**Mater Dolorosa Passionist Retreat Center  
Meeting of the Board of Directors  
October 3, 2018**

**Retreat Director’s Monitoring Report**

**Introduction**

**I certify that the following information is true and correct as of 28 September, 2018.**

This is our sixth Board meeting since the retreat center instituted the Policy Governance Model for the governance of the retreat center. According to this new model, the Retreat Director’s monitoring report to the Board is to be based on a selection of the policies that have been designed to govern the retreat center. Therefore, this report will be formed around the following selected Executive Limitations policies, all the Ends, Governance Process and Board-CEO Linkage policies:

**ENDS POLICIES**

**EL 1: Global Executive Constraint**

**EL 2: Relationships with the Archdiocese of Los Angeles and Holy Cross Province**

**EL 3: Public Relations**

**EL 7: Financial Planning/Budgeting  
EL 8: Financial Conditions and Activities  
EL 10: Fund Raising and Development Policy**

**EL 11: Communication and Support to the Board**

**ENDS POLICIES**

***ENDS.1: Umbrella Policy***

***Mater Dolorosa Passionist Retreat Center, founded in the Catholic tradition, exists for people to encounter the peace and love of Christ, as reflected in His Passion, and experience a spiritual transformation in a naturally beautiful and sacred space, at a cost enabling access for all.***

CEO Interpretation:

I interpret this to mean that the Charism must be the source of our spirituality and ministry.

CEO Response:  
We believe that we are fulfilling this umbrella policy by preaching the weekend Passionist retreats out of the Charism of the Passionist Community. This charism lies at the heart of the spiritual lives of all four of the presenters on the weekend retreat. This charism can be summed up with the phrase attributed to the Passionist Founder, St. Paul of the Cross, “May the passion of Jesus Christ be always in our hearts.” The love God has for all his creation has been revealed most vividly in Christ’s acceptance of his suffering and death. As a retreatant hears of that great love and probes through meditation and prayer the overwhelming love the passion and death of Christ reveals, the retreatant can become free to allow God to transform his or her life.

**We report that the Retreat Center is in compliance with these policies**

***ENDS.1a: People Seeking Spiritual Transformation***

***The retreat center strives to serve all people seeking spiritual transformation. Those served include (a) participants in a Passionist-preached, Passionist-sponsored or hosted program, (b) other friends of Mater Dolorosa who volunteer or donate their services to the Retreat Center, and (c) visitors.***

CEO Interpretation:  
I interpret this to mean that the Retreat Center will be welcoming to everyone who approaches the place and the ministry.

CEO Response:  
The retreat center is open to welcoming all who seek spiritual transformation no matter their creed, nationality, social class or gender identification. There is a wide variety of programs and groups who come regularly to Mater Dolorosa. These groups include Roman Catholic men and women, elementary and high school students from a variety of Catholic and public schools, school faculties, Catholic and non-Catholic seminaries, parish staffs from a variety of Christian churches, Protestant retreat groups and many individuals who come for spiritual guidance, peaceful reflection, the sacrament of reconciliation, and occasional counseling and/or spiritual direction.

**We report that the Retreat Center is in compliance with these policies**

***ENDS.1b: Responsive to the Signs of the Times***

***Retreat center programming will be responsive to the signs of the times as evidenced by cycles of continuous growth and renewal. The retreat center’s primary ministry is Passionist-preached retreats. Additional ministries include Passionist-sponsored groups, special programs, ministries serving youth and adults, Hispanic retreat ministry, and hosted groups in keeping with Mater Dolorosa Passionist Retreat Center’s Mission Statement.***

CEO Interpretation:  
I interpret this to mean that the retreat center ministry will be responsive to the authentic human and spiritual needs of the people in our society.

CEO Response:  
Since our current retreat season began in September 2018, we have conducted three men’s retreats. Although it is early in the season, we can report that our numbers for the men’s retreats at around the same level as last year. On the first three men’s retreats we have had 203 retreatants (204 last year) for an average of 68 retreatants per retreat, year to date. This is obviously very early in the season, so we don’t expect these lower levels of attendance to continue.   
The retreat team spent some time preparing for a potential reduction or fall-out in attendance due to the recently revived Church scandal and its impact in the parishes. While there has been some discussion of the issue, it has not become a major topic on the retreats yet and does not appear to have had a huge impact on attendance at this point in the season.

