

FINANCIAL REPORT



to the People of the Archdiocese of Washington | Fiscal Year 2017-18 | January 10, 2019

Dear Friends of the Archdiocese of Washington,



It is my privilege to present this financial report which provides an overview of the faithful and prudent use of funds that have been received by the Archdiocese of Washington for fiscal year 2017-18. In these pages, you will find information on many of the ministries, programs and the activities that go on within the archdiocese's central pastoral administration and affiliated agencies and foundations.

Pope Francis says in his Message for World Youth Day 2019 that our Blessed Mother Mary's generous "yes" to God's call "is the positive reply of one who understands the secret of vocation - to go beyond oneself and place oneself at the service of others. Our lives only find meaning in service to God and to other people." As a mother, the Church of Washington likewise lovingly responds to the Lord by serving a multitude of women, men and young people in a wide range of programs and initiatives.

With this report, it is hoped that you might gain a better understanding of the revenues that are entrusted to the archdiocese and how those funds are used to make a positive difference in people's lives through religious education, social services, parish and family life ministries, schools, youth activities, care for seniors

and many other good works. The ministries highlighted here would not be possible without the kind generosity of our benefactors and supporters. On behalf of the many people who are served by the archdiocese, thank you to everyone who has given of themselves to support these endeavors.

Transparency and accountability are important components of stewardship. All financial and budgetary decisions for archdiocesan programs and departments are carefully reviewed to ensure that they are responsible and faithful to our Gospel mission and the expectations of the Catholic community. In addition, the financial operations of the archdiocese regularly undergo independent audits. More detailed information is available for review at the archdiocesan website, adw.org.

Sincerely yours in Christ,

Eric Simontis
Chief Financial Officer



The financial information included in this report (except the information related to affiliated agencies on pages 4 and 5 and parishes and schools on page 8) is derived from the June 30, 2018 audited financial statements, which are available at adw.org/financial-reports.

REVENUE

ARCHDIOCESAN CENTRAL PASTORAL ADMINISTRATION

Sources of Revenue

Archdiocesan operating revenue for the 2017-18 fiscal year was \$39.5 million.

The Annual Appeal is the largest source of operating income for the archdiocese, with \$13.6 million received in the 2017-18 fiscal year to support programs and ministries around the archdiocese. Money from the Appeal is used to support children attending Catholic schools, men studying to become priests, pro-life and ethnic ministries and many other pastoral ministries and social concern programs in our local community.



Assessments, which come primarily from parishes, accounted for the second largest source of revenue, contributing \$13.5 million. They are used to fund needed support services for administration, communications, development, religious education and facilities costs, as well as support for education, financially needy parishes, schools, organizations and families. Parish assessments averaged 9 percent of total parish income.

Gifts and grants include current year bequests and other one-time gifts to the archdiocese, including some restricted for specific purposes.



Fees and other income of more than \$5.3 million were collected primarily for services provided to others, such as administering insurance billing and claims, investing and monitoring the lay and priest retirement and other investment funds, and fees for programs held throughout the archdiocese.



Rental income of \$2.4 million includes rent from affiliated service providers such as Catholic Charities and St. Ann's Center for Children, Youth and Families that pay rent on archdiocesan buildings used for their programs. The archdiocese then makes equal contributions to these corporations so there is an offsetting expense in Pastoral Ministry and Social Concerns. The balance excludes \$1.1 million of non-cash rental income.

Investment income totaled \$4.7 million during fiscal year 2018.

In addition to the revenue and expense, the archdiocese has **insurance services** revenue of \$45.9 million and expenses of \$45.4 million primarily representing pass-throughs of amounts received from parishes and agencies and paid out in claims and benefits.



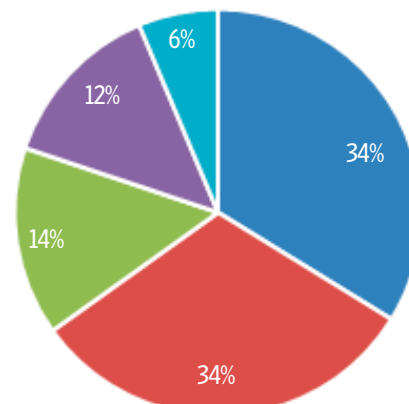
Archdiocese of Washington

WHO WE ARE

- ▶ 666,470 Catholics
- ▶ District of Columbia and five Maryland counties
- ▶ 139 parishes and 9 missions and communities
- ▶ 93 Catholic schools, including 61 elementary schools and 2 archdiocesan high schools
- ▶ 26,171 students in Catholic schools
- ▶ 23,569 students in religious education
- ▶ 295 priests, including 202 active and 74 retired archdiocesan priests
- ▶ 90 seminarians
- ▶ 170 active permanent deacons
- ▶ 457 religious women and 479 men religious serving in the archdiocese

