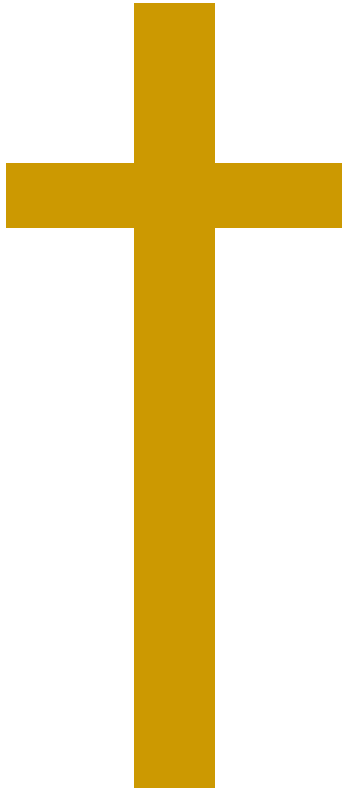


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# Catholic Schools of the Southwest Pod

## A Strategic Plan for Sustainability, Health & Growth



Presentation to **Most Reverend Robert W. Finn, D.D.**  
Bishop of Kansas City ~ St. Joseph

Southwest Pod Joint Task Committee  
September 9, 2009

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# Executive Summary

*St. Thomas More, Christ the King, St. Elizabeth, St. Peter, and Visitation* parishes formed a joint task committee to provide Bishop Finn a plan for the schools of the SW Pod.

There are five key foundational pillars that support this plan.  
They are:

- ❑ Stewardship
- ❑ Collaboration
- ❑ Financial Stability
- ❑ Growth
- ❑ Marketing & Communications

# Executive Summary (cont'd)

The following plan -

- Acknowledges the weaknesses of the “current state” and **addresses the specific concerns articulated** by the Bishop and other diocesan leaders about the current methods of funding our Catholic schools.
- **Significantly reduces the inherent risks** with a mandated transition to the “flexible” tuition concept.
- Accounts for the unique circumstances within the SW Pod, and suggests an approach for **greater consistency and cooperation between the parishes.**
- Suggests a **template “action plan”** to assist the parishes in implementing the changes.
- Provides a unified commitment to support each other and specifies the actions being initiated to **increase school enrollment in Christ the King.**

# Background – The Meitler Study

The Catholic Schools Office, along with Meitler Consultants, drafted a long-term strategic plan for the Catholic schools in the Diocese of KC-St. Joseph. Due to the strong, unfavorable reaction to some of the recommendations in that draft plan, leaders within the SW Pod committed to provide Bishop Finn a feasible, alternative recommendation.

- Meitler Consultants engaged (April 2008)
- Draft Plan shared with the diocesan leaders (February 2009)
- Feedback/concerns submitted by parish leaders (March 2009)
- Bishop Finn's letter (March 17, 2009)
- Formed SW Pod Task Committee (April 2009)
- *Develop and propose a strategic plan for the SW Pod schools (April – Aug 2009)*

# Background – The Common Ground

**Change must occur to ensure our Catholic schools remain vibrant and healthy for the long-term.** This change will require tough decisions, and each of these decisions will generate a significant level of risk that must be carefully managed. While leaders share common ground with many of the recommendations set forth in the draft plan, there are specific areas of concern we feel compelled to address with a viable plan.



## Areas of Concern

- Feasibility of the “one-size-fits-all” approach
- Multiple risks with a tuition-based model

**We believe there is a feasible approach that poses significantly less risk to the community of Kansas City, our Diocese, the parishes we represent, and, most important, the children we are called to educate.**

# Background - Specific Concerns of the SW Pod

- **Sentiments and reaction of parishioners/school parents to the Meitler recommendations**
  - Jeopardizes the multi-generational commitment to the school ministry
  - Weakens the critical linkage between the school ministry and other parish ministries
  
