Dear Friends,

We reflect on fiscal year 2016 with gratitude for all we have accomplished together and in anticipation of the next chapter in the Casa’s history. This year has been a ground-breaking one for our community. We began construction of our new church and laid the foundation for not only a building that will last at least a hundred years, but also for the life-affirming renewal of people who turn to us for spiritual growth, healing and transformation into a life filled with passionate service to others, now and for generations to come.

This year marked our 65th anniversary of serving in the Phoenix metropolitan area. We honor our Franciscan history with excitement for the future. The Casa continues to grow and evolve with the needs of people, both locally and globally.

- The world and our everyday spaces are progressively “noisy.” Almost a third more people came here this year for a private retreat in a peaceful and self-nurturing environment than in the prior year.
- Middle and high school students need a place to feel grounded. We saw an 18% increase in the number of youth group teens who connected with their peers, their faith and learned to be strong in the face of life’s challenges.
- Nearly 26,000 nonprofit members from around the world found affordable accommodations for their meetings and conferences here—a 168% increase since 2011.

The year ahead looks even brighter. Just as we begin gathering in our new church next summer, we’ll be poised to begin construction on our new Community Life Center. We all can be proud that our capital projects are debt free and our new church is designed to be certified Silver LEED (Leadership in Energy and Environmental Design).

Thank you for sharing in our commitment to make the world a better place. We truly are renewing lives for ourselves, our community and our world!

Peace and good,

Fr. Joe Schwab, OFM
Executive Director

Charles Brown
General Manager
Foundations for Spiritual Growth

As a child, Susan felt unworthy of her mother’s love; as a young woman she found comfort in alcohol and prescription drugs. When she first moved to the Valley in 2009, she was 22 years sober and looking for a supportive community.

She began attending recovery meetings here and discovered all that the Casa offered was just what she needed. And it was during the 2014 Holy Week retreat that her life was transformed.

“I had experienced surrender many times during my recovery, but nothing like I experienced that week,” she says. “Little did I know it was preparing me for what was coming.”

Six months later, Susan was diagnosed with breast cancer, and aggressive colon cancer a few months after that. Then there was the moment she stared down a drink menu.

“Throughout my treatments and surgeries, the Casa’s friars and community held me up,” she says. “And if it were not for my strong spiritual foundation, I could have thrown away all the beautiful things that come with sobriety, and….well, I probably wouldn’t be alive today.”

Foundations for Healing & Transformation

David’s wounds reached far beyond the battlefield. He struggled with the misery of Post-Traumatic Stress Disorder for twenty years. Then he decided things had to change. He shares his journey to healing:

“Four years ago when I was down so low, I had no place to go but up. As part of this process, in the beginning, I was introduced by a Casa church member to the Healing of Memories for Veterans program. This was my first experience at a retreat center. I was at a stage when I had to shut out my way of doing things and say ‘yes’ to every opportunity to which I would normally say ‘no!’ The trust and willingness came when I realized, finally, I am not struggling alone. I learned it is normal to feel the effects of war and how my story and my experience can help others not to be afraid to be ourselves again.”

This year, David trained to become a Healing of Memories facilitator. He has reclaimed his life, and with his service dog, Caleb, by his side he helps others transform their despair into hope and renewed purpose.

2016 Highlights Include:

- 97,001 Eucharist shared, including daily Mass
- 2,433 families registered with the Conventual Church of Our Lady of the Angels
- 65 children and adults confirmed into the Catholic faith
- 2,787 communion calls to the Sick and Homebound ministry
- 1,022 Spiritual Direction Sessions

The RENEWING LIVES Campaign attracted significant funding for new construction (Capital), expanded programs and operations (Sustainability), and provided opportunities for gifts to the Endowment Fund of the Franciscan Renewal Center. See financial results on the next page.
Foundations for Service to Others

Annie’s life had always been far removed from social injustices. Like many people who do not experience poverty, discrimination or oppression, she wasn’t aware of the despair around her—until she joined the Casa’s JustFaith program and discovered her passion for service.

“Until you get to know people in need, you cannot be aware of their pain and fear,” she says. “Many are mothers, fathers and children, and you realize they are real people—not statistics—and it changes you to the core.”

This transformation came through JustFaith’s teaching and a deeper understanding of how St. Francis preached the Gospel. “After completing the program, we were free to explore issues that most concerned us as individuals,” says Annie, who has been involved in many ministries, including English as a Second Language (ESL). “It helps parents communicate with their English-speaking children; it helps former professionals who cannot find even the simplest work here,” she says. “When I leave the classroom, I feel like a balloon that was filled up by the students; it’s like my feet aren’t touching the ground.”

2016 Highlights Include:

- 833 volunteer positions filled across all areas of the Casa
- 1,115 pounds of Fair Trade Coffee sold, allowing an extended family to stay in the Cafe Justo co-op and remain with their families in Mexico
- 25,829 nonprofit members found affordable accommodations to recharge and refocus for their missions
- 10,000 bottles of water (and $2,234 to buy more) provided for the homeless

Financial Summary

Through the generosity of thousands of community members, friends and foundational grants, the Casa was able to meet the needs and demands of a changing population and operate within its budget for the fiscal year ended August 31, 2016. With your support, we continued to create inspired opportunities for spiritual growth, healing and transformation, and service to others, while preparing our campus for future growth.