Central Pastoral Administration Operating Revenue | Year ended June 30, 2018

Annual Appeal	\$ 13,613,000
Assessments	13,524,000
Gifts and grants	4,594,000
Fees and other income	5,357,000
Rental income	2,429,000
Total revenue from operations	39,517,000
Investment Income	4,698,000
Total revenue	\$ 44,215,000



- Annual Appeal 34%
- Assessments 34%
- Fees and other income 14%
- Gifts and grants 12%
- Rental income 6%

EXPENSES

ARCHDIOCESAN CENTRAL PASTORAL ADMINISTRATION

Your Generosity Helps Bring Light to People's Lives

The Central Pastoral Administration (CPA) is composed of the collective secretariats, departments and executive offices of the Archdiocese which oversee, advise and/or assist parishes, schools and other ministries and affiliated organizations, as well as conducting and sponsoring many programs of their own. For example:

One of the most important missions of the Church is to promote and foster healing in the human family, including spiritual healing and social healing, as demonstrated by many initiatives of the Archdiocese this past year. Following the lead of the fall pastoral letter, *The Challenge of Racism Today*, a number of events were held aimed at achieving social harmony and justice, including special liturgies to remember in prayer and with commemorative plaques enslaved men and women of the area who were buried in unmarked graves.

Similarly, the First Archdiocesan Intercultural Conference was inaugurated in the Spring to help participants grow in the knowledge of the role of culture in the process of faith transmission. The earlier White Mass, sponsored by the Department of Special Needs Ministries, celebrated in a particular way the beauty, dignity and particular giftedness of each person in their physical, developmental, cognitive and mental diversity of unique abilities and disabilities.

Also in the Spring, the pastoral plan *Sharing in the Joy of Love in Marriage and Family* was launched throughout the archdiocese to provide care to those in wounded marriages



and families, and help all families to better thrive. This ongoing initiative proceeds alongside ministries that daily prepare men and women for married life, and that accompany them beyond the wedding day, such as the annual Holy Family Celebration in February and the annual marriage Jubilarian Mass in June. For those who are struggling, divorced, or are in irregular situations, the At the Well Ministry and other programs provide encouragement and spiritual and social recovery.

The annual Walk with Mary procession and Mass in December featured a special replica of the tilma

that was worn by St. Juan Diego and depicted the image of Our Lady of Guadalupe. The Blessed Mother also always plays a prominent role in the Youth Rally and Mass for Life which drew tens of thousands of young people to stand up for the gift of all human life and to pray for a culture of life in our society.



Operating Expenses

The Secretariat for Pastoral Ministry and Social Concerns expenses totaled \$9.5 million, assisting pastors and parish leaders in increasing the parishes' capacity for evangelization, formation of laity for active participation in the parish and as witnessed in the world. Through its offices, it gives voice to the truth of the Gospel and promotes the dignity of human life at every stage. The offices of the Secretariat serve the cultural diversity of the parish through the lens of families, youth, young adults, social concerns, healing ministry, ministry to those hospitalized and imprisoned.

The Secretariat for Catholic Education expenses were almost \$6.4 million, which included support for students in Catholic elementary and high schools across the archdiocese as well as the Catholic Schools and Religious Education Offices that provide support to Catholic education for children and adults. A portion of this expense enabled the archdiocese's Catholic Education Foundation to award \$6 million in tuition assistance, which is covered in more detail on page 7.

The Secretariat for Ministerial Leadership and seminaries included the education and training of our seminarians, the largest

expenditure in the \$6.9 million spent. In 2018, 90 seminarians studied to become priests for the Archdiocese of Washington. The archdiocese owns and operates two seminaries: the Redemptoris Mater Archdiocesan Missionary Seminary in Hyattsville and Saint John Paul II Seminary in Washington, D.C. Continuing education and special medical care for priests, the Office of Vocations, the Office of the Diaconate and the Office of Consecrated Life are all part of ministerial leadership.

Archdiocesan administration expenses included the Office of the Archbishop and three auxiliary bishops, the Office of the Chancery, the Office of Government Affairs and the Office of General Counsel.

