



# Diocesan Stewardship Report

(July 1, 2010 to June 30, 2011)



## Message from the bishop

Dear Sisters and Brothers,  
 “All good gifts around us are sent from heaven above.

... So thank the Lord for all his love!”

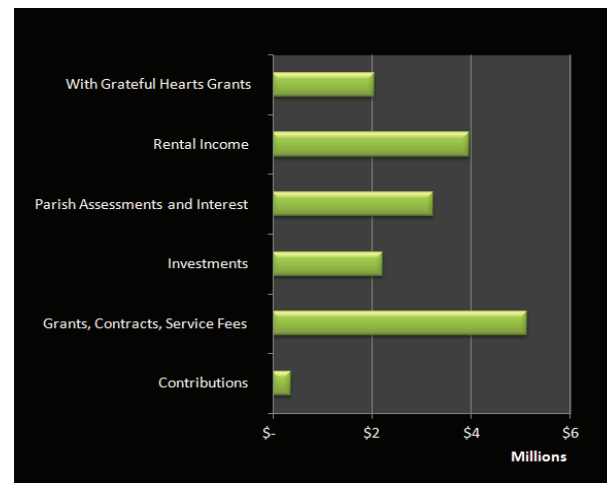
The words of this song express my sentiments as I thank you for your faith and generosity as you participate in the mission of the diocese. To give witness to Jesus is a simple phrase but a richly complex reality that involves many ministries and services, and the infrastructure needed to carry them out. You are most naturally dedicated to your parishes, but you realize the Church is much wider than the territory in which you live and worship. We thank you for helping us witness to Jesus with this wider vision by your contributions of time, talent and treasure.

The needs continue to be great, but we are confident that you will continue to share your good gifts so generously as members of the diocesan Church. I am particularly grateful to Lisa Sakamoto, our Diocesan Finance Officer, for helping us be good stewards of the funds at our disposal for ministry. We are also assisted by a dedicated Finance Council and many others who help us to be good stewards. I thank the Lord for you!

Sincerely yours in Christ,

Most Reverend Larry Silva  
 Bishop of Honolulu

## Sources of Revenue



Category	Amount
Contributions	\$378,705 .....2.2%
Grants, Contracts, Service Fees	\$5,134,325 ..... 30.2%
Investments	\$2,219,200 ..... 13.1%
Parish Assessments and Interest	\$3,239,134 ..... 19.1%
Rental Income	\$3,972,648 ..... 23.4%
With Grateful Hearts Grants	\$2,043,213 ..... 12%
<b>Total</b>	<b>\$16,987,225 ..... 100%</b>

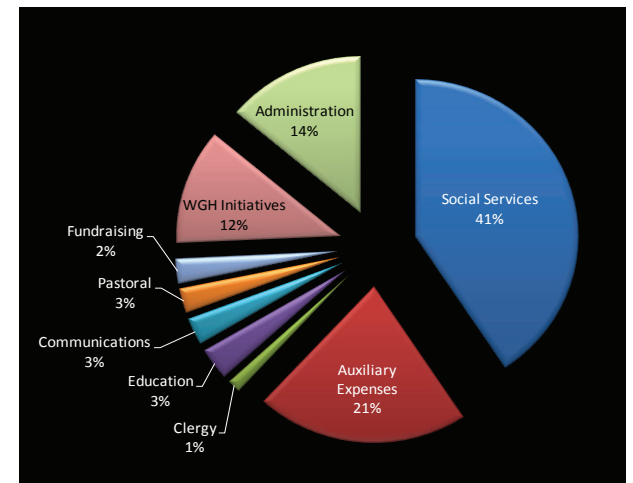
### TERMS

- Contributions:** Consists of monetary donations to various diocesan departments.
- Grants, Contracts, Service Fees:** Primarily revenues from the Office of Social Ministry contracts administered by the Diocese. Also includes revenues from Hawaii Catholic Schools fees, Hawaii Catholic Herald subscriptions and advertising, Department of Religious Education workshops, etc.
- Investments:** Includes earnings on investment accounts and cash deposits.
- Parish Assessments and Interest:** \$2.7 million assessment represents approximately 9.2% of total parish revenues for support of diocesan-wide operations. Interest of \$539,134 received on loans to parishes.
- Rental Income:** Represents rental income on all diocesan owned property held for investment purposes and a gain of \$440,479 on the sale of real estate assets.
- With Grateful Hearts Grant:** Represents amount received from Hawaii Catholic Community Foundation for diocesan initiatives as set forth in the With Grateful Hearts (WGH) Capital Campaign.

