



## Unprecedented challenges met with prayer, generosity

Dear Friends,  
Grant to us, oh Lord, not to mind earthly things, but rather to love heavenly things, that while all things around us pass away, we even now may hold fast those things that abide forever.  
— St. Leo the Great (D. 461)

budgets, improving infrastructures or offering a wider variety of consumer goods. What is needed is a fundamental renewal of hearts and minds so that the human person may always be placed at the center of social, cultural and economic life.” Pope Francis, 2019.

residence and supporting endowment of \$5.2 million,  
• The \$4.8 million of improvements to Villa St. Francis Nursing Center, and  
• The \$6.6 million for the Priest Retirement plan

### Faith, hope and stewardship

Never has prayer been more critical. I have seen memes that scoff “Don’t pray about it, do something about it!” Prayer is not a passive activity. It is a highly efficacious method of dealing with life’s challenges from the smallest to the largest. Prayer strengthens one’s faith, gives one hope and often inspires right action. The challenges we have faced this year are unprecedented in our lifetime, but not in the lifetime of the church. Prayer gives us hope. Pope Francis recently spoke about this hope. “Even death trembles when a Christian prays, because it knows that everyone who prays has an ally stronger than it has: the Risen Lord.” Pope Francis, Dec. 9, 2020, Wednesday audience address.

The next element of the case to be funded is the Parish Property Revitalization, assisting parishes that have recently undergone a consolidation of churches and schools. These parishes often have too many buildings but not the proper facilities for current needs. This fund will help re-purpose current buildings and properties.  
Unfortunately, unless we exceed, significantly, our current projections, the campaign will not be able to fund the outright purchase of the Villa St. Francis Building nor the improvements of the Savior Pastoral Center. Gratefully, the Villa St. Francis Board are working through an agreement with the current owner of the building to purchase the building by assuming the current HUD loan. This will give Villa St. Francis ownership of the facility along with the responsibility to pay down a low interest loan over several years, while saving on monthly operating costs as the loan payment will be less than the monthly lease payment.  
I continue to be edified and inspired by the generosity of the parishioners of the Archdiocese of Kansas City in Kansas. Your support of our parishes, our schools, Catholic Charities, the Catholic Education Foundation, Call To Share and so many of our ministries reflects the depth of your faith in Jesus Christ and your love for his church. My commitment to you is to strive to become a better shepherd, a better servant leader, for the church. I also pledge to be transparent in reporting to you how your sacrificial gifts are being used to build up God’s Kingdom in northeast Kansas.

### Pandemic

Our faith is essential. It has become the province of government to define essential business, workers and activities as a way of limiting human contact and thus the spread of the virus. While hopefully done with the best of intentions, this limitation on the practice of faith conflicts with the guarantee of the free practice of religion under the First Amendment to the Constitution of the United States of America.

Having even death tremble because of the power of one’s prayer is a source of hope that gives one strength to think beyond oneself. Stewardship is our response. We give of ourselves the very essence of life to care for, defend and celebrate in life the central role of the human person.

### One Faith, One Family, One Future in Christ

The One Faith campaign is drawing to a close and while we have not yet achieved our goal of \$65 million we are gratified that over 8,740 people have contributed and pledged a total of \$44 million to this campaign (as of mid-December). Once the pledged amounts are received we will have shared \$12 million with parishes, and funded in whole:  
• The \$1 million Evangelization initiative,  
• The \$5.2 million Priest Retirement

Gratefully yours in Jesus, the Lord of Life,  
  
+ Joseph F. Naumann  
Archbishop of Kansas City in Kansas

## FROM THE CHIEF FINANCIAL OFFICER

### Transparency

The financial information you see on these pages shows you the sources (income) and uses (expense) of the funds at the archdiocese for the most recent fiscal year and the year prior. A comparison of the two years and explanations of differences over \$100,000 and 10% are provided. This statement agrees in total to the audited annual financial report which is posted on the archdiocesan website under <https://archkck.org/parish-school/administration/chief-financial-officer>. Some category amounts may differ due to updates in presentation.

There are essentially four classifications of source of funds: Fees and Other Income, ACTS (Archbishop’s Call to Share Annual Appeal), Assessments and Collections and Cathedralricum. Following is a brief description of each.

**Fees and Other Income:** Some offices charge fees for services, such as school fees to cover administration, youth camp registration fees, rental fees at Savior Pastoral Center, and The Leaven. Additionally, investment earnings, contributions, and campaign donations are recorded here. By far the largest source is health and dental premiums for all covered employees of the archdiocese.