The Secretariat for Communications was created as part of a focus in the archdiocese on the "New Evangelization," encouraging Catholics who participate in the Church to reinvigorate their own faith and invite others whose faith has grown stale to reconnect and rediscover Christ. It includes the Office of Media and Public Relations, Office of Digital Media and Office of Multimedia Production. The Catholic Standard and El Pregonero newspapers are also part of the Secretariat but are primarily funded by Carroll

Central Pastoral Administration Operating Expenses

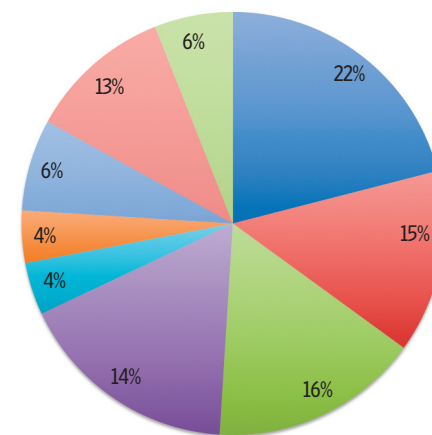
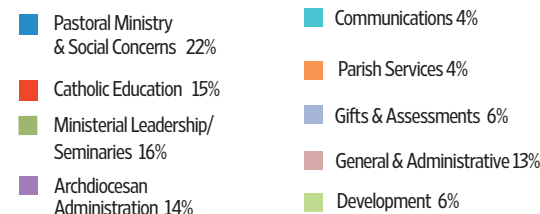
Year ended June 30, 2018

Pastoral Ministry & Social Concerns	\$ 9,450,000
Catholic Education	6,365,000
Ministerial Leadership/Seminaries	6,918,000
Archdiocesan Administration	6,195,000
Communications	1,890,000
Parish Services	1,702,000
Gifts & Assessments	2,522,000
General & Administrative	5,506,000
Development	2,346,000
Total Expenses	42,894,000

Total revenue from operations	39,517,000
Operating deficit	(3,377,000)

Investment income 4,698,000

Total surplus \$ 1,321,000



Media Company, which is an archdiocesan agency whose financial results are reported on page 4.

Parish services included the Office of Parish and School Financial Operations and portions of the Office of Facilities Management and the Office of Human Resources.

Gifts and assessments represented required membership assessments from the Holy See and organizations such as the United States Conference of Catholic Bishops and Maryland Catholic Conference, as well as modest gifts the archdiocese made to other Catholic organizations.

General and administrative expenses included the archdiocesan Offices of Finance, Information Technology, and portions of the Office of Facilities Management and the Office of Human Resources.

The Secretariat for Development serves the archdiocese through running the Cardinal's Appeal, the Catholic Education Foundation, planned giving and other financial outreach.

ARCHDIOCESAN AGENCIES



The following financial summary of corporations affiliated with the Archdiocese of Washington does not replace the annual reports produced by these entities, which have various sources of income and their own structure and governance, but is included to provide an understanding of the impact they have within the context of the Archdiocese and its mission.

Catholic Charities of the Archdiocese of Washington

At the grand opening of the Susan Denison Mona Center in Temple Hills in October 2017, community leaders praised the new facility as a work of collaboration that will provide much needed medical and dental care services to an area that has been considered medically depressed, with residents lacking proper access to nutritious food as well as medical care. “This beautiful facility is the result of several years of hard work by so many people, and it’s thrilling to finally open these doors to serve this vibrant community,” said Msgr. John Enzler, the president and CEO of Catholic Charities of the Archdiocese of Washington.

The Mona Center is only one of the many beacons of hope provided by Catholic Charities. With a large budget that is justified by all that it does, this agency of compassion served nearly 143,000 men, women and children in 2017-18, including 2.5 million meals to the hungry, an additional one million pounds of food to local pantries, over 1,500 shelter beds each night for the homeless, medical and dental care provided to more than 20,000 individuals, and services to nearly a thousand persons with developmental disabilities.

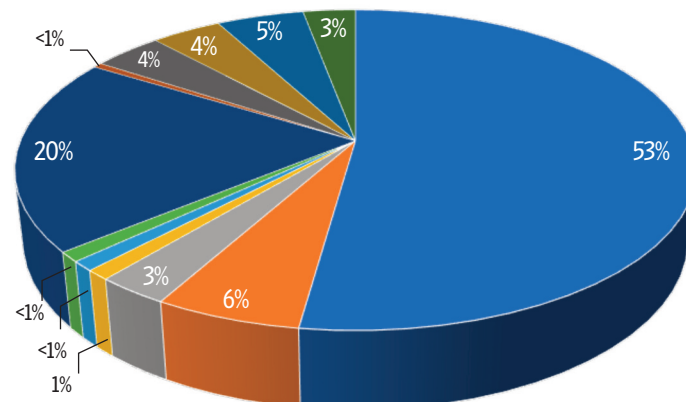
One client said that “coming to Catholic Charities allowed me to start having hope and experiences.” He had struggled to find employment, but his participation in various Catholic Charities programs, including its Green Construction program, led to full-time employment in the construction industry and the prospect of a better life. Each day, through its nearly five dozen programs, Catholic Charities demonstrates what it means to be a good neighbor, offering not only material assistance, but that indispensable love that comforts and sustains people.