Fiscal 2016 revenues

<table>
<thead>
<tr>
<th>Category</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministerial services</td>
<td>$1,704,948</td>
</tr>
<tr>
<td>Liturgy and friar services</td>
<td>1,343,336</td>
</tr>
<tr>
<td>Fundraising – general sustainability and grants</td>
<td>1,142,131</td>
</tr>
<tr>
<td>Fundraising – new capital funds</td>
<td>859,445</td>
</tr>
<tr>
<td>Fundraising – restricted purposes</td>
<td>198,236</td>
</tr>
<tr>
<td>Investment income, net of fees</td>
<td>258,918</td>
</tr>
<tr>
<td>Other revenues</td>
<td>35,862</td>
</tr>
<tr>
<td><strong>TOTAL OPERATING REVENUES</strong></td>
<td><strong>$5,542,876</strong></td>
</tr>
</tbody>
</table>

Fiscal 2016 expenses

<table>
<thead>
<tr>
<th>Category</th>
<th>Expense</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ministerial services</td>
<td>$674,759</td>
</tr>
<tr>
<td>Liturgy and friar services</td>
<td>639,477</td>
</tr>
<tr>
<td>Guest services</td>
<td>1,372,254</td>
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<tr>
<td>General administration</td>
<td>923,448</td>
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<tr>
<td>Fundraising</td>
<td>441,802</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>419,156</td>
</tr>
<tr>
<td>Other</td>
<td>18,738</td>
</tr>
<tr>
<td><strong>TOTAL EXPENSES</strong></td>
<td><strong>$4,489,634</strong></td>
</tr>
</tbody>
</table>

**TOTAL INCREASE IN NET ASSETS**  $1,053,242

Construction Update

TOTAL CAPITAL RAISED
Since inception through August 31, 2016

$22,256,614*

*Includes $3,125,000 in planned gifts, discounted

TOTAL CAMPAIGN/CONSTRUCTION COSTS
Since inception through August 31, 2016

$8,483,498**

**Includes $1,715,742 in administrative costs

Through August 31, 2016, completed campaign-related projects include renovation of certain sleeping and conference rooms, replacement of pool and surrounding plaza areas, and construction of the Assisi building which houses 32 guest rooms.

During fiscal year 2016, the church construction began and remains the primary construction focus for fiscal year 2017. Once the church nears completion, construction efforts are scheduled for the Community Life Center.

For detailed information, please refer to the complete Franciscan Renewal Center Annual Financial Statements available online at thecasa.org under news and financials.
Fiscal accountability at the Casa

The Franciscan Renewal Center (FRC) operates under a unique governance structure, involving friars, staff, and volunteer professionals who cooperatively share time and expertise to support the community as a whole.

Day-to-day operations are jointly led by a member of the Order of Friars Minor, serving as Executive Director, with a General Manager from the laity. Together they report to and receive guidance from the Provincial Board and the FRC Board of Directors – comprised of community members with professional expertise in various disciplines ranging from investment planning, law, technology, healthcare leadership, education and more. Within the Board, the FRC Finance Committee includes Certified Public Accountants (CPA) and individuals with various business and financial expertise.

Each year, the Board of Directors and Finance Committee present the financial position of the FRC and related statements of activities and cash flows in accordance with Statements on Standards for Accounting and Review by the American Institute of Certified Public Accountants. The Finance Committee of the Board of Directors thoroughly reviews statements to ensure they are free of material errors and omissions. Further, the Board Chair, Treasurer, Executive Director and General Manager, review financial statements and are in agreement that they represent the current financial standing of the organization. The FRC follows Generally Accepted Accounting Principles and other legal and reporting guidelines established for non-profit organizations.

Presented herein is a summary of those documents for the fiscal year 2015-16, ended Aug. 31, 2016. It is only through such generous community interaction that the Casa remains a place that welcomes all and serves all.

Doug Olesen
Chairman, Board of Directors

Alanna Mack, CPA
Treasurer, Board of Directors

Our values in action and in celebration

Some of our volunteer ministries during fiscal year 2016 in support of spiritual growth, healing and transformation, and service to others included:

FAITH IN ACTION
• Apache Fair Trade
• Care for Creation
• English as a Second Language
• Fair Trade Coffee & Chocolate
• Franciscan Missions
• Casa Builders
• Just Faith, Just Matters, Engaging Spirituality and Just Scripture
• Beyond Just Faith
• Season for Nonviolence
• Valley Interfaith Project
• Casa Veteran’s Ministry

SUSTAINABILITY, CAPITAL & LEADERSHIP
• Champion Team
• Board of Directors
• Board Formation & Governance Committee
• Building Committee
• Church Design Sub-Committee
• Finance Committee
• Gratitude Team
• Community Life Center Design Sub-Committee
• Endowment Sub-Committee
• Sustainability Committee
• Investment Sub-Committee

FACILITIES
• Casa Gardeners
• Casa Cares

COUNSELING
• Volunteer Licensed Behavioral Therapists
• Counseling Office Aide

LITURGICAL
• Altar Linens
• Art & Environment
• Bread Bakers
• Cantors
• Choir
• Casa Children’s Celebration
• Family Catechesis
• Hospitality
• Baptism Aide
• Newcomers
• Lectors
• Liturgical Movement
• Ministers of the Eucharist
• Pace Minore
• Prayer Partners
• RCIA
• Sacristans & Mass Coordinators
• Sick & Homebound
• Sacrament Preparation for Children
• Young Adults
• Youth Ministries
• Young Families

Franciscan Renewal Center