

# Taking Stock

## The Catholic Review

These are uncertain times. Banks are failing, Wall Street is reeling, and the cost of just about everything seems to be through the roof. Talk of bailouts and mergers, record declines and a looming recession—not to mention the fast-approaching presidential election—has much of the nation in a frenzy of uncertainty and worry. Understandably, many people, when not peeking through their hands at their investment account statements, find themselves taking inventory these days. This local Church is, too.

The gospel and our own Church teaching reminds us that we must be good stewards of those gifts that have been so generously bestowed on us. It is a priority of this local Church—at every level—to ensure that our limited resources are used to the best possible effect.

As I reported to you in a previous column, a complete review of our entire Central Services operations—working out of the Catholic Center—was conducted earlier this year with an eye on improving efficiency, accountability, and effectiveness in achieving the overall mission of supporting our parishes, schools, and other institutions. Recommendations from this study will, I pray, result in a better and more efficient use of our resources and personnel.

In addition, an audit of our finances is nearly complete. This annual audit, conducted by the independent public accounting firm, Price Waterhouse Coopers, is conducted for the purpose of providing a complete accounting of our financial resources to the Catholic people of this Archdiocese each January, as well as for the benefit of the financial institutions that provide money for parishes to complete capital projects.

Most of the money raised by the Archdiocese, such as through the Archbishop's Annual Appeal, is used to have an immediate impact on promoting the ministries of the Archdiocese and helping those we serve. Endowment funds for the long-term health and stability of our ministries are raised through a distinct 501 (c) (3)

corporation, the Catholic Family Foundation of the Archdiocese of Baltimore, Inc., which has a board of directors and investment, finance, and distribution committees made up of lay and religious with extensive professional and pastoral experience. We will continue the important and necessary practice of making vital financial information available through the publication of our annual report and will provide other financial-related updates periodically.

Though our financial investments have underperformed in recent months—something experienced by so many businesses and individuals of late, our overall financial health is respectable. This is due, in no small part, to the sound guidance and oversight provided by our Management Services directors and staff, our Board of Financial Administration and our Archdiocesan Investment Committee. We are blessed to have access to some of the area's brightest financial minds and our Church benefits greatly from their experience and wisdom.

Just as families take steps following their accounting of household budgets, we too are undertaking measures to ensure the most efficient stewardship possible by the administrative offices of the Archdiocese, as well as our parishes and other institutions. Thus, I have directed a review of the budgets of each division of our central services. I am also considering the possibility of bringing on board a Chief Operating Officer—someone with experience in administration, finance, personnel, and management—who will work closely with Bishops Rozanski and Madden and me to provide strong leadership and fiscal oversight over our day-to-day operations.

Though the uncertainty of the economy has prompted all of us to review our financial state, we also have a responsibility—one rooted in sacred Scripture and in our own Church teaching, to our sisters and brothers in Christ. In these especially difficult economic times—when people have lost jobs and homes, are under tremendous debt, and are struggling just to meet their basic needs—we must be reminded of our responsibility as Catholics to be aware of our own situations, our own family's situations, but also that of others. As someone once said of our duty as Catholics to help others regardless of denomination, "we do so not because they are Catholic but because we are."

A recent edition of a national philanthropic journal quoted a senior vice president of

Catholic Charities USA as saying, “Donations are not keeping up with costs at this moment. Some of our agencies are reporting the largest demands they have seen in decades for the most basic of needs, including food, shelter, and help with utility bills.” Here in our Archdiocese, those serving in our own Catholic Charities have seen a similar increase in the demand for social services, especially at Our Daily Bread. This increase in service demands is unfortunately happening at the same time Our Daily Bread is experiencing a decline in the unsolicited donations that over the years have been a staple of support for this important work. In our fervor to shore up our fiscal health, we cannot forget those among us who have already been forced to the margins of society.

While this is an interim report, I intend to provide steady communication about our operations and I ask for the understanding and collaboration of both our faithful and the clergy as we work together, with God’s help, to be both efficient and effective stewards as well as caring and loving people of faith to each other.