Victory Housing

Victory Housing, Inc., today continues on as a living memorial to the vision and faith of its founder Msgr. Ralph Kuehner, who died in October 2017. Learning of an elderly parishioner who was forced out of her apartment was the impetus for the soft-spoken priest to establish the agency in 1979 to provide affordable housing for low- and moderate-income senior citizens and families. “I benefited a lot from people helping me, so I wanted to reach out to others in the same way,” he said.

By the beginning of 2018, Victory Housing operated 30 properties totaling 2,175 units, including six assisted living residences for frail elderly and 20 apartment communities for independent seniors, with Victory Crossing Senior Apartments opening in the spring. Meanwhile, the Victory Haven apartment building for seniors began development in Damascus. Victory Housing’s secret for success, in addition to love and dedication, is outreach and bringing people together.

To learn more about Victory Housing, please visit the website: victoryhousing.org/news.html.



To learn more about Catholic Charities, please see its annual report, which is available online at: catholiccharitiesdc.org/aboutus/press.

Archdiocesan Service and Educational Agency Expenses

Year ended June 30, 2018

Charity and Social Concern Corporations

Catholic Charities	\$ 89,504,000
Catholic Cemeteries	10,323,000
St. Ann's Center for Children, Youth and Families	4,627,000
Carroll Media Company	1,607,000
Catholic Information Center	1,431,000
Catholic Youth Organization	998,000
Victory Housing	34,821,000
Victory Youth Center	600,000

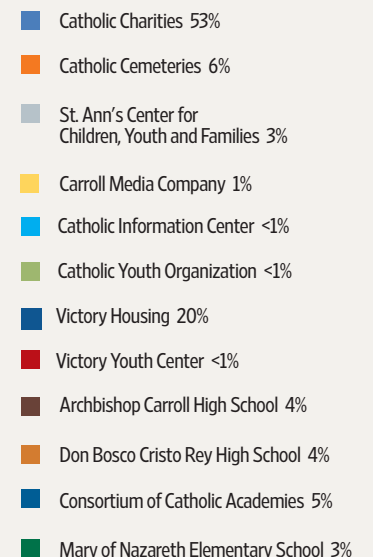
Total Charity and Social Concern Corporations \$ 143,911,000

Educational Corporations (excludes parish-based schools)

Archbishop Carroll High School	\$ 6,399,000
Don Bosco Cristo Rey High School	5,982,000
Consortium of Catholic Academies	9,126,000
Mary of Nazareth Elementary School	4,564,000

Total Educational Corporations 26,071,000

Total Agency Expenses \$ 169,982,000





“We’re putting young people into college and preparing productive citizens for this life” and ultimately, he adds, guiding them on a path to heaven.”

- Larry Savoy, Jr., former student, now President, of Archbishop Carroll High School

St. Ann’s Center for Children, Youth and Families

With a 158-year history of caring for single mothers and their young ones, St. Ann’s Center for Children, Youth and Families is dedicated to lifting up at-risk children, women and families out of poverty and homelessness through its programs, including job training, clinical and social work services, and an accredited high school. Income sources include donations, investments, program fees and public support, with expenditures going toward its programs, services and supporting costs.

In 2017, the St. Ann’s Center served 44 women and 51 children with residential housing, 225 families received food, clothing, household items and toys through community outreach, and 100 children received affordable childcare. All mothers participated in life skills classes and parenting classes, and nearly all obtained employment within three months.

One mother’s testimony from the 2017 holiday season sums up the good that St. Ann’s does. “I almost cried the night we were given the toys and presents,” she said. “I’ve never had a Christmas like this one. My son and I have never had the support we’re receiving from St. Ann’s. We have an apartment. I have a job. We now have most everything we need. Thank you so much.”

To learn more about St. Ann’s Center, please see its annual report, which is available online at: stanns.org/about/financial-statement.

Catholic Cemeteries of the Archdiocese of Washington

Catholic Cemeteries of the Archdiocese of Washington, Inc. offers the comfort and mercy of a blessed resting place for ourselves and our loved ones within the uniquely Christian understanding that death does not have the last word. Life is changed, not ended, as we await in hope the resurrection in eternal life.