**ACTS:** This annual appeal is conducted each January-March to raise funds for the following fiscal year. Based on analysis and information produced by a committee of laity and priests, the Presbyteral Council makes a recommendation to the archbishop for the allocation of funds.

**Assessments and Collections:** Includes amounts assessed to parishes or regions for Savior Pastoral Center and Youth Formation, as well as the Catholic Charities Christmas Collection and Priesthood Present and Future Collection.

**Cathedralricum:** Annual tax as provided under Canon Law Section 1263 for the bishop to fund the administrative costs of the diocese. The amount and method varies by diocese.

The uses of the above funds are listed down the page and are divided by categories, which correspond to the Five Pastoral Priorities of the archbishop. A short explanation of each priority is provided under each heading. Additionally, use of funds for each line item is broken down between columns based on the origin of the funds received to pay for the spending. For example, under the Pastoral Priority of Education is Communications. Communications received funding from restricted funds (Fees/Other Income), ACTS and Cathedralricum. The total spending for the office of Communications is found in the Total Column.

The bottom line is the net of the income sources and uses. In cases where the net is negative, balances saved from previous years are used. It is also important to know that all funds received with donor restrictions are accounted for to ensure that those funds are used only for the purpose the donor intends.

### The results

Overall, both fiscal years 2019 and 2020 yielded positive bottom lines. These results were due to the influx of capital campaign pledges. Capital campaigns usually have at least 2 years of raising pledges, 3+ years of receiving pledges and then another few years of spending the campaign funds to execute the campaign cases. Because accounting rules require that we record the pledges as revenue when received, we have a mismatch of results because in the years when the pledges are made, we record the revenue, but we have not spent the money (and may not have even received the money yet). Then once all of the funds have been received, we start to spend the money. In those years, we have no capital campaign revenue, but we will be recording the capital campaign distributions as expenses, yielding bottom line losses. This can make the reading of the financial statements in the years of capital campaigns very confusing!

**2020 Summary:**  
• Of the \$66,705,840 in revenue in 2020, \$16,628,999 was campaign income, and  
• Of the \$52,544,519 in expenses in 2020, \$5,603,601 was campaign expense.  
• Therefore, of the \$14,161,321 in net income, \$11,025,398 is from the capital campaign.  
The difference in net income is a net income of just over \$3 million dollars.

### Additional information

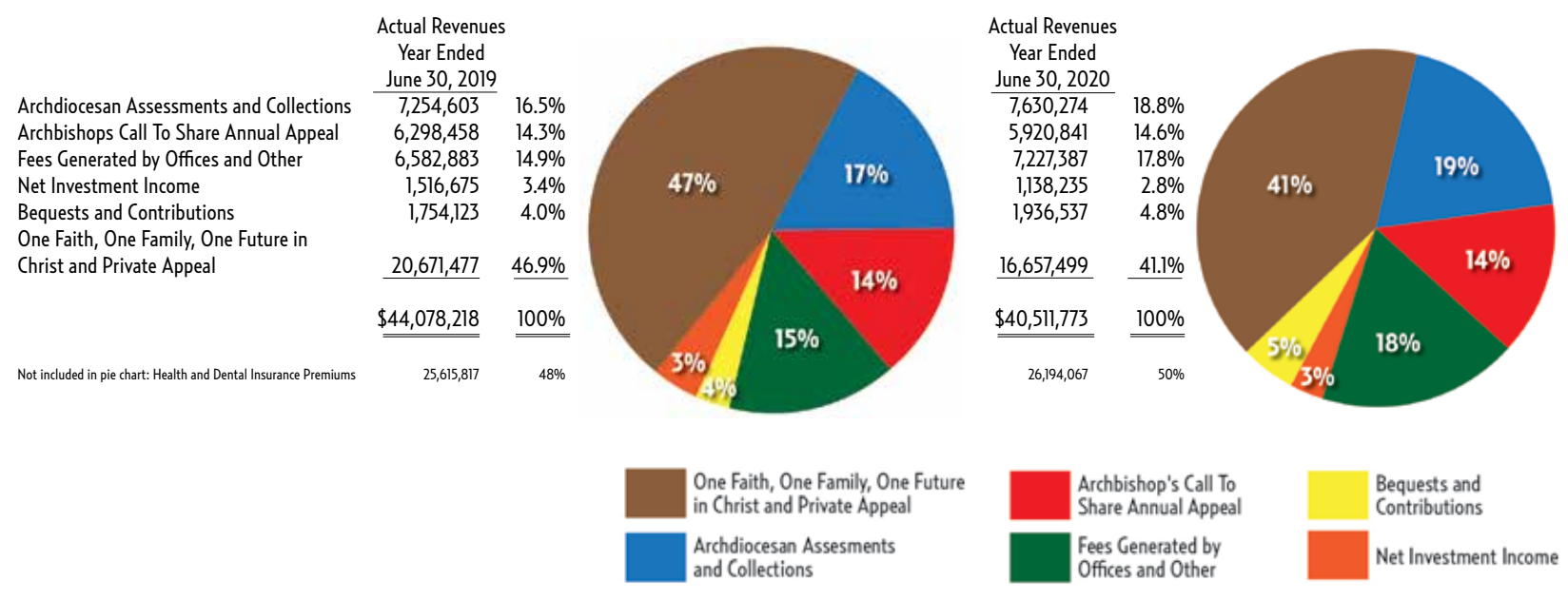
In addition to the operating statement presented, there are funds, including National Collections and Special Emergency Collections, we call “pass-through funds” which are collected at each parish, sent to the archdiocese and then forwarded on to their final destination. This schedule shows the reach of our collective generosity beyond the boundaries of our parishes and our archdiocese.