### NATIONAL COLLECTIONS

Year ended June 30, 2011	
Latin America	\$35,634
Black & Indian Missions	\$27,358
Catholic Relief Services	\$74,356
Holy Land	\$85,077
Catholic Communication	\$23,893
Holy Father (Peter's Pence)	\$68,638
Catholic University	\$56,905
Campaign for Human Development	\$42,578
Rice Bowl	\$58,154
Propagation of the Faith	\$67,055
Religious Retirement	\$93,089
<b>Total</b>	<b>\$632,737</b>

## Use of Our Resources



Category	Amount
Social Services	\$7,052,166 .....41%
Auxiliary Expenses	\$3,664,322 .....21%
Clergy	\$235,226 ..... 1%
Education	\$575,847 ..... 3%
Communications	\$481,186 ..... 3%
Pastoral	\$436,153 ..... 3%
Fundraising	\$420,752 ..... 2%
WGH Initiatives	\$2,043,213 .....12%
Administration	\$2,407,495 .....14%
<b>Total</b>	<b>\$17,316,360 ..... 100%</b>

### TERMS

- Social Ministries:** Includes diocesan support of the Office of Social Ministry, HOPE Services, Inc, Catholic Charities Hawaii and other social ministry programs.
- Auxiliary Expenses:** Includes subsidies and interest to parishes, real property expenses, depreciation, post-retirement expense, and professional fees.
- Clergy:** Costs include seminarian education expense, retired clergy living and medical expenses, and priest continuing education.
- Education:** Consists of Hawaii Catholic Schools Office and the diocesan Department of Religious Education.
- Communications:** Costs for publication and distribution of the Hawaii Catholic Herald.
- Pastoral:** Consists of the Office of Worship and the Office for Parish Resources and Hospital Ministry.
- Fundraising:** Consists of the diocesan Office of Development.
- WGH Initiatives:** Includes expenses incurred by the Diocese to carry out the diocesan initiatives as set forth in the WGH capital campaign (See WGH annual report for details).
- Administration:** Diocesan administration includes the offices of the Bishop, Vicar General, Clergy, Vocations, Chancellor, Tribunal and Canonical Affairs, Finance, Human Resources, Facilities, Strategic Planning, Safe Environment, Diocesan Services, and St. Stephen Diocesan Center.

### DIOCESAN FINANCE COUNCIL

- Robert S. Harrison** ..... Chairperson
- James Severson** ..... Vice-Chair
- Sr. Davilyn Ah Chick, OSF** ..... Secretary
- Janessa Bonifacio, CPA** ..... Member
- Paul deVille** ..... Member
- Lawrence Lasua** ..... Member
- Vecy Pascual** ..... Member
- Taryn Schuman, CPA** ..... Member
- Todd Taniguchi** ..... Member

# With Grateful Hearts Report

(July 1, 2010 to June 30, 2011)



## Diocesan Finance Officer Report

By Lisa Sakamoto

I am happy to report that the Diocese of Honolulu received an unqualified (clean) opinion for the fiscal year ending June 30, 2011, and the Hawaii Catholic Community Foundation (which manages the With Grateful Hearts Capital Campaign) received an unqualified opinion for the calendar year ending December 31, 2010, from its independent auditors CW Associates.

