

**USA Council of Serra International
President's Year-End Report
May 2011**

Without a doubt, this has been a challenging year. The Serra International Board's mid-year resolution and subsequent lawsuit to dissolve and take over the assets of USAC created unanticipated and difficult challenges for the leadership of USAC, as well as for individual USA Serrans and Serra Clubs. Despite the challenges, USA Serrans and their Council continued to do what they have always done so well – work for vocations and the good of Serra. Here are a few examples.

- Formation of clubs continued at a vigorous pace. During the year, six new clubs celebrated receiving their charters and 14 clubs are currently in various stages of formation. Each of these new clubs and clubs-in-formation reflect the commitment and hard work of USA Serrans to extend the mission and ministry of Serra. These clubs also reflect the desire of local bishops to have Serra as part of the vocation efforts in their dioceses.
- The USAC Membership Committee developed two excellent workshops, Retention of Current Members and Recruitment of New Members, which are available for clubs to download at www.serraus.org.
- The College Connection for Catholics (CCC) got bigger and better. Campus ministries for over 1,300 colleges and universities are now included in the database. The number of USA Serra Clubs working on the program is expected to increase by 50% over last year. The CCC website is up and running. Anyone can now search the database directly for the campus ministry at a particular institution and can download the campus ministry packets at www.collegeconnectionforcatholics.org.
- USA clubs continued to vigorously promote national and international vocation awareness programs in their parishes, such as National Vocation Awareness Week, World Day for Consecrated Life, and World Day of Prayer for Vocations. The USA Council ensured that USA Serrans would have continued access to kits for these programs after the National Coalition for Church Vocations (NCCV) closed its doors on March 31, 2011. USAC purchased NCCV's remaining kits and acquired the copyrights so that the material could be updated and made available to clubs through the Council's catalog.
- Many regions, districts, and clubs accepted the challenge of the USAC Vocation Committee to expand their activities to invite and promote new vocations.
- The USAC Board took timely action to maintain a healthy financial position for the Council, despite a shortfall in anticipated dues income.

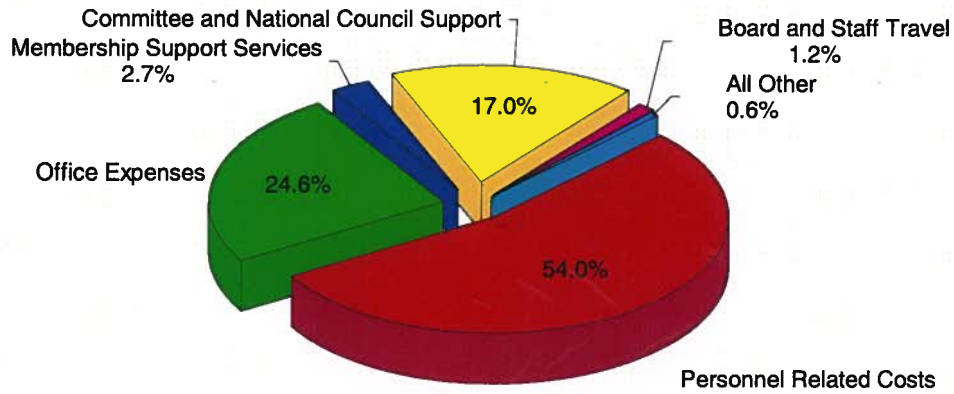
I wish that I could report that the turmoil within Serra has been resolved; but that is not the case. The SI lawsuit is still pending. A date to decide the merits of the case will probably not be set until the middle of July at the earliest. As we move into the new Fiscal Year, USA Council leadership will keep you informed on the status of the lawsuit, as well as on the Council's efforts to transform Serra through discussion and mediation into the effective, united organization it can and should be.

Thank you for the privilege of serving as your Council President and for the support, advice, and prayers so very many of you graciously provided during the past year.