The sidebar on Transparency is included to shed light on the funds used in our efforts to protect children and vulnerable adults through background checks and training all employees and volunteers in the archdiocese who have interactions with children in the scope of their duties. When an allegation of abuse is made, there are also costs associated with victim assistance and canonically-required assistance for the priest. In 2019, we began tracking legal expenses related to sexual abuse claims separately from legal costs that arise in the normal course of business. In 2019, a substantial amount of these costs went to the independent law firm we engaged to review all priest personnel files so that a list could be published of priests within the archdiocese who had a credible allegation of abuse any time since the 1940s.

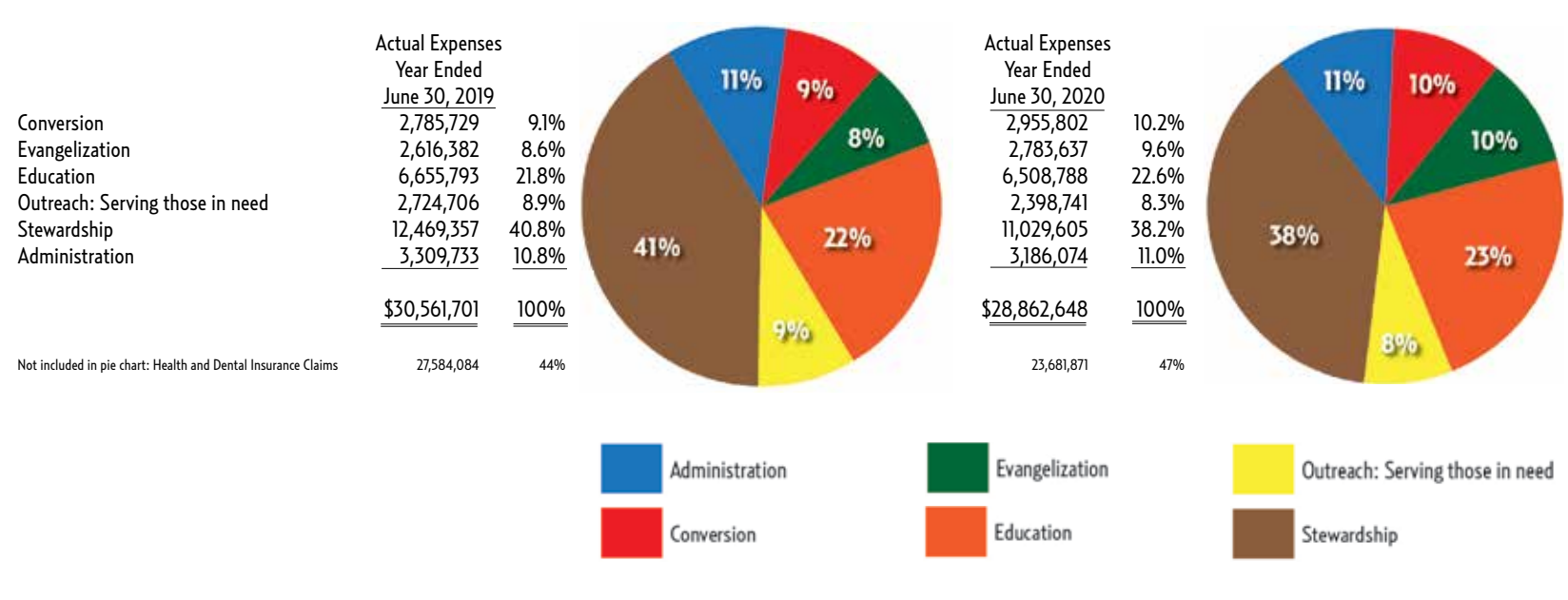
## ARCHDIOCESE OF KANSAS CITY IN KANSAS OPERATING STATEMENT FOR 2019 AND 2020

Funded by:	Fees/Other Income		Archbishop’s Call to Share		Assessments and Collections		Cathedralricum		Total		Year over Year Change	
Revenue	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019	2020
<b>CONVERSION</b> <i>At the heart of the church’s ministry is facilitating for its members an encounter with the person of Jesus Christ. Central to what it means to be Catholic is the development of a friendship with Jesus through prayer and reflection.</i> Vicar for Clergy and Clergy Support Programs Liturgy and Sacramental Life Office of Hispanic Ministry Emporia-Hispanic Ministry Totus Taus Savior Pastoral Center Christ Peace House of Prayer Campus Ministry: Donnelly College KCC St. Lawrence Center-KU Lawrence Diddle Center-Emporia Catholic Center-Washburn Topeka Catholic Center-Haskell Lawrence Other	14,330	12,953	298,017	322,098	25,500	25,500	13,822	15,182	87,293	266,799	60,000	50,000
<b>EVANGELIZATION</b> <i>The commission that Jesus gave to the church was to go and make disciples of all nations. The church can never be content with itself as it is currently constituted. We must always be guided by a missionary impulse to share the gift of our faith with others.</i> Evangelization Evang. & Catholic Formation-Youth, Ranch & Camps Rural Youth Outreach Programs Urban Youth Outreach Programs Urban Youth Outreach Capital Needs Digital Resource Center Propagation of the Faith Native American Evangelization Fund Other	12,051	52,775	1,079,001	826,864	62,503	12,944	4,829	100	5,043	6,490	163,644	39,250
