

Diocese of San Diego



Dear Friends in Christ:

The Pastoral Office of the Diocese of San Diego plays a vital role in supporting the work of the parishes and schools in San Diego and Imperial counties. The Pastoral Office offers administrative support in the areas of finance, human resources, communications, legal issues and stewardship. Even more importantly, it provides programs for vocations and priestly formation; scholarships for needy students in our Catholic schools; and evangelization, liturgical and catechetical activities that dramatically enhance the life of the Gospel in our local Church.

I am immensely grateful for the financial support which our parishes provide to this vital work of the Pastoral Center through the Annual Catholic Appeal and the direct parochial contributions. Without your help, the work of the Church would be immensely crippled, and tremendous opportunities for spreading and supporting Catholic faith would be lost.

One of the responsibilities of the bishop is to ensure that the financial life of the diocese is carried out with prudence, integrity and skill. For this reason Mrs. Shirley Pajanor and her staff, in concert with the Diocesan Finance Council, oversee the fiscal policies of the diocese, and our administrative practices are examined by an independent auditor each year.

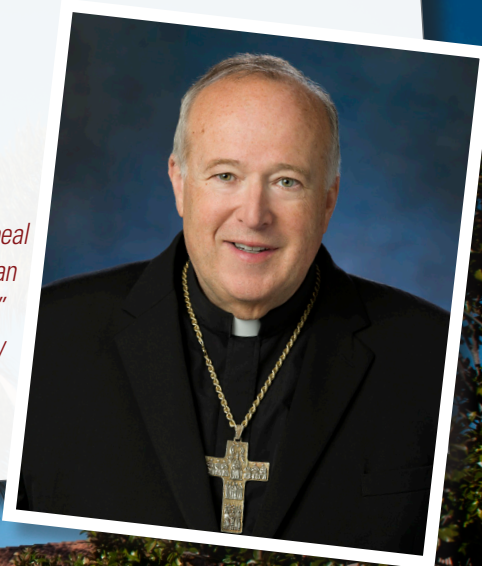
I also believe that it is important for the bishop to inform the broad Catholic community about the expenditures which the Pastoral Office makes for its vital outreach in the name of Jesus Christ. For that reason, this issue of the Southern Cross provides the actual financial results for the central office for the past fiscal year and the specific allocation of funds to various offices, programs and departments. It is my hope that you will find this report informative and uplifting.

With joyful gratitude to God for giving me the blessing of being your bishop, I remain

Sincerely yours in Christ,

Most Reverend Robert W. McElroy
Bishop of San Diego

*"The Annual Catholic Appeal
has once again proven to be an
invaluable cornerstone of support"*
— Bishop McElroy



2018-19 Financial Report

FINANCIAL OVERVIEW

These pages provide a view of the fiscal year's actual results (July 1, 2018 – June 30, 2019) for the Diocese of San Diego's Pastoral Administrative Costs and Pastoral Programs. The operations of parishes, schools, and other

separate incorporated diocesan institutions, as well as private Catholic entities, are excluded. The categories are consistent with those verified by our independent auditors. The Diocese received a clean (unqualified) audit report.

To the People of the Diocese of San Diego

The Administrative Office of the Diocese of San Diego includes 22 pastoral programs and 9 support offices which function under the leadership of the Bishop and together are at the service of the 97 parishes, 13 missions, and 42 Catholic grade and high schools. We serve approximately 172,500 registered families with a Catholic population estimated at 1.4 million.

