policies and diversify the portfolio to minimize risk in a volatile equity market, with the goal of obtaining a reasonable return.

Summary

Net Loss from Operations	(\$1.2) Million
Other Expenses & Non-Cash	(2.4) Million
Market Investment Realized and Unrealized Losses	(1.7) Million
Overall Net Loss	(\$5.3) Million

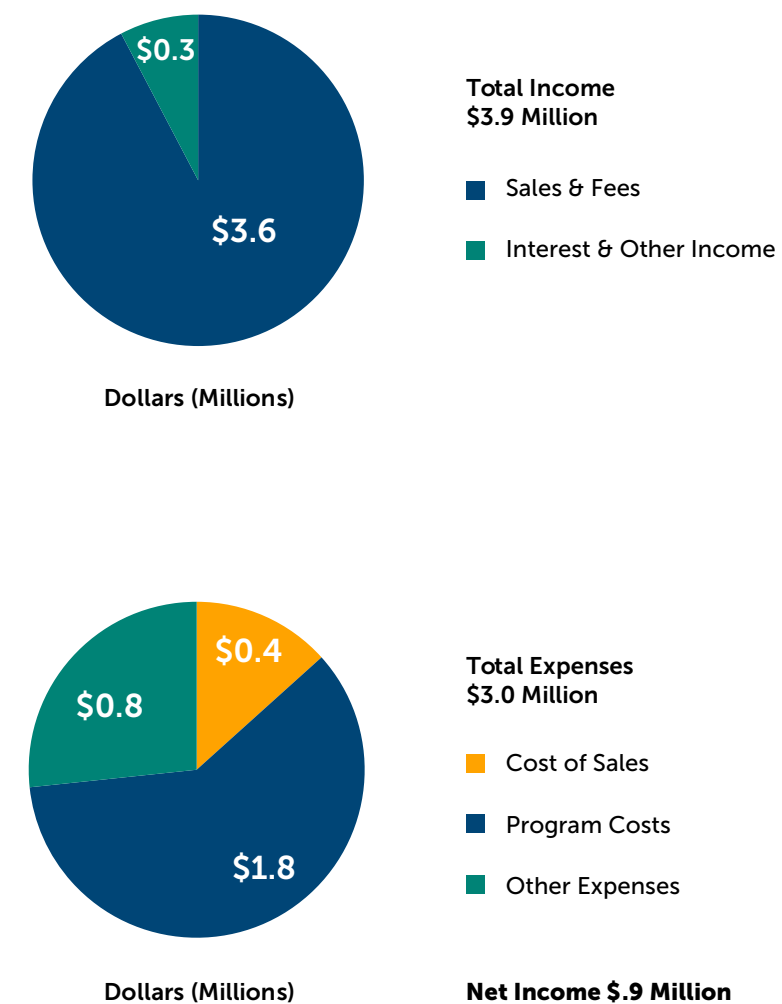
Investment Portfolio Fund Allocation

The investment portfolio of the Archdiocese totals approximately \$137.2M as of fiscal year ending June 30, 2020, with parishes and other Catholic organizations owning approximately 50% 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

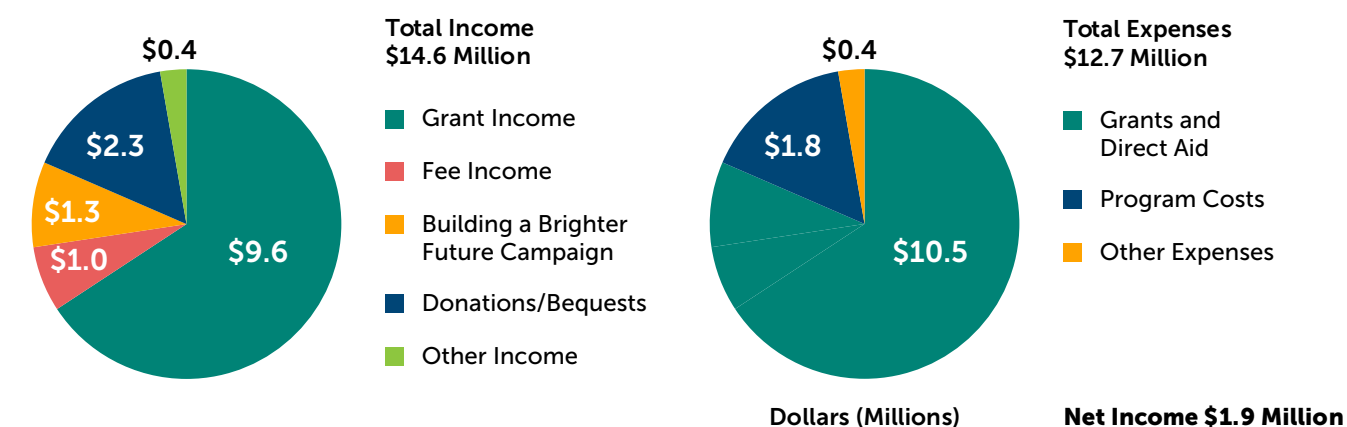
Cemeteries had net income of \$.9M for fiscal year ending June 30, 2020, an increase of \$.1M from the prior fiscal year. Burial sales, monuments/memorials, and fees totaled \$3.6M for the fiscal year 2020. The remaining income of \$.3M is from interest income on investments and other miscellaneous income. Expenses total \$3.0M, of which the cost of sales is \$.4M. Program costs, including salaries and benefits, total \$1.8M, and other expenses of \$.8M include repair and maintenance, insurance, depreciation, and administrative expenses.