Sincerely,

Joe DeLoy, Outgoing President
USA Council of Serra International

**USA Council of Serra International
Expenses for the Twelve Months Ending May 31, 2011
By Natural Account**



A	B	C	D	E	
	For the Twelve Months Ending				
	<u>2011</u>	<u>May</u>	<u>2010</u>	2011	
				Better/(Worse)	
				<u>2010</u>	
Expenses					
Personnel Related Costs	\$ 273,814	\$	290,800	\$ 16,986	5.8%
Office Expenses	124,599		111,645	(12,954)	-11.6%
Membership Support Services	13,567		22,190	8,623	38.9%
Committee and National Council Support	86,046		73,581	(12,465)	-16.9%
Board and Staff Travel	6,299		16,063	9,764	60.8%
All Other	<u>2,875</u>		<u>5,475</u>	<u>2,600</u>	<u>47.5%</u>
Total Expenses	\$ <u>507,200</u>	\$	<u>519,754</u>	<u>12,554</u>	<u>2.4%</u>

USA Council of Serra International

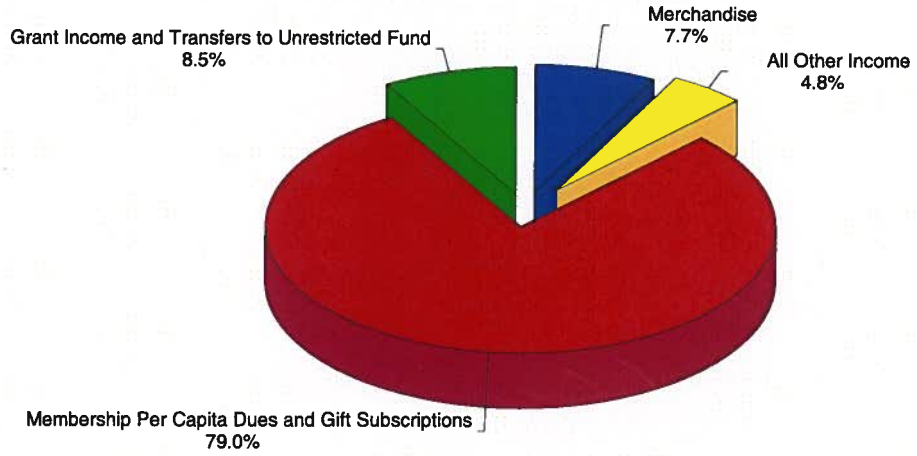
Statements of Financial Position as of May 31 Unaudited Statements

	<u>2011</u>	<u>2010</u>
Assets		
Current Assets		
Cash	\$ 91,235	\$ 128,636
Accounts Receivable	16,624	9,209
Inventories	40,981	42,037
Prepaid Expenses	4,547	5,975
Total Current Assets	\$ 153,387	\$ 185,857
Fixed Assets - Net of Depreciation	\$ 564	1,459
Total Assets	\$ 153,951	\$ 187,316
Liabilities		
Accounts Payable	\$ 1,350	\$ 8,562
Deferred Revenue	34,238	66,957
Total Liabilities	\$ 35,588	\$ 75,519
Fund Balances		
Unrestricted	\$ 11,288	\$ 16
Donor and Board Restricted Funds	107,075	111,781
Total Fund Balances	\$ 118,363	\$ 111,797
Total Liabilities and Fund Balances	\$ 153,951	\$ 187,316

Comparative Functional Statement of Revenue and Expense For the Twelve Months Ending May 31

	<u>2011</u>	<u>2010</u>
Income		
Membership Per Capita Dues and Gift Subscriptions	\$ 427,722	\$ 437,206
Grants and Transfers to the Unrestricted Fund	45,818	40,104
Merchandise	41,839	41,597
All Other Income	25,800	24,098
Total Income	\$ 541,179	\$ 543,005
Expenses		
Membership Committee	\$ 111,937	\$ 125,297
Communications Committee	113,083	134,041
Program Committee	1,142	2,628
Vocations Committee	103,209	89,236
Standing Committees	44,890	43,166
General Administration	121,875	112,320
Merchandise Costs	33,771	36,317
Total Expenses	\$ 529,907	\$ 543,005
Income Better/(Worse) than Expenses	\$ 11,272	\$ 0
Number of Clubs	316	321
Number of Serrans	10,985	11,129

