

ROOTED  
IN FAITH  
EMBRACING  
OUR FUTURE

# Introduction

## The Diocese of San Jose

Pope John Paul II established the Diocese of San Jose on January 27, 1981. The Diocese of San Jose is coterminous with the boundaries of Santa Clara County and includes 15 cities/townships identified as Silicon Valley—a world-renowned center of computer technology and innovation. Over the years, orchards have given way to industrial parks, and crops of technology firms have replaced the fruit. As Northern California’s most populous county, we are blessed with economic, cultural and ethnic diversity.

Today, the Diocese serves more than 600,000 Catholics, a number anticipated to exceed 800,000 by 2020. For 25 years the Diocese of San Jose has ministered to the needs of God’s people through its 52 parishes, ministries, and social service agencies.

## The Growing Need

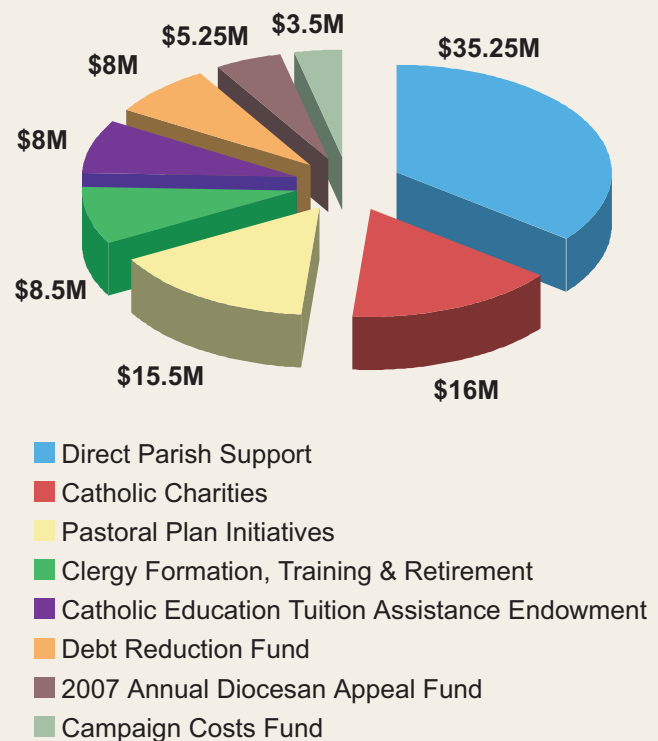
Rising tuition costs place increased burdens on many parents who desire a Catholic school education for their children. Catholic Charities must address a burgeoning need for its services. Our Cathedral and parishes face repairs and renovations. New parishes must be constructed, seminarians must be educated, priest retirement must be provided, and deacons and lay leaders must be educated and formed. It is imperative that new sources of funding be found.

In 2004, Bishop Patrick J. McGrath, after much prayer and consultation, made the decision to embark upon an historic campaign to help ensure that the Catholic Church of Santa Clara County will continue to flourish in the new millennium. This \$100 million capital and endowment campaign entitled *Rooted In Faith—Embracing Our Future* will enable the Church to continue to serve its people. See chart for allocation of funds.

## The Catholic Foundation of Santa Clara County

The Catholic Foundation of Santa Clara County was founded as a 501(c)3 Not-for-Profit Foundation and charged with the management, investment, and distribution of endowment monies placed in its care. The Foundation will ensure that campaign monies receive the highest professional management and fiscal accountability.

From the campaign, more than \$56.5 million will be used to build endowments. Endowment monies differ from “Funds” in that they are invested and only the interest income is used in support of the vital ministries and projects. “Funds,” while they may yield interest income in the short term, are intended to be used in their entirety. The Foundation holds an array of individual endowments which are managed and invested together. Since endowments are maintained “in perpetuity,” a gift to an endowment is truly a gift that continues to give forever.



## Catholic Education Tuition Assistance Endowment: \$8 million

Now more than ever, Catholic schools serve as an integral partner with parents in the formation of their children into young adults. Catholic schools have been long proven as an effective form of passing along our Catholic faith. Unmatched academic excellence, coupled with discipline and values, make Catholic schools a unique treasure for the Church, as well as a force for good in today's society.