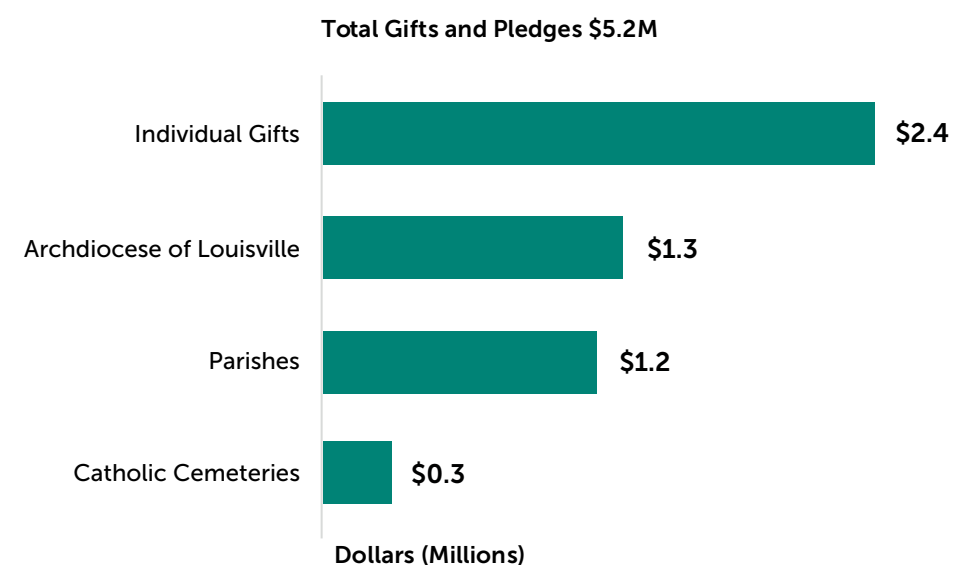
REPORT ON FINANCES

Catholic Charities Operations

Catholic Charities had a net income of \$1.9M for fiscal year ending June 30, 2020. Of the total income of \$14.6 million, most of this agency's income, \$9.6M, flows from federal and state grants, particularly in connection with refugee services (\$7.7M). Program Fee income for services totaled \$1.0M, Donations/Bequests totaled \$2.3M (includes archdiocesan support of \$.9M), and Other Income of \$.4M. Expenses totaled \$12.7M, which included \$8.2M in grants and direct aid for the refugee programs and \$2.3M in other service programs. Other Program costs, including salaries and benefits, totaled \$1.8M, with \$.4M for administration, development and fundraising, and other support services.