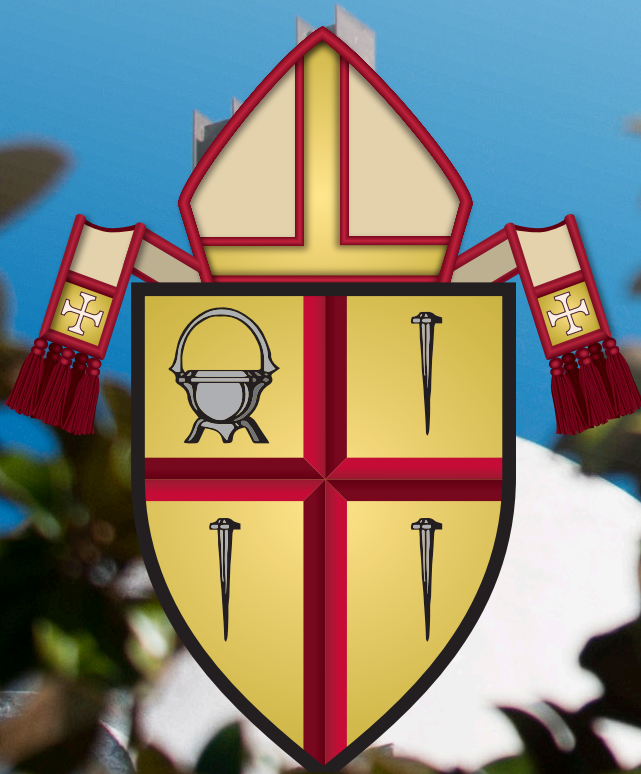
| REVENUE | ACTUAL | BUDGET |
|--|--------------|--------------|
| Parish Assessments | \$8,982,348 | \$8,184,461 |
| Annual Catholic Appeal Revenue | 3,499,998 | 3,500,000 |
| Services Corp Assessments | 1,425,131 | 1,169,201 |
| Recovery of Annual Catholic Appeal Costs | 295,089 | 383,103 |
| Bequests & Donations | 339,064 | 250,000 |
| Cemetery Revenue | 600,000 | 650,000 |
| Interest and Investment Income | 289,944 | 336,000 |
| Rent | 220,569 | 223,590 |
| Administrative Fees | 208,800 | 180,000 |
| Other Revenue | 108,881 | — |
| TOTAL REVENUE | \$15,969,824 | \$14,876,355 |

| EXPENSES | ACTUAL | BUDGET |
|--|--------------|--------------|
| Pastoral Administrative Costs | \$ 4,329,032 | \$ 4,371,000 |
| Pastoral Programs | \$ 5,220,878 | \$5,624,899 |
| Interest Expense | 240,576 | 250,000 |
| Support for Catholic Schools | 1,723,050 | 2,049,756 |
| Support for Catholic Charities | 500,000 | 500,492 |
| Contingency | 87,677 | 300,000 |
| Pastoral Center operating expenses | 646,538 | 533,127 |
| Priest Graduate Studies | 191,626 | 200,000 |
| USCCB Assessment | 120,662 | 122,620 |
| Vatican Assessments | 128,880 | 115,000 |
| California Catholic Conference Assessments | 229,297 | 180,800 |
| Professional and System Fees | 284,025 | 271,000 |
| TOTAL EXPENSES | \$13,702,240 | \$14,518,695 |
| NET INCREASE/(DECREASE) | \$2,267,584 | \$357,660 |

| Other Fund Uses: | |
|----------------------------------|----------------|
| Fulfillment of Pledge | \$(2,800,000) |
| Retired Priests | (201,750) |
| Maintenance and Capital Projects | (117,951) |
| Information Technology Projects | (206,809) |
| BUDGET DEFICIT | \$ (1,058,926) |

| PASTORAL ADMINISTRATIVE COSTS | ACTUAL | BUDGET | Description of Expenses |
|-------------------------------|-------------|-------------|--|
| Office of the Bishop | \$ 83,590 | \$ 98,605 | Administrative expenses for bishop |
| Bishop's Support Staff | 87,076 | 81,643 | Administrative expenses for bishop's staff |
| Auxiliary Bishop | 145,923 | 194,561 | Administrative expenses for auxiliary bishop |
| Retired Bishop's Residence | 19,730 | 14,925 | Costs to maintain retired bishop's home |
| Bishop's Residence | 15,839 | 27,205 | Cost to maintain bishop's home |
| Vicar for Clergy | 82,059 | 79,000 | Administrative expenses for general care of priests |
| Retired Bishop | 17,588 | 22,045 | Expenses for retired bishop |
| Chancellor | 41,110 | 35,172 | Administrative expenses for chancellor |
| Vice Moderator | 279,345 | 264,056 | Responsible for administration |
| Archives | 19,656 | 19,995 | Maintenance of diocesan records |
| Legal | 619,943 | 487,889 | Compliance with civil law |
| Stewardship | 157,420 | 145,769 | Fosters stewardship and enables comprehensive fund development |
| Annual Catholic Appeal | 295,089 | 383,103 | Design, develop, and implementation of Annual Catholic Appeal |
| Communication | 178,708 | 219,676 | Diocesan communications office, press releases, etc. |
| Finance and Accounting | 1,012,288 | 941,930 | Administrative support to parishes and schools |
| HR Operations | 596,859 | 697,690 | Administrative support to parishes and schools |
| Meetings and Recognition | 30,554 | 54,120 | Administrative expenses to host meetings and events |
| Information Technology | 514,523 | 489,937 | Pastoral center IT and telecom services |
| Charitable Programs | 10,500 | 5,780 | Supports charities |
| Property Tax | 30,461 | 30,000 | Taxes on property not in church use |
| Insurance | 72,023 | 70,000 | Insure the Pastoral Center |
| Other expenses | 18,748 | 7,900 | Various minor expenses |
| TOTAL | \$4,329,032 | \$4,371,000 | |