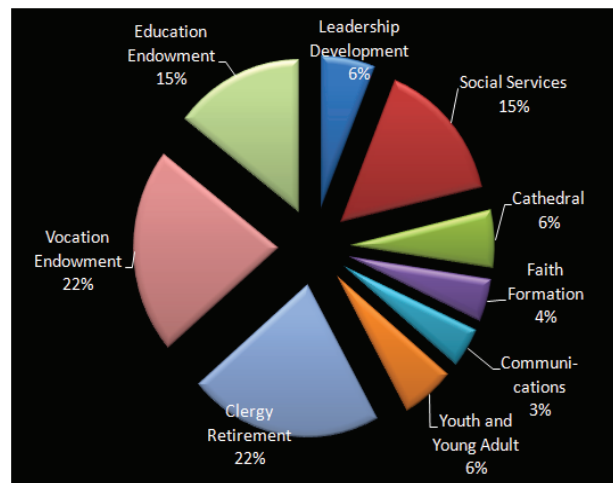
The Annual Report on these pages summarizes the activities of the diocese for the period July 1, 2010, through June 30, 2011, and is presented to keep you informed of the funds spent by the Diocese of Honolulu in furthering our call to be a Witness to Jesus.

The Diocese of Honolulu received \$16,987,225 in funds for the 12 months ending June 30, 2011, and spent \$17,316,360 during the same period resulting in a decrease in net assets of \$329,135. The decrease was due primarily to the approximately \$1.3 million increase in the allowance for uncollectible receivables due to the uncertain economy. Excluding this expense, the diocese would have seen an increase in net assets of approximately \$1 million.

The sources of funds to support diocesan operations that positively impact our Catholic community come primarily from four major sources: (1) grants to support social ministry; (2) income generated from diocesan investment and real estate portfolios; (3) income from parish assessments and loans; and (4) contributions from parishioners and donors. We continue to rely heavily on the income generated from our investment portfolio which is not a reliable source of income to balance our budget. In addition to funding our general operations, this year, the diocese also received \$2,043,213 in grants from the Hawaii Catholic Community Foundation to implement the initiatives from the With Grateful Hearts Capital Campaign. Parishes received over \$6 million for their share during this same period. We have highlighted in this report how these funds were spent to further our mission.

Our diocese continues to be challenged during these uncertain economic times to keep the operations of the church going with the added pressure from parishes and schools to improve their facilities, to the renovation of the cathedral, to the need to grow in the Leeward Vicariate, to the need for affordable housing, and the funding of our Catholic schools, vocations office and clergy retirement. We must be diligent in our efforts in prioritizing our needs and continue working toward a more efficient and effective management of our finances. And I can assure you that our office is focused on making sure we continue to be good stewards of our precious resources that God entrusted to us.

## With Grateful Hearts Diocesan Initiatives



Category	Total Disbursed	Diocesan Initiatives
Leadership Development	\$148,477	\$148,477
Social Services	371,208	331,208
Cathedral	146,023	146,023
Faith Formation	108,719	108,719
Land Asset Management	103,214	103,214
Youth and Young Adult	144,840	144,840
Clergy Retirement	530,366	530,366
Vocation Endowment	530,366	530,366
Education Endowment	353,577	—
<b>Total</b>	<b>\$2,436,790</b>	<b>\$2,043,213</b>

### LEADERSHIP DEVELOPMENT

Total Allocated as of June 30, 2011 ..... \$441,972  
 Total Spent ..... \$148,477

**Clergy Training:** One week parish administration training sessions for all priests  
**Financials Solution Project:** Standardization of parish & school financial systems.  
**Hawaii Catholic Schools:** Education to increase the leadership potential of future school administrators.  
**Rachel's Vineyard:** Facilitators/Trainers for therapeutic intervention for women struggling with post abortion issues.

### SOCIAL SERVICES

Total Allocated as of June 30, 2011 ..... \$441,972  
 Total Spent ..... \$371,208

**Homelessness Project:** Increase capacity of program to plan, advocate, resource and implement housing projects for kupuna and others.  
**Catholic Charities Housing Development Corp:** Create infrastructure to increase transitional housing options for the homeless.\*

\*Funds released (\$40,000) directly to Catholic Charities.