We have introduced the concept of a one-year retreat starting with the programs this year. This consists of a weekly “Spiritual Break” reflection which is written by various members of the retreat team and published electronically to retreatants beginning one week after they return from their weekend retreat. We are using email drip marketing tools, the Mater Dolorosa web site and a new external web site ([www.spiritualbreak.com](http://www.spiritualbreak.com)) as the delivery vehicles. This is being promoted to all retreatants and others visiting MD currently.

We have also changed our communication tools to provide more timely updates for Captains and Co-Captains in the parishes to help them with their recruitment and promotion efforts. This is an ongoing activity to try and ensure we try and optimize attendance of the Passionist Retreat weekends.

Since the June 2018 Monitoring Report in addition to these weekend retreats we have hosted programs sponsored by LA Archdiocese Dept. of Catholic Schools, Firemark, LA Archdiocese Victims Assistance Ministry, International Life Services, Notre Dame High School, Central City Value High School, Brs of Missionaries of Charity, St. Joseph School, Incarnation Parish School, Vistage, Diocese of Orange, Fuller Seminary, Mayfield Jr. School, Loyola High School, Immaculate Heart Middle School, Crespi Carmelite High School and Rancho San Antonio. Four of these retreats were seniors Kairos retreats. The Fr. Michael Fish retreat was very successful with 114 attendees and a spiritual delight to attend. Fr. Michael will add an evening at the amphitheater event to his retreat program for next year. We will provide an evening picnic lunch as part of the program.   
There have been 1,498 individuals on hosted retreats or other programs during the period July-September 2018.

Occupancy rates illustrate the number of hosted days available in a specific month. versus those booked and billed. For example, 100% occupancy would be 25 days filled and 25 days available. The following table illustrates the results for the first quarter 2018-19 for Hosted programs.

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| Month |  | Days available |  | Days Booked |  |
| July |  | 24 |  | 10 |  |
| August |  | 25 |  | 25 |  |
| September |  | 22 |  | 21 |  |

*Hosted Programs Occupancy July-September 2018*

There has been a total of 47 hosted events during the period.

Our revenue for this first period for hosted programs is in line with revenue for the first three months of the prior financial year.

**We report that the Retreat Center is in compliance with these policies**

***ENDS.1c: Appropriate Environment***

***The retreat center’s environment shall be imbued with the Passionist charism and hospitality, naturally beautiful, and offered as a peaceful place of reflection and prayer. The chapel shall be maintained in accordance with Roman Catholic requirements for a place of worship.***

CEO Interpretation:  
I interpret this to mean that the retreat center will be maintained well with a focus on Roman Catholic traditions.

CEO Response:  
The retreat center works to maintain its sacred environment by keeping the grounds clean and trimmed, placing religious art throughout the facility, encouraging an atmosphere of quiet and reflection, and welcoming all guests with warm hospitality. The retreat center chapel is used solely for Roman Catholic worship although everyone is welcome to pray and meditate personally there.

In order to keep our environment “appropriate” we have completed the following projects: three new benches in the Stations Garden as a part of an Eagle Scout project; renewed the Cactus garden and installed a statue; moved the Garden of Gethsemane statues to new positions; completed some brush clearance; repaired the road in front of the Blessed Sacrament; obtained quotes and plans for a significant upgrade in the refrigerator room in the kitchen; installed several new computers; upgraded the Internet performance considerably and reduced associated costs therein. In September we hosted Archdiocesan fingerprinting and Virtus training for all staff and volunteers. These projects were completed between July 1 and September 28th, 2018.

**We report that the Retreat Center is in compliance with these policies**

***ENDS.1d: Costs of Passionist Programming***

## *Costs of Passionist programming will be offered at a level that sustains the retreat center and yet is available to all retreatants, regardless of ability to pay. At least 55 percent of retreat center resources shall be allocated toward Passionist programming.*

CEO Interpretation:  
I interpret this to mean that the management will prudently keep the costs and programming at a reasonable level with an emphasis on retreat ministry.