Catholic schools in our Diocese educate 17,000 students in 31 elementary and six secondary schools. Operating costs have increased dramatically in recent years making tuition increases an annual necessity. As a direct result, many families find it harder to meet spiraling tuition costs.

In the 2005-06 school year, 1,441 Catholic school students applied for tuition assistance. The Diocese was able to provide assistance to only 609 families—42 percent of those seeking aid. In the aid provided, the grants funded less than 43 percent of the tuition needs. Increasing our scholarship endowment by \$8,000,000 would more than double the size of the current endowment, allowing us to increase grant levels as well as be able to assist approximately 80 percent of those who currently seek aid.



## Pastoral Plan Initiatives: \$15.5 million

### **Institute for Leadership in Ministry Endowment (ILM) (\$4 Million)**

The Institute for Leadership in Ministry (ILM) is the primary vehicle for training lay leaders to serve in parishes. The ILM was formed in 1997 and provides an intense three-year program of theology, scripture study, and pastoral practice. The courses are presented in both English and Spanish. 93 percent of our parishes benefit from current or former ILM students.

### **Pastoral Ministry Training and Formation Endowment (\$3 Million)**

On any given Sunday, 100,000 Catholics attend Mass at one of our parishes or mission sites. The Eucharist, sacraments, adult faith formation classes and our service to the poor are at the heart of our ministry. The adult faith formation programs, the Small Christian Communities prayer and study groups, SpiritSite and the JustFaith program are enhanced through this endowment.

### **Youth Ministry Staff Recruitment & Training Endowment (\$3 Million)**

The Office of Pastoral Ministry is another important vehicle for training lay ministers for our parishes. This Office provides quality preparation for Coordinators and Directors of Religious Education, Directors of Liturgy and Youth Ministry Coordinators. More than 18,000 children are enrolled in our religious education programs each year and more than 1,800 volunteer teachers receive training. Programs such as Faith Beyond 2000 and Poco a Poco are sponsored by this office.



### **Young Adult Ministry Program Endowment (\$3 Million)**

We must attract and engage young adults in the life and leadership of the Church. We are always one generation away from losing our influence in the culture if we do not engage the next generation of leaders: our young adults. It is vital that the Church place significant emphasis on the educational and spiritual formation of young adults. An endowment will provide funding for new ministries and programs that will engage this generation.

### **Social Justice Education Endowment (\$2.5 Million)**

The Catholic Church in Santa Clara County must help all Catholics to embody and uphold social justice teaching in areas such as the dignity of human life, housing, immigration, and labor. This endowment will support educational efforts through the Office of Evangelization, Justice, and Peace to inspire lay leadership to act on their faith and our Gospel call to discipleship.

## Direct Parish Support: \$35.25 million



Parishes are the center of Catholic community and sacramental life for individuals and families. Through parish ministries, we worship God together, enjoy fellowship, form our children and adults in the faith, and provide for those in need. The primary objective of the campaign will be to strengthen parishes in unison with the diocesan effort.

### **New Parish Acquisition and Construction Fund (\$16 Million)**

The Diocesan Pastoral Plan recognizes the need for three to six new parishes over the next 20 years. The purpose of this fund is to provide the monies for the acquisition of land as well as to lend each new parish approximately 50 percent of the cost for new facilities. As each new parish repays the facilities construction loan to the Diocese, the monies will replenish much of the fund and subsequently provide necessary funding to begin a new parish in another part of the diocese.

### **Cathedral Basilica of Saint Joseph Endowment (\$5 Million)**

In 2003, the Cathedral Basilica Parish celebrated 200 years of service to our faith and community. In addition to its local parish functions, the Cathedral hosts hundreds of diocesan celebrations and events such as ordinations, confirmations, special Masses, youth events and ceremonies. This endowment will help preserve and maintain this historic Church by focusing on completing capital projects as well as addressing immediate maintenance issues.