- **An irreversible, downward spiral in a cornerstone of this diocese**
  - Loss of students and families due to lack of affordable/quality schools
  - Forced reductions of faculty and staff; deteriorating morale for those who stay
  - Severe loss of resources for the diocese and parishes (time, talent, treasure)
  - Necessitates further consolidation of parishes and schools
  - Loss of young couples and families getting started
  - Lost opportunity to evangelize and grow our parish base
  
- **Impact on the broader community**
  - Flight to Kansas or Missouri suburbs that offer strong public school options
  - Impact on City of Kansas City (tax base, public schools)
  - Impact on the neighborhoods (real estate values, overall stability)
  - Ineligibility of tax deduction will siphon significant dollars away to D.C./Jeff City
  
- **Weaknesses of the tuition-based model**
  - Fosters a “fee for service” mindset among families
  - Overhead cost to administer the model (assistance, collections, etc.)
  - Limits diversity

# Background - Bishop Finn's Directives

- Agreement between five pod schools to have the “same precise plan” - No competition between the schools
- Sustain the effectiveness and excellence of the schools
- Compliance with IRS code on charitable deductions
- No parish limits on its own contribution to school support

# Members of the SW Pod Joint Task Committee

The committee was formed in April 2009 and met regularly over the last several months to prepare a balanced and feasible set of recommendations for the SW Pod. **Each parish in the Southwest Pod was well represented by multiple individuals on the joint task committee.** Many of these leaders currently hold, or have held, key leadership positions in their respective parishes. The committee also engaged pastors and other parishioners in countless hours of candid dialogue and planning.



- Stephanie Axe
- Diane Blanck
- Paul Blanck
- Mike Chalmers
- Paul Donovan
- Maureen Elder
- Randy Grindinger
- Deborah Hall
- Bob Healy
- Chris Hodes
- Marilyn Keller
- David Kies
- Vicky Kinney
- Steve McClain
- James Mead
- Angie Meyer
- Tom Nickel
- Karen O'Boyle
- Matt Prusa

# Articulating the problem to be solved

**Increasing costs and inadequate levels of income** have forced parishes across the nation to close their schools or adopt a tuition-based funding model. Each of the parishes of the SW Pod have a unique and complex situation that is **threatened by a transition to a “flexible tuition” concept.**

Having said that, **we acknowledge we must adequately address the weaknesses of the current state to ensure we can provide a sustainable funding model for our schools.** Those weaknesses are as follows:

- ❑ Most parishioners are not fully aware of the fiscal reality and operating needs of their school
- ❑ Lacking adequate level of personal responsibility and accountability
  - Some parishioners are not fully committed to existing tithing guidelines
  - School parents drift away/disengage after the grade school years
- ❑ Schools are exposed to uncontrollable shifts in demographic trends
  - Enrollment in one (CTK) of the five parishes is below optimal capacity
- ❑ Inadequate and inconsistent policies and practices between parishes can be perceived as positioning one parish/school as a better option than another
  - Two (CTK & STP) of the five parishes rely on some form of a verified tithe
- ❑ The IRS has strict regulations around the handling of charitable contributions which can prevent some parishioners from claiming their tithing contribution as a charitable gift

# Strategic Drivers of the SW Pod Plan

- **A life-long, year-round commitment to stewardship**
- **Availability of Catholic school education** to all Catholic families in the SW Pod who desire it.
- **Delivery of exceptional and valuable Catholic faith-based education.**
- **Financial health and sustainability** of schools in the SW Pod.
- **Optimization of tax law application** for Catholic contributors to retain dollars within the Diocese.

# Foundational Pillars of the SW Pod Plan



## Stewardship

**Inspiring ALL parishioners to fully commit their share of time, talent, and treasure**

### Financial Sustainability

Consistently achieving income levels that keep pace with rising costs over the short and long-term

### Collaboration

Supporting consistent efforts across the parishes through a newly formed SW Pod Council

### Growth

Sustain the long-term health of the schools by broadening the base and re-engaging existing parishioners

### Marketing & Communication

Build and consistently leverage the brand promise of our Catholic schools: fully integrate this messaging in multiple media