Providing a burial in a sacred space to all regardless of socioeconomic status, the five Catholic cemeteries in the archdiocese offer not only spiritual healing, but the healing of our common home as well. In May 2018, Mount Olivet Cemetery in partnership with The Nature Conservancy dedicated an innovative green project involving flower beds, shrubs, trees and infrastructure to capture stormwater runoff and help clean the nearby Anacostia River. The bioretention project should also help lower operating costs.

Carroll Media Company

The *Catholic Standard* and *El Preconero* newspapers and websites of the Carrol Media Company play an invaluable role in reporting on stories and items of concern in the Archdiocese that the secular media often overlooks or refuses to cover. Revenue sources include paid subscriptions and advertising sales, while expenses include the costs of printing and distribution.

With a hardworking dedicated staff of 13, the two outlets received 32 awards for excellence from the Catholic Press Association in 2018. “Great depth in all articles,” “excellent story topics,” “quality explanatory reporting,” and “visually compelling photography” are only some of the accolades expressed for their work.

Catholic Youth Organization

The Catholic Youth Organization of Washington, D.C. and the Metropolitan Area, Inc. (CYO), is funded primarily through the generosity of donors, and its expenditures allowed for athletic opportunities and diverse programs to facilitate development and spiritual growth of young people from all backgrounds, helping them to become more Christ-like and to develop their talents in the service of family, parish and community. More than 25,000 children, adolescents and young adults participate in CYO, including over 1,000 sports teams supported by more than 2,400 adult volunteers.

Together with the Office of Youth Ministry, CYO assists also parishes and archdiocesan leaders in developing effective ministry, education, leadership, athletics, scouting and recreation programs for youth.

Educational Corporations

In addition to parish-based schools in the Archdiocese, three learning institutions operate as affiliated corporations: Archbishop Carroll High School, Inc., Don Bosco Cristo Rey High School of the Archdiocese of Washington, Inc., and Mary of Nazareth Roman Catholic Elementary School, Inc. Another four schools have joined together to form the Consortium of Catholic Academies of the Archdiocese of Washington, Inc.: St. Anthony Catholic School, St. Francis Xavier Academy, Sacred Heart School, and St. Thomas More Catholic Academy.

While the legal structure of these schools may differ, the goal is the same – to provide an academically excellent education in a caring, welcoming environment that is identifiably Catholic.

With revenues derived largely from tuition, affordability is also a prime concern of these institutions.

In 2018, Archbishop Carroll High School welcomed a former student there as its new president. “To be in an environment that was faith-filled was extremely important to me” as a student, said Larry Savoy Jr. Now as leader of the school, his focus is continuing that tradition, explaining, “We’re putting young people into college and preparing productive citizens for this life” and ultimately, he adds, guiding them on a path to heaven.

Teacher Jimi Wills is another former student who returned to his old school which played such a crucial role in his success. Giving back to young people now, says Mr. Wills, who teaches Spanish and religion, and even gives a few guitar lessons, is more than rejuvenating: “I feel very blessed to come back and to be a teacher at St. Francis Xavier,” a member of the Consortium.

Don Bosco Cristo Rey, which is co-sponsored by the Salesians of Don Bosco religious order, provides a quality college preparatory education to young people with limited financial resources. Featuring an innovative Corporate Work Study Program, the school boasts a 100 percent college acceptance rate for students since its founding. At college signing day in April 2018, one graduating senior was on the brink of tears at being accepted to Georgetown University. A rising first generation college student, he said it was his family’s dream, adding, “They understand how difficult it is to succeed in the world without a proper education.”



ARCHDIOCESAN RETIREMENT PLANS

Caring for our retired clergy

Archdiocese of Washington priests have selflessly served the faithful and the community to continue Christ's mission for decades, and in some cases, more than a half century. These men have been there for others in providing spiritual support – year in and year out – for our entire lives.

Having devoted their lives to serving the Lord and their brothers and sisters in Christ, priests of the Archdiocese are eligible to retire from active ministry at age 70. To assist in the dignity of their retirement and to honor their lives of service, it is only fitting then that the Church that they have given so much to should now care for them, particularly for those who have only modest assets.

Upon retirement, the Archdiocese provides a monthly benefit through the Priests' Retirement Benefit Trust. Healthcare costs and special needs, as well as funeral expenses for deceased priests, are provided for by the Priests' Medical and Care Fund. Money from the Trust and the Fund is restricted solely to caring for retired archdiocesan priests.

In addition to contributions by the Archdiocese, investment income and gifts, parishes conduct a dedicated special collection to provide for this obligation. For many years, the Trust and the Fund have carried unfunded liabilities, which currently total \$20.8 million, but the funding gap has narrowed in recent years.