### **Parish Refurbishment and Repair Endowment (\$4 Million)**

As our parishes continue to age, many have a growing need for refurbishment and repair. Often, significant monies must be borrowed to complete these projects. The endowment will provide new monies allowing the parishes to apply for grants to address local needs.

### **Parish Outreach Endowment (\$3 Million)**

As a people of God we are called to minister to those in greatest need. Each parish serves the community in a unique way. Many feed the hungry, some help people find employment, and others minister to immigrant populations. Together we must strengthen these ministries by providing an endowment that will fund grants to parishes that address the many pressing needs of their people.

### **Parish Stewardship Endowment (\$2.5 Million)**

Through enhanced stewardship efforts, our parishes and diocese will grow more fiscally sound thereby allowing us greater ability to respond to needs more rapidly. This endowment will fund new programs and provide training to existing staff.

### **Parish Sharing Fund (\$4.75 Million)**

Each parish will raise funds for its own specific needs. These needs may include building expansion, repairs and renovations, debt reduction, endowments, or a base of funding for parish ministries. Parishes will receive approximately \$5 million collectively to address local needs and will also receive 50 percent of monies raised in excess of their assigned goal.



## 2007 Annual Diocesan Appeal Fund: \$5.25 million

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The Annual Diocesan Appeal funds the work of the Church beyond the parishes themselves by providing support for centralized parish services, for clergy and seminarians, and for catechetical ministry training and faith formation. The ADA is the annual invitation to persons throughout the Diocese to participate in the work of their local Church and in a community of faith that extends beyond the boundaries of any one parish.

The 2007 ADA is being included within the Endowment and Capital Campaign. The first \$5.25 million of undesignated monies collected will be directed to fund the 2007 ADA needs and sustain those ministries that rely on funding generated by the annual appeal. In February 2008, the annual Diocesan Appeal will again be inducted as a stand-alone appeal.



## Catholic Charities: \$16 million

Catholic Charities is the social ministry arm of our Diocese. The primary mission of Catholic Charities is to serve and advocate for poor and vulnerable residents of Santa Clara County. Four major groups of clients include older adults, at-risk youth and their families, people struggling with mental illness and/or substance abuse, and newly-arrived refugees and immigrants. As government funding fluctuates with the economy, the reliability of services is placed in jeopardy each year. To sustain many effective programs, Catholic Charities relies heavily on unrestricted gifts from individual donors.



### **Catholic Charities Endowment (\$10 Million)**

Recognizing the importance and the value of Catholic Charities' work and ministries, it is critical to set funds aside to assure the continuation of our efforts in the years

ahead. The campaign will establish an endowment to allow Catholic Charities to continue to conduct its work efficiently and effectively. This endowment would provide approximately 25 percent of the annual unrestricted monies necessary to sustain many vital programs.

### **Neighborhood Centers Capital Fund (\$3 Million)**

Neighborhood Centers allow residents to access services for whole families close to their homes. Monies provided by the capital campaign will provide great assistance to the following Centers. The East Side Neighborhood Center would receive \$2.5 million to more effectively provide services in the East San Jose/Mayfair region. The Center primarily serves seniors in the areas of social services, wellness, socialization, immigration and nutrition. John XXIII Multi-Service Center would receive \$500,000 to provide upgrades to the center. Each year, more than 2,800 low-income seniors come for a wide array of health, educational and social services.

### **Program Development Fund (\$3 Million)**

Building greater client self-sufficiency and promoting wellness is vital to creating a stronger community. Monies from the campaign will allow us to offer comprehensive seamless access to services to the working poor, immigrants and refugees, seniors, and youth at our centers as well as throughout the community.



## Clergy Formation, Training & Retirement: \$8.5 million

### A Call to Minister. . .to Them

We pray for vocations, and as we look toward the future, we face several challenges with regard to our priests and deacons. First, we must ensure the continued recruitment and education of new priests to administer the sacraments in the face of increasing clergy shortages. Second, we must supplement the ministry of priests with a vibrant diaconate program. Finally, we must provide care for a growing number of priests in their retirement years.