| PASTORAL PROGRAMS | ACTUAL | BUDGET | Description of Expenses |
|-------------------------------------|-------------|-------------|--|
| Office for Priests | \$ 75,489 | \$ 82,731 | Support and continuing education of priests |
| Priestly Formation | 412,001 | 444,762 | Programs for pre-seminarian and seminarian candidates |
| Seminarian Support | 258,916 | 487,614 | Currently supporting 21 seminarians |
| Pastoral Care of Priests | 326,256 | 295,062 | Assistance to priests in need |
| Permanent Diaconate | 213,519 | 311,104 | Formation and ongoing support for deacons |
| Ecumenical & Interreligious Affairs | 801 | 4,300 | Coordinate activity between the diocese and other religious communities |
| Catechetical Ministry | 390,825 | 417,546 | Assists and advises Parish Catechetical Leadership |
| Institute | 158,261 | 200,236 | Adult ministry formation |
| Youth Ministry | 167,414 | 194,707 | Supports the formation of youth leaders |
| Young Adult Ministry | 298,837 | 295,916 | Cultivates gifts and talents, and empowers them to be leaders |
| Liturgy & Spirituality | 175,003 | 173,707 | Diocesan liturgy and liturgical ministries formation |
| Family Life & Spirituality | 351,661 | 359,721 | Invites, nurtures & evangelizes while recognizing complexities of families |
| Cultural Diversity | 52,619 | 38,033 | Contact with cultural communities |
| Life, Peace & Justice | 361,538 | 430,248 | Promotion of church's social teaching |
| Southern Cross Newspaper | 362,087 | 338,923 | News and information through print and internet presence |
| Tribunal | 565,512 | 580,995 | Processing of marriage annulment cases |
| Liaison with Women Religious | 50,344 | 53,872 | Assists women religious throughout the diocese |
| Campus Ministry | 317,712 | 300,218 | College based ministry |
| Hospital Chaplains | 682,083 | 615,205 | Hospital and jail ministries |
| TOTAL | \$5,220,878 | \$5,624,899 | |



2018-19 Financial Report

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PASTORAL PROGRAMS — Your Financial Support Greatly Impacts:

SEMINARIAN SUPPORT

The future of our local Church is dependent on the generous response of those men called to serve God's people as holy, compassionate and ardent priests and deacons. Our diocese is blessed with 21 seminarians preparing for the priesthood. One new priest was ordained for our diocese this year, while two men are scheduled to be ordained transitional deacons and two to be ordained as a priest in the coming year. Educational expenses including tuition, room and board average \$50,000 per seminarian per year.

RETIRED PRIESTS

There are currently 49 retired priests of the Diocese of San Diego. The diocese provides financial support to retired priests so that they can live in dignity, free of anxiety about their means of support. This includes providing health and auto insurance, assisted living care at Nazareth House San Diego if needed, supplementing their pension, and covering expenses for them to attend the annual convocation of priests.

OFFICE FOR SCHOOLS

The Mission of Catholic schools in the Diocese of San Diego is to "educate in the image of Christ for our Church and for our world." The Office for Schools (OFS) is responsible for support and the collective network of 39 Catholic elementary schools and 3 high schools, educating nearly 12,713 students each year. The OFS generally assists and advises schools in matters of personnel, programs and policies which includes the 1,061 faculty and staff. The OFS cultivates a collaborative learning culture across the diocese that is student-centered, Christ-focused, and forward-thinking. The OFS also represents the diocese in local, regional and national Catholic education associations.

TRIBUNAL

The Diocesan Tribunal is responsible for considering petitions for marriage annulments. It also provides support for annulment cases being heard by Tribunals in other dioceses and assists Catholics living in San Diego with the preparation of documents for marriages taking place outside the diocese.

FAMILY LIFE & SPIRITUALITY

The Office for Family Life & Spirituality expanded its support services to parishes in response to the 2016 Synod on the Family. This expansion includes mentor based marriage preparation, on-going support for marriages, outreach to separated and divorced individuals and families, and assisting parishes to foster a culture of welcome for all families. Additionally, the office will provide resources and opportunities (i.e., retreats, days of prayer) for families to deepen their faith and spirituality.