<b>EDUCATION</b> <i>An essential component of the church’s ministry is the education of the next generation of disciples, as well as the continuing formation of all its members.</i> Permanent Diaconate Office and Program Vocations Archdiocesan Education Office Perpetual Wings Program Children’s Catechesis Marriage and Family Life Office of Protection and Care Leaven Newspaper Communications School of Faith – Grant High School Tuition Assistance Catholic Education Foundation Bishop Ward Operations Assistance Seminarians Continuing Education for Priests Ward H.S. Capital Improvements Donnelly College Scholarships Donnelly College Capital Needs Elizabeth Ann Seton Tuition Assistance Other	7,089	4,400	38,573	17,581	366,786	367,503	17,049	15,568	5,210	9,487	47,041	36,829
<b>OUTREACH: Serving Those in Need</b> <i>The church is called to make the love of Jesus real and tangible in the world today, especially to the poor, the vulnerable and those on the periphery.</i> Archdiocesan Tribunal Social Justice My House Initiative Pro Life Catholic Charities of Northeast Kansas Villa St. Francis-Geriatrie Assistance ECHO – Kansas City El Centro-Topeka Other	2,517	7,450	13,605	11,985	25,477	200	12,650		340,000	120,000	145,907	104,264
<b>STEWARDSHIP</b> <i>Catholic spirituality begins with profound gratitude resulting from the realization that everything, including life itself, is God’s gift. Thus, the question for every Christian is: What is God calling me to do with all that he has entrusted to me?</i> Campaign Distributions and Bad Debt Stewardship/Development School/Parish Emergency Fund Urban Core Operations Support Urban Core Capital Support Priest Retirement Fund Finance Human Resources Other Property Expenses Accounting Financial and Controls Auditor Archives Real Estate/Construction Mission Strategy Cor Christi Grants and fees Depreciation of physical assets Other	5,498,671	5,816,984	40,000	41,600	562,899	500,000	1,534,007	19,458	8,061,800	7,677,824	12,999,842	12,367,607
<b>ARCHDIOCESAN ADMINISTRATION AND INSURANCE</b> General Expenses of the Archdiocese USCCB, KS Catholic Conference & Legal Chancery Archbishop Emeritus Office and Home Archbishop Office and Home Administrative Services (Chancellor/VG, IT, etc) Property and Liability Insurance Claims Health and Dental Claims and Bad Debt Other	30,000	292,045	137,533	325,725	41,596	29,534	217,295	652,479	12,903	16,791	325,000	350,298
<b>NET</b>	\$13,398,841	\$15,536,652	\$(139,665)	\$(924,607)	\$(290,034)	792,996	\$1,960,886	\$1,243,719	\$1,548,250	\$1,161,321	\$2,613,065	23%