Caring for our retired employees

The Archdiocese employs several thousand lay men and women working in its 139 parishes, 93 schools and multitude agencies and ministries, as well as the CPA. This cadre of dedicated employees teaches youngsters and adults, helps provide for the pastoral and spiritual care of the faithful, offers loving assistance to the disadvantaged, and spreads the Gospel throughout the community. Many of them have served ten years or more, and some have even devoted over 25 years of their lives in service to God and neighbor through the Church.



Effective 2013, the Archdiocese of Washington Retirement Savings Plan was implemented to meet the long-term retirement needs of its employees. Under this tax-deferred 403(b) plan, the Archdiocese matches half of an eligible employee's contribution up to four percent of pay.

In the past, the Archdiocese had offered an employer-provided non-ERISA defined benefit pension plan for lay employees, but it was frozen and discontinued effective December 31, 2012, subject to distributions to employees vested in that plan. The archdiocese initiated in FY2015-16 a voluntary buyout of the pension benefit for some terminated and vested employees, which resulted in a savings of \$17 million and which represented a three-year reduction toward fully funding the liability. The plan continues to be underfunded, however, by more than \$27 million.

Priests' Retirement Benefit Trust and Priests' Medical and Care Fund

Statements of Activities and Changes in Unfunded Obligation For the year ended June 30, 2018

Inflows:	
Employer contributions	\$ 4,962,000
Second collection and other gifts	529,000
Investment income	2,271,000
Total Inflows	7,762,000
Outflows:	
Retirement benefits paid	1,589,000
Medical and care benefits paid	1,049,000
Administrative and other fees	495,000
Total Outflows	3,133,000
Increase in cash position	4,629,000
Actuarial changes	1,121,000
Change in unfunded liability	5,750,000
Unfunded liability as of July 1, 2017	(26,540,000)
Unfunded liability as of June 30, 2018	\$ (20,790,000)

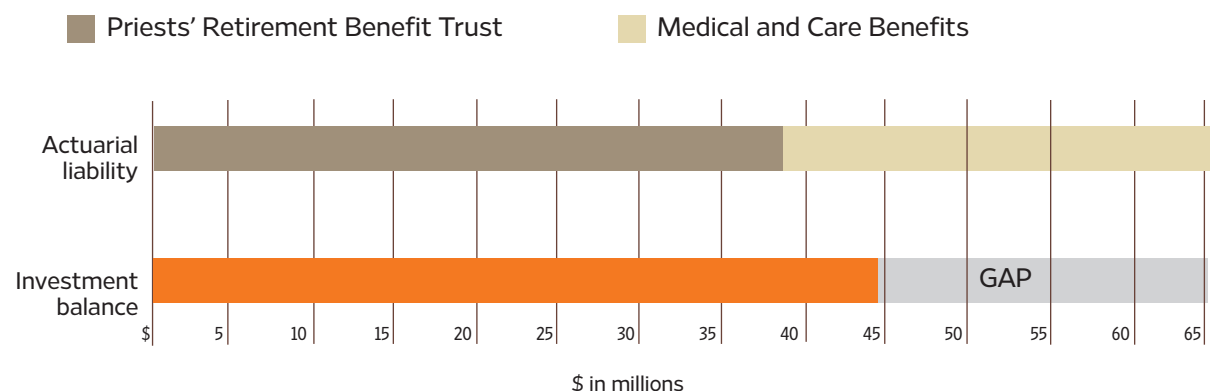


Lay Employee Pension Plan

At June 30, 2018, the lay employee pension plan was 88% funded

Investment balance	\$	200,659,000
Actuarial liability		228,298,000
Underfunded	\$	(27,639,000)

Priests' Retirement Funds Actuarial Liability vs. Assets, net | June 30, 2018



ARCHDIOCESAN AFFILIATED FOUNDATIONS

The Catholic Education Foundation of the Archdiocese of Washington, Inc. (CEF), exists to further the educational and charitable works of the Archdiocese of Washington, particularly to help give as many children as possible a quality Catholic school education. In addition to the Annual Appeal and other gifts as funding sources, a percentage of the offertory collection in parishes goes toward tuition assistance at local Catholic schools.



Last year through the Archdiocesan Tuition Assistance Program, \$6 million in aid was provided to thousands of students, giving them an opportunity they otherwise would not have to receive an academically excellent education that instills Catholic values to help them build a bright future for themselves and for the community. The amounts given to help families send their children to Catholic school has steadily increased each year since 2008 when \$800,000 was available for tuition assistance.