PRIESTLY FORMATION

St. Francis De Sales House of Formation is a residence for both college and graduate level seminarians in the Program of Priestly Formation of the Diocese of San Diego. College and Pre-theology seminarians attend the University of San Diego, while graduate seminarians attend the Franciscan School of Theology. The program prepares men as priests for service in the Church universal and our local Church of San Diego. It is based upon and integrates the four pillars of priestly formation: human, spiritual, intellectual and pastoral. Seminarians are provided the opportunity to grow as disciples, to discern their vocation, develop leadership and ministry skills to meet the needs of our diverse local church, and be configured to Christ: Shepherd, Servant and Spouse.

OFFICE FOR EVANGELIZATION AND CATECHETICAL MINISTRY

The Office for Evangelization and Catechetical Ministry assists and advises Parish Catechetical Leadership with guidelines, programs and policies. The office provides ongoing training, workshops, in-services, certification and renewal of catechists and Catholic school teachers; it also oversees the Rite of Election: Call to Continuing Conversion. There are over 6,000 Catechists in the Diocese of San Diego. In 2019, 306 adult catechumens, 806 candidates and 110 children catechumens and candidates were welcomed into the Catholic Church.



YOUTH MINISTRY

The office for youth ministry supports parishes in fostering the spiritual, social and intellectual growth of young people of every culture, empowering them to transform the world as disciples of Jesus Christ. This is accomplished by providing ongoing formation to parish youth ministers through monthly in-services and the certificate in youth ministry program, maintaining ministry resources, providing consultation and direction for parishes, and by supporting youth ministry leadership with spiritual and personal development. The office for youth ministry also sponsors the San Diego Youth Day for young people to celebrate their faith, and two summer Christian leadership camps (Camp Emmaus).

YOUNG ADULT MINISTRY

The Young Adult ministry reaches out and ministers to young adults inviting them into responsible participation into the full life and mission of the Church. We strive to connect them to Christ, His Church and a faith filled peer community by offering various social, service and spiritual opportunities.

CAMPUS MINISTRY

Guided by the Gospels, Campus Ministry helps transform the lives of college students in the development and growth of a flourishing spiritual life. These young adults represent the future of our Church. The Diocese of San Diego currently supports the Newman Centers at San Diego State University and University of California, San Diego.

SOUTHERN CROSS NEWSPAPER

Through both its print edition and its Internet presences, the Southern Cross assists the Local Church in its teaching and pastoral mission by informing the faithful about the life and work of the Church throughout the Diocese; offering news and information which will foster unity with the Church throughout the world; and instructing the faithful regarding authentic Catholic teaching and practice. The newspaper monthly circulation is approximately 38,000.

LIFE, PEACE AND JUSTICE

The Office for Life, Peace and Justice affirms the key tenet of Catholic Social teaching which recognizes the dignity of all human life. The office promotes the sanctity of life from 'womb to tomb' to include all persons marginalized in our society from the incarcerated, to the immigrant, to the unborn and to all those who are underserved both socially and economically in our diocese. The ministry supports, advocates and educates on a myriad of issues centered on Catholic Social teaching to include abortion, the death penalty, immigration, mass incarceration, assisted-suicide and human trafficking. The office is active throughout the diocese in the parishes supporting immigration and migrant rights, the right to life, and the prison and jail ministry programs. The office collaborates with pregnancy care centers throughout the diocese in supporting alternatives to abortion. The ministry serves the incarcerated population with more than 400 active volunteers in San Diego and Imperial Counties in 25 different prisons and jails with a population of over 26,000 inmates.

HOSPITAL CHAPLAINS

The Diocese of San Diego currently supports 10 chaplains throughout our local hospitals to provide pastoral care to our local parishioners who are sick or disabled. Chaplains are responsible for administering the sacrament of the sick; conducting pastoral visits for patients, families and hospital staffs; helping coordinate the visits of parish Extraordinary Ministers of the Eucharist in their work of bringing Communion to the sick; and assisting in a diocesan-wide effort to educate the Catholic faithful about the sacrament of the sick.

PERMANENT DIACONATE

There are currently 129 active deacons in the Diocese of San Diego, of which the Office for Permanent Diaconate is responsible for pre-ordination, post-ordination and on-going support. The office also assists parishes in identifying potential candidates for the diaconate program.

CATHOLIC CHARITIES

Catholic Charities is based on the person of Jesus, who "came not to be served, but to serve" and is our primary diocesan social services agency. It believes in dignity of the human person, and is committed to the Judeo-Christian vision of justice and peace. Catholic Charities assist almost 300,000 people each year by providing a network of assistance programs and services.

LOOKING AHEAD

Bishop McElroy continues to work with his staff and the Diocesan Finance Council to monitor the state of diocesan financial activities against that of the annual budget, and to ensure the continued proper expenditure and safeguard of these important resources.