Building a Brighter Future Campaign Donations

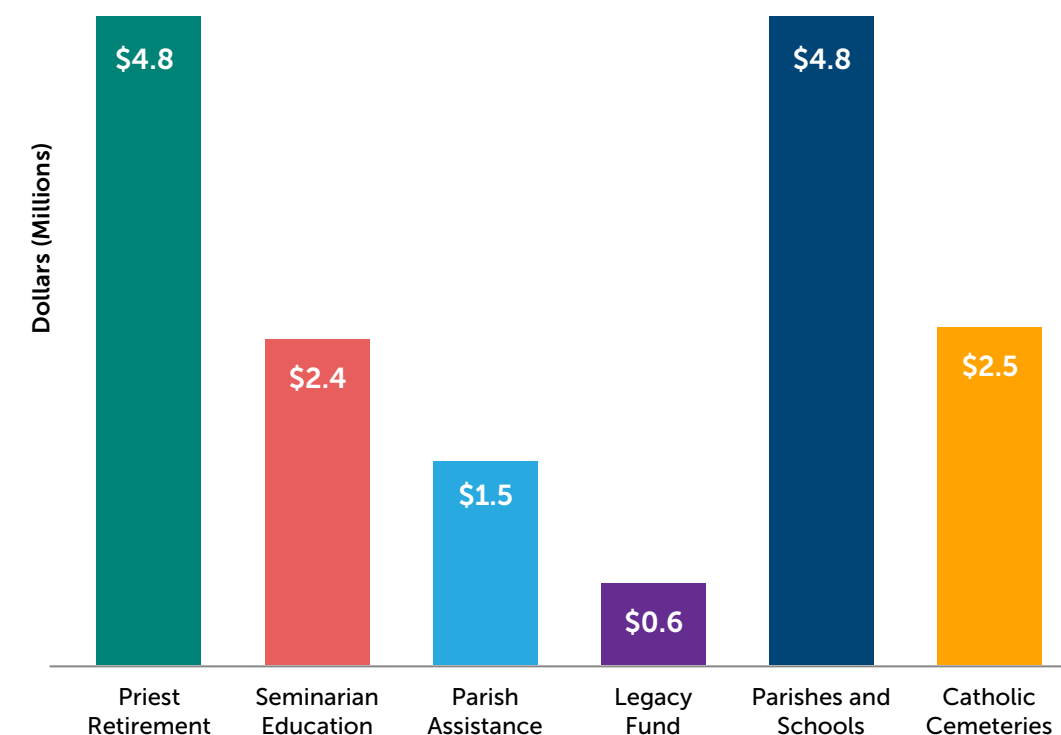


The Catholic Foundation of Louisville

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 Fund. For the fiscal year ending June 30, 2020, the total archdiocesan investment balance in the Foundation was \$9.3M. The grants awarded from the initiatives during the fiscal year were from the following initiative funds: Priest Retirement \$7K, Parish Assistance \$105K, and the Legacy Fund \$46K. 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 2020, parishes and schools had invested \$4.8M, and Catholic Cemeteries had invested \$2.5M in the various investment options. The combined total invested in the Catholic Foundation of Louisville was \$16.6M at fiscal year-end, as shown on the chart below.

Investment Balances at 6/30/20



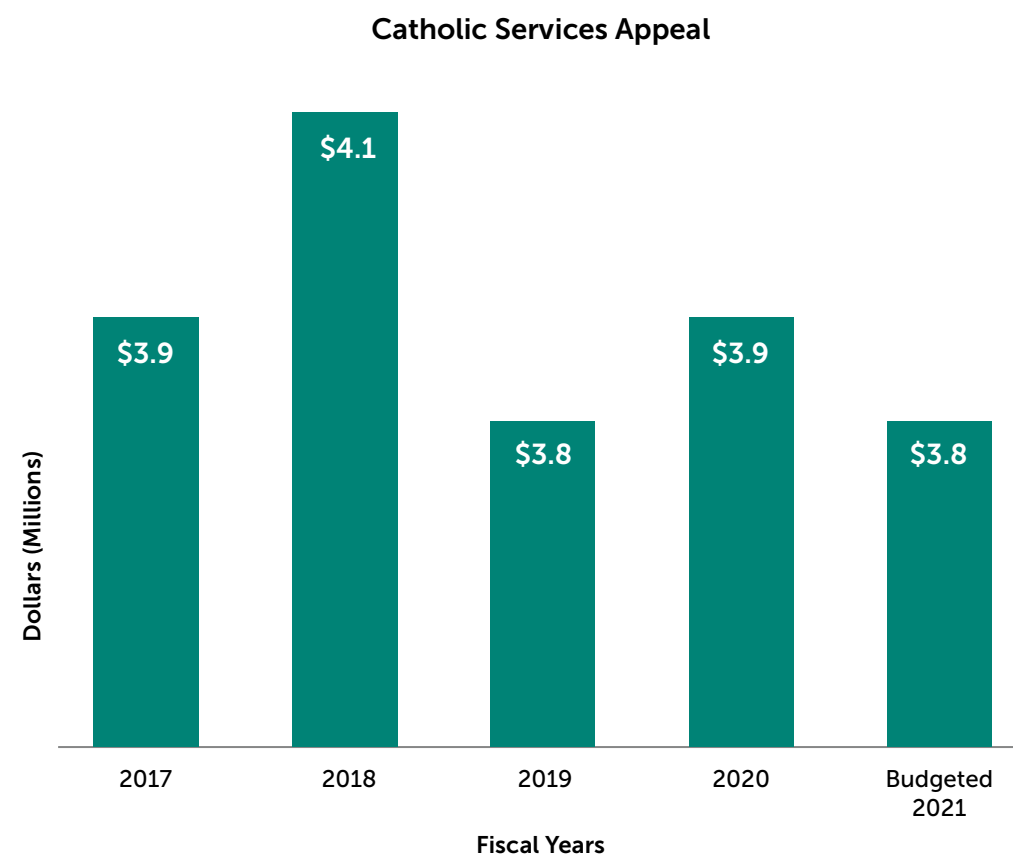
REPORT ON FINANCES

Catholic Services Appeal (2017 through 2020)

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 \$3.9M, 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.



This publication is made possible by your contributions to the Catholic Services Appeal.

ARCHDIOCESE



OF LOUISVILLE

ArchLou.org

3940 Poplar Level Road
Louisville, KY 40213-1463
(502) 585-3291