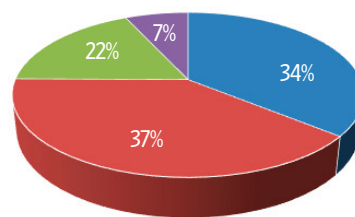
Many scholarships are also provided to help defray the costs of a Catholic education, including the Fitzgerald Program and the Mother Catherine Spalding School Legacy Scholarship. In addition, most of the 139 parishes in the archdiocese have joined regional school sponsorship agreements.

With tuition assistance, more families were and are able to consider an education in archdiocesan Catholic schools for their children. Increased enrollment through tuition assistance also helps to sustain the financial viability of Catholic schools into the future. This is what makes tuition assistance programs and scholarships a lifelong investment – and an investment guaranteed to grow.

Audited financial statements for CEF are available online at: adw.org/about-us/who-we-are/financial-reports.

Sources of Funds for Tuition Assistance Awards for the 2017-18 fiscal year

Appeal and major gifts, including those pledged in prior years	\$ 2,245,000
Parish contributions	2,097,000
Forward in Faith	1,331,000
Income from endowments and quasi-endowments	416,000
Total sources	\$ 6,089,000



- Appeal and major gifts 37%
- Parish contributions 34%
- Forward in Faith 22%
- Income from endowments and quasi-endowments 7%

Catholic Education Foundation of the Archdiocese of Washington, Inc. Changes in Net Assets

For the year ended June 30, 2018

Opening net assets	\$ 24,837,000
Revenue:	
Contributions and gifts	4,393,000
Investment income	1,118,000
Total revenue:	5,511,000
Expenses:	
Tuition assistance and grants*	5,944,000
Management and general	321,000
Total expense:	6,265,000
Change in net assets	(754,000)
Ending net assets	\$ 24,083,000

*Of the almost \$6 million in awards, this represents the amount accepted and distributed to schools.

To learn more about the Archdiocese of Washington's Tuition Assistance Fund: www.adw.org/tuition-assistance

Forward in Faith Foundation

The Forward in Faith Foundation oversees the investment of endowment funds and makes distributions in the areas of education, Catholic Charities, pastoral services, multi-cultural apostolates, ministry enhancement and sharing resources with parishes in need. Last year, the Foundation realized \$4.4 million in financial gain, with \$76,000 in outlay expenditures.

Established in 2004, Forward in Faith, Inc., began as a campaign to create an enduring foundation for the archdiocese to address immediate needs in parishes and communities and to establish long-term endowments. Following a highly successful campaign, where the people of the archdiocese responded with inspired generosity, giving more than \$127.9 million, active fundraising has now concluded.

Audited financial statements for Forward in Faith, Inc., are available online at: adw.org/about-us/who-we-are/financial-reports.

Archdiocesan Tuition Assistance

School Year	Applicants	Awardees	Need	Award	% of Need Met
2018-19	9,793	6,392	\$52,114,000	\$6,100,000	12%
2017-18	9,643	6,621	\$54,064,000	\$6,000,000	11%
2016-17	9,514	6,359	\$50,695,000	\$5,955,000	12%
2015-16	9,672	5,955	\$ 47,455,000	\$ 5,855,000	12%
2014-15	9,830	5,113	\$ 53,190,000	\$ 5,700,000	11%



Catholic Investment Trust of Washington

The archdiocesan retirement plans and affiliated foundations and Central Pastoral Administration are grantors to the Catholic Investment Trust of Washington.

The Board of Trustees of the Catholic Investment Trust of Washington oversees the investments on behalf of the grantors.

Each grantor is represented on the Board and there is an independent member serving as chairman.

Forward in Faith, Inc. Changes in Net Assets

For the year ended June 30, 2018

Opening net assets	\$ 75,179,000
Investment income	4,427,000
Less: General and administrative expense	(76,000)
Ending net assets	\$ 79,530,000



PARISHES AND SCHOOLS

As it does for the CPA, affiliated corporations and foundations, the Archdiocese maintains detailed policies, standards, guidelines and procedures regarding the finance and administration of parishes and schools. Good stewardship and adept administration are essential to church management and the trust of the faithful, and they are required at every level of the Archdiocese.

Our Parishes

The Church is the experience of communion with God and with one another through Christ. For most people, this happens in the parish community. In the Archdiocese of Washington, 139 such parish communities are there to serve over 660,000 Catholics from many different cultures and socio-economic backgrounds. Their doors are open to all persons, including those who are not Catholic, that are in need of hope, compassion and the light of God.