# Aligning under a common definition of stewardship

## We believe stewardship is:

- **Generously and selflessly sharing God's gift of time, talent and treasure**
- Directly linked to our call to be disciples of Jesus\*
- A solemn trust with God
- A culture of gratitude and justice
- A commitment and duty of all members to fully participate and sustain the ministries of the parish
- Inspired by teaching, modeling, and encouragement from one generation to the next
- The responsible and transparent management of all resources
- Informed, aware, and engaged parishioners
- Servant-leaders who anticipate and plan for the needs of the community
- A life-long journey... on "a road less traveled"

## We agree stewardship is not:

- Simply a model for funding the parish ministries
- Mandated or verified
- Capped by the guidelines of tithing or cost-based benchmarks
- Dormant, passive, or selective participation in the community
- A sense of entitlement to a free school
- A new pledge drive or special fund-raiser
- A few carrying the load of many
- Starved ministries spread too thin to be effective

\* *Stewardship: A Disciple's Response*, Nov 1992

# Stewardship

We will drive a cultural transformation to true stewardship for the long-term viability of the Diocese, parishes, schools and the KC community

- Develop a consistent “road map” to stewardship for parishes
- Establish an active, empowered stewardship committee in each parish
- Recruit and train stewardship “advocates”/coaches

## Rationale -

- Rooted in our faith
- Consistent with our values & heritage as Catholics
- Strengthens **all ministries** in the parish
- Fosters a culture of gratitude & generosity
- Encourages a life-long commitment of parishioners
- Distributes the burden of education costs
- Eliminates the dependency on verification
- Will serve as a model within the Diocese
- Compliant with IRS regulations

## Ingredients for Success -

- Strong leadership
- Common, spiritually-based definition of stewardship
- Committed, active parishioners
- Broad and diverse parish base
- Strong history/tradition of tithing and sacrifice
- Personal responsibility and peer accountability
- Clearly stated needs (time, talent, treasure)
- Motivation/commitment from financial transparency
- Frequent, consistent communication within the parish
- **Parish centric** vs. ministry-centered mindset
- Appropriate parish organization structure

# Collaboration

We will promote cooperation, not competition, to improve alignment in the Pod

- Establish a SW Pod Planning Council
- Suggest policies for greater consistency
- Share resources (staff, volunteers, equipment, facilities, etc.)
- Develop a joint marketing/public relations effort in the community
- Unify support for Christ the King Parish
- Define and implement a voucher program for parishes without schools

## **Rationale -**

- Strengthens Catholic community overall
- Strengthens each parish
- Cross-pollinates best practices
- Efficient use of collective resources
- Discourages “deal shopping” for a school
- Creates a forum for contingency planning

## **Ingredients for Success -**

- Strong leadership
- Active participation by each parish in the SW Pod
- Regular meetings to share information
- Clear, consistent policies, pricing, and practices
- Enough flexibility to adapt to unique needs of the parish

# Financial Sustainability

## **We will establish appropriate “stop-gap” measures to bolster parish funds in the short-term**

- Broadly communicate targeted financial contributions needed to cover the annual budget
- Execute a highly-targeted, parish-wide campaign to support it
- Temporarily assess a “stop-gap” surcharge for school families (see appendix for additional information)
- Request a temporary abatement (1 to 2% break) on Cathedraticum

### **Rationale -**

- Infuses necessary income to close budget gaps
- Generates a sense of urgency and focus
- Allows adequate transition to stewardship
- Less risk than an abrupt switch to tuition model
- Distributes the burden of education cost

### **Ingredients for Success -**

- Strong leadership
- Clear, consistent, candid, and frequent communications
- Disciplined fiscal management
- Transparency of all financials
- Specificity about the needs of the school/parish
- Outreach to non-school families, friends, alum, etc.
- Assistance for families struggling to cover fees, etc.
- Consistency between parish policies/approaches

# Growth

## **We will grow and sustain our parish in spirituality and numbers**

- Identify key priorities and establish appropriate long-range plans at the parish level
- Update/align all ministries/committees to meet the future needs of the parish
- Establish succession plans for key leadership positions (lay, staff, etc.) in our parish
- Develop parishioners through “feeder” programs/services (ECC, etc.)
- Leverage new programs (i.e. Christ Renews His Parish) to reinvigorate parish life
- Rely on the “core/active” parishioners to bring back “dormant” parishioners
- Create special liturgies that engage specific groups in the parish (youth, etc.)
- Acknowledge and celebrate the return of the next generation (alum, young couples, etc.)