### FAITH FORMATION

Total Allocated as of June 30, 2011 ..... \$353,577  
 Total Spent ..... \$108,719

Hawaii Schools Framework Curriculum-Weekend Retreat

**Roman Missal Workshop:** Train and prepare clergy for the new translation of the Roman Missal.

**Deacon Formation:** Train, educate and prepare individuals for service as deacons.

**Faith Formation:** Increase the capacity of leaders to facilitate and implement faith formation programs.

**Faith Formation Annual Conference:** Increase opportunities for lay volunteers to grow in faith and their capacity to share their faith.

**Adult Faith Formation Education Tech Coordinator:** Implement education and training sessions via electronic and social media.

**Faith Formation Task Force:** Bolster planning and implementation skills of the task force leadership.

**Hawaii Catholic Herald:** Catholic News Service website video.

**Retreat Program:** Retreat for catechists & youth/young adult ministers.

### LAND ASSET MANAGEMENT & PARISH FACILITIES

Total Allocated as of June 30, 2011 ..... \$441,972  
 Total Spent ..... \$103,214

**Real Estate Office:** Establish diocesan real estate office to support the proper management and use of the land and properties of the Diocese.

### YOUTH & YOUNG ADULT MINISTRY

Total Allocated as of June 30, 2011 ..... \$353,577  
 Total Spent ..... \$144,840

**Youth Ministry Office:** Establish diocesan youth ministry office to support the formation of leaders, programs, materials, and activities that empower youth and young adults to live Christ centered lives.

#### On-site Targeted Training

**Vicariate Youth Day:** sponsor annual gatherings of youth and youth leaders in order to inspire faith and enhance leadership skills.

### CATHEDRAL OF OUR LADY OF PEACE RENOVATION

Total Allocated as of June 30, 2011 ..... \$265,183  
 Total Spent ..... \$146,023

### CLERGY RETIREMENT

Total Allocated as of June 30, 2011 ..... \$530,366  
 Total Disbursed ..... \$530,366

Funds deposited directly for the diocesan priest retirement plan.

### VOCATION ENDOWMENT

Total Allocated as of June 30, 2011 ..... \$530,366  
 Total Disbursed ..... \$530,366

Funds to establish a vocation endowment that will provide for the education and training of seminarians in Hawaii.

### AUGUSTINE EDUCATIONAL FOUNDATION\*

Total Allocated as of June 30, 2011 ..... \$353,577  
 Total Disbursed ..... \$353,577

\*Funds released directly to the Augustine Educational Foundation (AEF)  
 Funds to increase the scholarship endowment and increase grants to more families seeking a Catholic education.

## With Grateful Hearts Parish Disbursements

### PARISHES\*

Total Disbursed as of June 30, 2011 ..... \$6,526,175  
 \*Funds released directly to each individual parish

### PARISH PROJECTS

- Building and renovation
- Landscaping
- Roofing
- Resurface parking
- Youth ministry
- Parish schools
- Debt reduction

### PARISHES EXCEEDING GOAL

Parish	Goal	Actual*
Blessed Sacrament	\$135,000	\$203,741
St. Stephen	\$135,000	\$191,667
St. Michael, Kailua-Kona**	\$515,000	\$977,110
Vietnamese Catholic Comm	\$100,000	\$176,635
St. Anthony of Padua, Kailua**	\$575,000	\$959,217
St. Anthony, East Hawaii	45,000	\$46,781
Our Lady of Good Counsel**	\$730,000	\$795,428
Sacred Heart, East Honolulu**	\$425,000	\$593,025
St. Ann, Windward Oahu**	\$760,000	\$908,953
St. Damien	\$125,000	\$146,653

\*Cash Collected as of June 30, 2011

\*\*Parishes with combined campaigns, thus parish share is based on corresponding campaign policies.

### HCCF BOARD OF DIRECTORS AND MEMBERS

- Irene Lee ..... President
- Linda Nishigaya ..... Vice President
- John Brogan ..... Secretary
- Sr. Patricia Chang ..... Director
- Mark Pillori ..... Treasurer