CEO Response:  
  
Each year the Finance Committee does an analysis of the per-person costs for the retreat center and recommends changes to the suggested offering for the weekend retreat and/or the fees for our mid-week programs. Their good work helps the management set costs at a reasonable rate for all who come to the retreat center.

Given that thirty weekends of the year are taken by the Passionist retreats and another seven weekends are Passionist sponsored AA programs, and there are thirty Kairos retreats during the mid-weeks along with other retreat programs for high schools and elementary schools, all of which are in line with the Passionist charism, well over 55 percent of retreat center resources are allocated for programs expressing the Passionist charism.

**We report that the Retreat Center is in compliance with these policies**

**EL 2: Relationships with the Congregation of the Passion, Holy Cross Province and the Archdiocese of Los Angeles**

At this moment the Retreat Center’s identity and character as a Passionist Retreat Center is strong and has never been challenged or criticized. We teach in full accord with the Roman Catholic Church, the spirituality of St. Paul of the Cross and are consistent in preaching the Passion of Jesus Christ.

Our mission is in full accord with Holy Cross Province as described in our Articles of Incorporation, the Bylaws, and all applicable laws.

There are currently five Passionist Religious, one brother and four priests, living and ministering in the Retreat Center.

We also have an excellent relationship with the Archdiocese of Los Angeles and the local parishes we serve. We are reviewed each year by the leadership of Holy Cross Province and are regularly affirmed in our fidelity to our mission. We also keep the Chairman of the Board of Directors fully informed of any important concerns.

**We report that the Retreat Center is in compliance with this policy.**

**EL 3: Public Relations**

The public reputation of the retreat center is for the most part very positive. The lone exception to this is our effort to develop the twenty acres that are the entrance to the retreat center property. There is a small but very strong and vocal group in the city of Sierra Madre that fiercely opposes any development of that property. Thus far, the City Council is sympathetic and responsive to the concerns of this small group and has developed city ordinances and policies that make most efforts at development very difficult. We continue our efforts at development but are moving very slowly at this time.

Our public reputation in the Archdiocese, the Dioceses of Orange, San Bernardino and San Diego is very fine. Our reputation with retreatants and guests to Mater Dolorosa is very strong as indicated by the weekend retreat evaluations and our Facebook ratings.

**We report that the Retreat Center is in compliance with this policy.**

***EL.7: Financial Planning/Budgeting***

***Financial planning for any fiscal year or the remaining part of any fiscal year shall not deviate materially from the board’s ENDS policies, risk fiscal jeopardy, or fail to be derived from a multi-year plan.***

***Accordingly, the CEO shall not allow budgeting which:***

***a)      fails to include a credible projection of revenues and expenses; separation of capital, restricted, and operational items; cash flow; and disclosure of planning assumptions;***

***b)      plans the expenditure in any fiscal year of more funds than are reasonably projected to be received in or set aside for that period;***

***c)       provides less for board prerogatives during the fiscal year than is set forth in the Cost of Governance policy;***

***d)      fails to provide for a contingency fund of at least 5% of budgeted revenues.***

CEO Interpretation:

I interpret this policy as directing budget preparation to reflect the detailed requirements (a-d) included in the policy.

CEO Response:

Fiscal year end 2018 preliminary financials were submitted and reviewed by the Finance Committee. We are substantially in compliance with the budget standards (a-d) set forth in the policy and with the introductory statement regarding Ends Policies, risk and multi-year planning.

***EL.8: Financial Conditions and Activities***

***With respect to the actual, ongoing financial condition and activities, the CEO shall not cause or allow the development of fiscal jeopardy or a material deviation of actual expenditures from the budget.***

***Accordingly, the CEO shall not:***

***a)  expend more funds than have been received in the fiscal year to date unless board authorized guidelines are met;***

***b)  use any long-term reserves for current operations, special projects or debt retirement without obtaining prior board approval;***

***c)  acquire, encumber or dispose of real property without prior authorization of the board;***

***d)  dispose of religious art or icons without prior authorization of the board;***

***e)  use any restricted funds for any other purpose than that designated by the donor(s);***

***f)  fail to provide for the Board of Directors an annual external Audited Financial Statement by a board approved CPA firm;***

***g)  fail to provide appropriate internal financial controls.***

CEO Interpretation

I interpret this policy to direct and specify the standards (a-g) to be maintained in the financial management of the retreat center.