### **Rationale -**

- Our call to evangelize and welcome others in our faith
- Stewardship will lead to growth – we must be ready
- Untapped potential in our parish/community

### **Ingredients for Success -**

- Strong leadership
- A welcoming environment and community
- Clarity on the expectations of parishioners/parents
- Ministries and liturgies that engage parishioners at every life stage
- Inspire loyalty before the high school and college years
- Regular evaluation of what is working/not working in the parish
- Effective marketing & communications

# Marketing & Communications

We will tell “our story” more consistently and effectively

- Promote the benefits of joining and actively participating in our ministries
- Articulate the value of a Catholic education with solid “proof points” of impact
- Leverage “word of mouth” network by clarifying referral processes
- Integrate the branding/messaging at the Diocese, Pod, parish and school level in online/offline channels
- Broaden reach within the community with low cost digital media and PR

## **Rationale -**

- Critical to our growth
- Shifting demographics puts pressure on enrollment
- Lacking consistency in our message/story
- Our call to evangelize
- Untapped potential in our parish/community

## **Ingredients for Success -**

- Strong leadership
- Strong product - excellent curriculum, staff and services
- A strong brand promise/compelling value proposition
- Collaboration with other schools/parishes/Diocese
- Volunteers with expertise in marketing/PR
- Support from businesses/entrepreneurs
- Strong “feeders” for our schools
- Inclusive, faith-based environment
- Low-cost methods of communication/media

# Measuring Success

Each parish will identify, track, and publish a few critical measures of health. These measures will **help the parish refine and sustain growth and improvement** over the long term. The measures will be used to monitor the success of their transition to stewardship. An illustration of such measures and high level targets are below:

<i>[Insert Parish Name]</i>	<b>Current</b>	<b>2015</b>	<b>2020</b>
Total Parish Census	1000	1200	1300
% Pledging	65%	80%	95%
Average Pledge Amount	\$4500	\$6000	\$7000
School Enrollment	400	420	430
School Capacity Fill%	85%	87%	90%
School Fee and /or Surcharges	\$500	\$300	\$0
Weekly Mass Attendance	300	500	800
Volunteer Hours	8,000	12,000	15,000

*THIS IS NOT ACTUAL PARISH DATA - FOR DISCUSSION PURPOSES ONLY*

# Conclusion:

## Why this plan?

- Less risk to the parish, Diocese and community
- Builds on the multi-generational commitment of our parishes
- Taps larger potential within our community
  - Better communication = greater awareness of the need
  - Educating parishioners of the expectation = engagement
  - Culture of commitment/accountability to one another
- Parish-centric vs. ministry-centric or diocesan mandate
  - Progress milestones defined and monitored by the parish
  - Set appropriate “success measures/targets” by parish
- Supports the parishes with an adaptable “road map” for implementation
- Creates urgency for change; but allows time to transition
- Contingency: Provides “back stop” and bridge to tuition if necessary
- Fosters collaboration between the parishes

# Next Steps

- Request Bishop Finn to consider the recommendations and provide feedback
- Share the Bishop's feedback with parishioners of the SW Pod
- Formalize the SW Pod Council and begin implementation at the parish level