## ARCHDIOCESE OF KANSAS CITY IN KANSAS REVENUE ACTUAL 2019 vs 2020



## ARCHDIOCESE OF KANSAS CITY IN KANSAS EXPENSES ACTUAL 2019 vs 2020



## ARCHDIOCESE OF KANSAS CITY IN KANSAS HELP FOR THE NEEDY & DISASTER RELIEF

	2019	2020
<b>National Collections:</b>	\$676,565	\$676,565
Propagation of Faith (Includes World Mission Sunday)	\$111,830	\$111,830
Retirement Fund for Religious	\$28,127	\$28,127
Catholic Home Mission Appeal	\$45,320	\$45,320
Catholic University of America	\$44,107	\$44,107
Military Archdiocese	\$42,612	\$42,612
Church in Latin America	\$48,303	\$48,303
Black and Indian Missions	\$50,364	\$50,364
American Bishops’ Overseas Appeal (CRS)	\$30,036	\$30,036
Operation Rice Bowl	\$56,429	\$56,429
Holy Land	\$48,888	\$48,888
Peter’s Pence (Collection for the Holy Father)	\$55,284	\$55,284
Aid to Church in Central and Eastern Europe	\$39,647	\$39,647
Catholic Campaign for Human Development (CCHD)	\$19,811	\$19,811
Catholic Communication Campaign (CCC)	\$1,295,324	\$1,295,324
<b>Special Emergency Collections:</b>	\$56,029	\$56,029
Disasters USCCB	\$1,351,353	\$1,351,353
<b>Outreach by Archdiocesan Entities:</b>	\$22,730,870	\$22,730,870
Program Services Provided by Catholic Charities of NE Kansas	\$2,560,837	\$2,560,837
Tuition Assistance Provided by Catholic Education Foundation	\$1,439,751	\$1,439,751



These priests have credible accusations but had not been tried and convicted in a court of law as the legal process is still pending.  
The Code of Canon Law section 384 requires the diocesan bishop to provide for the priest’s financial support and social assistance, including daily living expenses, health insurance and retirement. Normally, that is facilitated through the parish via Canon 222.1 where the Christian faithful are obliged to provide for the decent support of its ministers, however, in the case where a diocesan priest is not assigned to a parish, the responsibility falls back to his bishop. In the cases of these priests, the amounts also include mental health counseling.  
Additionally, the archdiocese conducts criminal background checks on each person undergoing this training.  
Compliance with this program is checked by the archdiocesan internal auditor on a rotational basis as well as United States Conference of Catholic Bishops auditors on an annual basis.  
This office also provides for an investigator. For additional information please go to: <https://www.archkck.org/parish-school/current/virtus-protecting-gods-children/>  
**Legal Fees** \$437,914 \$227,997  
2019 Legal fees include \$298,000 for independent review of all current and historical priest personnel records.

**NOTES**  
1 Addition of Support Service Charge for use of Finance, Accounting and Human Resources, increase in immigration costs and miscellaneous costs in support of priests.  
2 Increase due to 2019 Enflame Convocation and other Enflame initiatives funded by the One Faith Campaign and parish support.  
3 The Digital Resource Center ceased operations at the end of the 2018 fiscal year.  
4 In fiscal year 2019 funds were spent on capital improvements funded by a donor advised fund distribution.  
5 Added a Director position to lead the Office of Protection and Care (formerly known as Safe Environment).  
6 Decrease in seminar costs due to fewer seminars than budgeted plus a decrease in priest continuing education due to pandemic.  
7 Re-assignment of contribution from scholarships to capital.  
8 Significant drop in Christmas Collection from parishes for Catholic Charities.  
9 Timing issue of twice yearly contributions. Received 3 in fiscal year 2019 and 1 in fiscal year 2020.  
10 Fiscal year 2019 had a gift of land to St. Paul parish.  
11 Fiscal year 2019 had an extensive review of priest personnel files by an independent legal firm.  
12 Increase in property and liability claims.  
13 Decrease in claims cost. Fiscal year 2019 was abnormally high and fiscal 2020 abnormally low due to pandemic.