#### **Seminarian Endowment (\$3 Million)**

Over the 25-year history of our Diocese, we have ordained 46 diocesan priests. Presently, we have 21 seminarians studying for our diocese. The financial cost for the diocese to prepare young men for the priesthood



is approximately \$27,000 per year for each seminarian. The campaign will allow us to establish an endowment to better ensure that financial impediments will not hinder young men from responding to the Lord's call.

#### **Diaconate Training Endowment (\$1.5 Million)**

Permanent deacons baptize, preach, and preside at weddings and funerals, as well as participate in a wide-array of ministries and services to their parishioners and the poor in their communities.

Their ministry becomes ever more important in the face of the growing priest shortage. The campaign will create an endowment providing monies to pay for the education and training necessary to equip a deacon for ministry.



#### **Clergy Retirement Endowment (\$4 Million)**

A growing number of priests in the Diocese of San Jose are beginning to reach retirement age. There are currently 24 priests who are older than 75, and 27 additional priests who are between 65 and 74. Most retired priests continue to work in some capacity long after 'official' retirement. We must ensure that, after a lifetime of devotion and service, they are taken care of in their retirement years.

## Debt Reduction Fund: \$8 million

In 1999, the diocese issued \$19.4 million of bonds to construct a diocesan elementary school and to perform seismic upgrades at many of our parishes and schools. Annually, the Diocese is required to pay \$2 million in principal and interest. An \$8 million reduction in the principal balance of that bond will reduce the annual

debt service by nearly \$1 million. This reduction, along with modest adjustments in the interest rates through refinancing of the bond debt, will significantly reduce the debt obligation of the Diocese and enable the Diocese to be more flexible on the terms and conditions of loans to parishes and schools.

## How You Can Help: Support Rooted in Faith—Embracing Our Future

**“Honor the Lord with your wealth, with first fruits of all your produce; then will your barns be filled with grain, with new wine your vats will overflow.”**

—Proverbs 3:9-10

At this important moment of our history, let us keep in mind the many blessings the Lord has given us. Recognizing that all of our material goods are gifts from the Lord, we are asked in the Gospel to give back a portion of these gifts in thanksgiving for God’s generosity and goodness to us. Your gift to this campaign is an opportunity to leave a legacy for generations to come. Scripture tells us that Christian stewardship goes beyond our giving from our surplus. Stewardship requires a gift made from substance.

*Rooted in Faith—Embracing Our Future* seeks significant three to five year pledges from donors in all of our parishes. Gifts can be accepted in a variety of forms, with an emphasis on those that can be used immediately. All gifts are tax deductible to the fullest extent allowed by law.

### Sample Gift Plan (over 5-year period)

Five year pledges are recommended, and all gifts are tax deductible as allowed by law. In addition, donors are asked to consider the tax benefits that may be gained from gifts of appreciated securities.

Total Gift	10% Initial Payment (at time of gift)	Annual Payment (of the balance)	Quarterly Payments (of the balance)	Monthly Payments (of the balance)	Daily Sacrifice
\$100,000	\$10,000	\$18,000	\$4,500	\$1,500	\$50
\$75,000	\$7,500	\$13,500	\$3,375	\$1,125	\$37.50
\$50,000	\$5,000	\$9,000	\$2,250	\$750	\$25
\$25,000	\$2,500	\$4,500	\$1,125	\$375	\$12.50

### Pledges

Pledges payable over three to five years allow donors to consider more substantial commitments than are possible with one-time cash gifts. Donors who pledge may determine payment schedules to meet their own charitable or tax needs. Payments can be made by check, credit card (Visa, MasterCard, American Express), electronic funds transfer (EFT) or gifts of securities.

### Securities

Gifts of stock to the *Rooted in Faith—Embracing Our Future* campaign can be a source of significant tax benefit to the donor by eliminating capital gains taxes. The Diocese of San Jose will sell a gift of stock and the value of the gift will be determined at the time of transfer.

### Matching Gifts

If your company has a matching gift program, you may be able to enhance the impact of your gift by requesting a matching gift form from your company and including it with your pledge card.

**“A pure and generous love is the best witness to the God in whom we believe.”**

—Pope Benedict XVI, from his first encyclical “God is Love”



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