**USA Council of Serra International
2010- 2011 Fiscal Year Income**



A	B		C	D	E
	For the Twelve Months Ending			2011	
	May			Over/(Under)	
	<u>2010</u>	<u>2010</u>		<u>2010</u>	
Income					
Membership Per Capita Dues and Gift Subscriptions	\$ 427,722	\$ 437,206	\$ (9,484)	-2.2%	
Grant Income and Transfers to Unrestricted Fund	45,818	40,246	5,572	13.8%	
Merchandise	41,839	41,597	242	0.6%	
All Other Income	<u>25,800</u>	<u>24,098</u>	<u>1,702</u>	<u>7.1%</u>	
Total Income	\$ <u>541,179</u>	\$ <u>543,147</u>	\$ <u>(1,968)</u>	<u>-0.4%</u>	

**USA Council of Serra International
Incoming President's Remarks
The USA Council in the Future
June 2011**

To look at the future for the USA Council (USAC) of Serra International (SI) it is good to start with the past. Since I became a Serran in 1968, and my father long before me, I feel qualified to speak a little bit about it. Like any growing entity, change in Serra is inevitable and you pray that it is for the best. In our case, we put our trust in the Holy Spirit to guide us through the complexities of change.

When I joined Serra, our club was patterned after the Rotary Club and was an elitist catholic business men's club where a limit was even placed on the number of slots available for doctors, lawyers, engineers, accountants, etc. We met every Friday for the mandatory fish lunch and primarily raised a Bishop's Burse for the Seminary. Many of the clergy at the time criticized Serra for being elitist and not getting involved enough in the vocation work trenches. Serra listened and changed completely so that today the primary qualification is to be a practicing catholic with a zeal for tending the vocation garden. In our club we long since eliminated mentioning our business affiliation and replaced it with our parish affiliation.

Another major growth issue was the elimination of the "all men's club". One of our charter members could not get over that to the day he died. Some may still feel that way but I was always for this change and look back and wonder where we would be today without all the wonderful women Serrans!

A very major change occurred before I was even first introduced to Serra - it had become International. Those of you who attended the International Convention in Omaha were treated to the first hand story of Serra taking the huge leap to go international. That presented a myriad of problems such as cultural, language and financial issues, as well as extremely large distances to overcome, that are still being struggled with today. One of the changes created to deal with these was the organization of Councils, where different countries could focus on their unique conditions and with less distance hurdles. Because it was founded in the U.S. and primarily populated with, and mainly funded by, members in the United States, SI's executive office rightly remained in this country.

In the U.S. in 1968, if you wanted to contribute to Serra outside of your District, you could either work on the Serra Foundation or on one of the Serra International (SI) Committees, and you might eventually rise to serve on the SI Board. Because of its roots and because there was no separate demarcation of U.S. Serrans, Serra International was blurred into appearing as a primarily U.S. organization. In order to sharpen the focus on Serra's roles here and internationally, Serra's National Council for the United States was created in 1994.

There were some, such as myself at the time, who felt that the Council was not needed and thought that it would just add an extra level of bureaucracy. However, after accepting in 2006 to represent Region 10 (Texas) on the USAC Board, I came to see that it was doing well the job it was created for. More Serrans are involved outside of their Districts and more leaders for Serra are being developed and identified than ever before. Serrans from all points of the compass in the United States are sharing their vocation programs and zeal, helping refine the existing manuals and structure, and presenting ideas on how to solve our national Serra problems. The staff is dedicated and works hard to service the clubs by carrying out USAC's philosophy of "Clubs up".

The ideal future for Serra is to grow in strength internationally such that some day the SI executive office might be moved to Rome. It is clear to me that the de-emphasis of the Council model brought on by the elimination of Serra's National Council for the United States would be a severe step backward in the vision of a world class organization. Since the SI Convention in Spokane, the leadership of USAC has done everything they could to express their loyalty to Serra International and to improve communications between the organizations. They have only asked for peace with justice. We are prepared again, on the same basis, to sit down with SI concerning the current situation. In the mean time, Serra's National Council for the United States plans to carry on servicing its clubs as usual.

Kurt Metyko, President Elect, 2010-2011
18th President of the USA Council of Serra International 2011-2012