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# Appendix

# An Action Plan for *[Insert Parish Name]*

**Objective:** Implement recommendations proposed by the SW Pod Joint Task Committee.

Strategic Intent	Supporting Tactics for Implementation	Owners	Progress Milestone Dates
Transition the parish to true stewardship	<ul style="list-style-type: none"> <li>■ Publish and constantly reinforce education of what stewardship is (and is not)</li> <li>■ Review and adapt the structure/governance of the parish and its ministries</li> <li>■ Form a stewardship committee composed of influential leaders in the parish</li> <li>■ Partner with the Diocesan staff to develop tools/handbooks for all parishioners</li> <li>■ Recruit and properly train stewardship advocates/coaches</li> <li>■ Reinforce stewardship message in all parish communications and events</li> </ul>	[TBD]	[Set by the Parish]
Drive greater engagement and personal accountability among parishioners	<ul style="list-style-type: none"> <li>■ Publish fully loaded costs of educating a child (i.e. benchmarks)</li> <li>■ Formalize communication of parishioner obligations at each milestone in parish life</li> <li>■ Inspire by telling the story of our parish – heritage of commitment, sacrifice, sharing</li> <li>■ Openly thank and acknowledge parishioners for displays of stewardship</li> <li>■ Consider implementing periodic, confidential parishioner/advocate conferences</li> </ul>	[TBD]	[Set by the Parish]
Enhance cooperation between parishes	<ul style="list-style-type: none"> <li>■ Designate a representative(s) to participate on the SW Pod Planning Council</li> <li>■ Review and adapt current policies for greater consistency</li> <li>■ Support CTK in long-term and/or contingency planning/coordination</li> <li>■ Leverage best practices between boards and administrations</li> <li>■ Coordinate and plan events and share resources to strengthen the schools</li> <li>■ Develop and support the implementation of a voucher program for non-school parishes</li> <li>■ Establish a special joint fund-raiser for schools in the SW Pod</li> </ul>	[TBD]	[Set by the Parish]

*Note: Parish leaders can adapt this action plan to fit their specific situation, but each parish in the pod will be expected to address the strategic intent of the plan in support of a successful, consistent and meaningful transition over time.*

# An Action Plan for *[Insert Parish Name]*

**Objective:** Implement recommendations proposed by the SW Pod Joint Task Committee (con't).

Strategic Intent	Supporting Tactics for Implementation	Owners	Progress Milestone Dates
Reinvigorate and expand the parish base	<ul style="list-style-type: none"> <li>■ Define and execute a targeted, tailored outreach effort to re-engage parishioners</li> <li>■ Define an approach to "win back" fallen-away Catholics and dormant parishioners</li> <li>■ Develop new programs to attract and retain parishioners at each life stage</li> <li>■ Modernize the parish database (update technology, refresh parishioner profiles)</li> </ul>	[TBD]	[Set by the Parish]
Establish an approach for unexpected, near-term gaps in the budget	<ul style="list-style-type: none"> <li>■ Define and adopt an appropriate "stop gap" assessment/surcharge</li> <li>■ Execute parish-wide campaigns (calling, home visits, etc.) with specific \$ goals</li> <li>■ Establish special reserves for leaner years</li> </ul>	[TBD]	[Set by the Parish]
Drive awareness through improved communication within the parish	<ul style="list-style-type: none"> <li>■ Identify and communicate the specific needs of the parish (income needed, capital needs, ministry volunteer hours, etc.)</li> <li>■ Consistently update/publish parish/school financial reports on a quarterly basis</li> <li>■ Host mandatory annual "state of the parish" prior to each pledge drive</li> <li>■ Establish lower cost electronic communication options (e-mail, web, blogs, etc.)</li> </ul>	[TBD]	[Set by the Parish]
Develop and implement a comprehensive marketing and public relations plan	<ul style="list-style-type: none"> <li>■ Identify what makes the parish/school community unique</li> <li>■ Articulate the value Catholic education provides families/students</li> <li>■ Coordinate plans with the diocese and newly formed SW Pod Planning Council</li> <li>■ Tap "no cost" professionals/expertise (PR, marketing, etc.) within the parish</li> <li>■ Update materials/media (collateral, video, web) that tell the parish story</li> </ul>	[TBD]	[Set by the Parish]

*Note: Parish leaders can adapt this action plan to fit their specific situation, but each parish in the pod will be expected to address the strategic intent of the plan in support of a successful, consistent and meaningful transition over time.*