Each parish has distinct ministries serving diverse populations, but there are commonalities found in every parish, particularly in sacramental liturgy, music ministry, devotions, prayer and related

For more information on all that the archdiocesan Church of Washington does as a good neighbor in the community, please see the publication *Catholic Impact 2018* at: adw.org/catholicimpact

opportunities for worship where the personal quest for the Lord is met. Parishes also provide ongoing faith formation of young people and adults, including sacramental preparation, general religious education, youth ministry, and the RCIA. Also, as a home for a large family of faith, parishes seek to maintain an active social life of dinners, festivals and other events to nurture fellowship and community, outreach to the greater community, evangelization efforts and service programs to help those in need, both materially and spiritually. In addition, each parish has the unavoidable responsibility of facilities maintenance and repair.

For most parishes, the offertory is the primary revenue source to finance these ministries and programs. A portion of these collections are remitted to sustain the supporting offices of the CPA, as well as to help fund Catholic education, ministerial leadership, seminaries and other work of the whole archdiocesan Church. A pastor, however, may request to maintain regular Mass collections at the local parish in circumstances of financial hardship and during building fund or debt reduction campaigns. National second collections are remitted in full to the beneficiary organization.

The pastor of each parish is the steward of that parish, which is also required to have a finance council which provides the pastor with advice and guidance on the financial and administrative matters of the parish and school, if the parish has a school. Further, parish financial operations are reviewed and audited regularly at various levels of archdiocesan governance.

Our Schools

The mission statement for the Catholic schools of the Archdiocese, which are rooted in Gospel values and the teaching mission of the Church, states that they are “are learning communities of faith and service dedicated to educational equity and excellence for all students.”

Local Catholic schools have for generations educated productive and virtuous citizens for the community, the nation and the Church. Built upon a foundation of Catholic identity, academic excellence, accessibility and affordability, they have provided young people a well-rounded human formation

which sustains them in the present and throughout their lives, and helps in the building of a truly good and just society. Careful planning is also undertaken to keep the cost of Catholic education within reach. Thanks to the generosity of many, tuition assistance and scholarships are available to students and their families in need.

For the 2017-18 academic year, the Archdiocese served over 26,000 students in 93 Catholic schools and early learning centers thanks to the dedication and talents of more than 2,500 full-time educators and other professional employees, 97 percent of whom are laity. As they do each year, these teachers, administrators and support staff provided a welcoming and academically excellent environment where revealed truth, reason and charity are engaged to prepare students to follow their own call and someday make a difference in the world, guided by the light of the Catholic faith.

The expenditures of the Catholic schools have paid great dividends. Archdiocesan schools have a legacy of academic excellence, which goes beyond the basics of writing, reading and arithmetic to include STEM programs, curriculums in the humanities, languages, international studies and the arts, as well as hands-on work study, charitable good works and extracurricular activities. The strong academic foundation provided by local Catholic schools has been recognized by the U.S. Department of Education with the 32 Blue Ribbon Awards that have been given to these local institutions of learning, including three schools named in 2017 – Little Flower School in Bethesda, St. John’s School in Hollywood and St. Peter’s School in Waldorf.

In celebrating these honors, one seventh grader said, “We use the knowledge we gain at Little Flower to make the world a better place.” The pastor of St. John’s Parish, Fr. Ray Schmidt, noted how its school community had overcome the adversity of major structural damage a few years earlier that had forced students to attend classes in another building. At St. Peter’s School, Principal J.R. West said, “In the world of education, this is like winning the Super Bowl or World Series,” telling students that they are the players, their teachers are their coaches, and their parents are their biggest fans.



Parish and School Revenue and Expense Years Ended June 30, 2018 and 2017

	FY 18	FY 17
Parish Revenue		
Offertory and other donations	\$ 118,464,000	\$ 112,371,000
Fundraising and other revenue	22,846,000	22,146,000
Debt forgiveness	—	10,318,000
Investment income and unrealized gain	6,648,000	6,476,000
Total Parish Revenue	147,958,000	151,311,000
Parish Expenses		
Core ministry	48,648,000	49,146,000
Building operations and capital expenditures	40,981,000	41,742,000
Administration and other	40,936,000	40,633,000
Total Parish Expenses	130,565,000	131,521,000
Parish Net Income	17,393,000	19,790,000
School Revenue	120,337,000	117,543,000
School Expenses	118,801,000	118,687,000
School Net Income/(Loss)	1,536,000	(1,144,000)
Parish and School Net Income	\$ 18,929,000	\$ 18,646,000



School revenue and expenses do not include Mary of Nazareth (a separate corporation), high schools or the Consortium of Catholic Academies. They are disclosed on page 4.