CEO Response:

I report that we are in compliance with this Executive Limitation Policy as follows:

a) We have not expended more funds than have been received in the fiscal year to date.

- At the end of Quarter 3, we had $1,899,000 in revenues and $1,693,000 in expenses, which is a difference of $206,000. Year-end 2018 accounts are in the process of being reconciled.

b) We have not used any long-term reserves for current operations, special projects or debt retirement without obtaining prior board approval;

c) We have not acquired, encumbered or disposed of real property.

d) We have not disposed of religious art or icons.

e) We have not used any restricted funds for any other purpose than that designated by the donor(s).

f)  We have not failed to provide for the Board of Directors an annual external Audited Financial Statement by a board approved CPA firm.

g) We have maintained all appropriate internal financial controls in the work of the retreat center.

***EL 10: Fund Raising and Development Policy***

***With respect to the acquisition and allocation of funds received through fund raising activities or the development program, the CEO shall not cause or allow conditions, actions, procedures, or decisions that are imprudent, illegal, or violate professional standards, ethical values or relevant stewardship responsibilities.***

***In addition, the CEO shall not fail to:***

1. ***develop a fund raising and development program for the retreat center’s current and capital needs;***
2. ***achieve or exceed the fund raising and development goals, as established in the current year's operational and capital budget and in the retreat center’s long-term fund raising and development plan.***

CEO Interpretation:

This policy directs the CEO to be a good and careful steward of the resources of the retreat center and to oversee ongoing efforts to develop sufficient financial resources to assure the continuance of the mission of the retreat center.

CEO Response:

2018 Harvest on the Hill - Saturday, October 20, 2018

The 2018 auction co-chairs, Kate Kenney and Jennifer Gowen, along with the auction committee are hard at work planning “Fiesta on the Hill”, our 15th Annual Harvest on the Hill. New this year will be mobile bidding and an online auction. This new service is expected to expedite bidding and checkout. In all case it has been known to increase bidding competition and increased revenue. The online auction function is a means to include friends and retreatants who are unable to attend Harvest on the Hill but would like to bid on items.

Stewardship Events

Sunday, August 5, 2018 – All Donor Mass and Luncheon. The location of this event was changed to the Chapel with lunch in Possenti Hall. This was done because of lack of shading in the usual lunch area at the top of the hill above the amphitheater. There were 125 retreatants and friends in attendance.

2019 Golf Tournament

It is the goal of the management team to find a golf chair that is active in procurement of event sponsors, underwriters and golfers. Referrals from board members and retreatants are requested and will be considered.

National Catholic Development Conference (NCDC) – Regional Workshop

Mater Dolorosa is hosting an NCDC regional workshop on Friday, October 26, 2018 from 8:30 – 1:30. Mater Dolorosa hosts two workshops per year as an opportunity to promote the retreat center to Catholic schools and parishes in the Los Angeles and surrounding areas. The topic for this workshop is “Moving From Understanding Trends to Direction Setting”. The presenters are Sr. Georgette Lehmuth, OSF who is the President and CEO of NCDC and Jack Doyle, President of Amergent and an NCDC Corporate Partner. Board members are invited to attend this half-day workshop. The fee is $60 for members and $75 for non-members of NCDC.

About NCDC: The National Catholic Development Conference is the United States’ largest membership association of charitable religious fundraisers. Our nonprofit membership consists of religious communities of men and women, shrines, social service agencies, schools, parishes, dioceses, seminaries and international relief agencies. Corporate partnership is available to businesses wishing to promote the interests and purposes of the Conference.

**We report that the Retreat Center is in compliance with these policies**

**EL 11: Communication and Support to the Board**

As far as I know, the Board of Directors is currently fully informed about the activities of the Retreat Center. As there have been management and role changes at the Center, including myself, and at the Board level, I have attempted to stay in close contact with all in preparation for these meetings and ensure the information required will be communicated in a timely fashion in accordance with Governance Policy. To date we have not received any negative feedback that the management team has been unresponsive to the requirements of the Board. The Development Office provides fundraising events and donor events information and dates to our Board Chair for inclusion in the Board calendar of events.

**We report that the Retreat Center is in compliance with this policy.**