# An Action Plan for *[Insert Parish Name]*

**Objective:** Implement recommendations proposed by the SW Pod Joint Task Committee (con't).

Strategic Intent	Supporting Tactics for Implementation	Owners	Progress Milestone Dates
Ensure the school remains accessible to families who fully commit to the parish	<ul style="list-style-type: none"> <li>■ Clearly articulate the expectations of all parishioners <u>before, during and after the “school years”</u></li> <li>■ Establish methods for sizing the level of need among school families (confidential surveys, tracking/trending default payments, etc.)</li> <li>■ Establish clear discount policies for fees (multi-child, fund-raising participation, etc.)</li> <li>■ Define and publish the process for seeking assistance from the parish</li> <li>■ Articulate expectations of fund-raising participation and hours of volunteerism</li> <li>■ Foster multi-generational sponsorship and encourage alum to return support</li> <li>■ Support Pod-wide fund-raising efforts to support our schools</li> </ul>	[TBD]	[Set by the Parish]
Identify and develop additional sources of income for the parish	<ul style="list-style-type: none"> <li>■ Define responsibilities and then hire/recruit part- or full-time development position</li> <li>■ Establish periodic second collection for schools in concert with the SW Pod</li> <li>■ Formalize grant-writing capabilities</li> <li>■ Collaborate with the Pod/Diocese in the pursuit of corporate/foundation support</li> <li>■ Host events (reunions, open houses) inviting network of friends of the parish/school alumni</li> <li>■ Leverage new software (i.e. RaisersEdge, etc.) in development efforts</li> </ul>	[TBD]	[Set by the Parish]

*Note: Parish leaders can adapt this action plan to fit their specific situation, but each parish in the pod will be expected to address the strategic intent of the plan in support of a successful, consistent and meaningful transition over time.*

# An Action Plan for *[Insert Parish Name]*

**Objective:** Implement recommendations proposed by the SW Pod Joint Task Committee (con't).

Strategic Intent	Supporting Tactics for Implementation	Owners	Progress Milestone Dates
Incorporate age-appropriate lessons of stewardship into the school curriculum	<ul style="list-style-type: none"> <li>■ Incorporate stewardship concepts into lesson plans (math, religion, etc.)</li> <li>■ Distribute and collect student “envelopes” for all school masses</li> <li>■ Track student giving and communicate specific impact to the parish ministry</li> <li>■ Develop youth-led liturgies where students usher, sing, read, serve, etc.</li> <li>■ Coordinate youth volunteer service projects to benefit the parish (cleaning, etc.)</li> </ul>	[TBD]	[Set by the Parish]
Formalize & improve coordination of volunteer (time/talent) efforts across ministries	<ul style="list-style-type: none"> <li>■ Inventory/record the talents/skills like any other asset of the parish</li> <li>■ Articulate a guideline of minimum volunteer hours (5% of a 40-hour work week)</li> <li>■ Create more formal job descriptions for critical volunteer positions</li> <li>■ Prepare succession plans for critical leadership volunteer positions</li> <li>■ Encourage volunteer rotations to broaden understanding of parish ministries</li> <li>■ Diversify committees with parishioners to balance representation</li> <li>■ Track volunteer hours required to sustain the parish</li> <li>■ Prioritize and carefully use the time/talent of parishioners</li> <li>■ Publish “quick hit” volunteer opportunities (i.e. less than two hours)</li> <li>■ Acknowledge volunteers more consistently, more publicly</li> </ul>	[TBD]	[Set by the Parish]

*Note: Parish leaders can adapt this action plan to fit their specific situation, but each parish in the pod will be expected to address the strategic intent of the plan in support of a successful, consistent and meaningful transition over time.*

# An Approach for CTK

We must all (Diocese, Pod, parishes) come together to support Christ the King as they work to build up enrollment over the next two years. We can do this by:

- Dispelling pervasive rumors and being conscious of our own language when discussing CTK
- Aligning our marketing/PR efforts within the community
  - Helping CTK set reasonable enrollment targets
  - Support CTK's current marketing/PR efforts by understanding and "talking up" the unique value proposition of their school
  - Sharing costs/resources
  - Referring families to CTK when capacity is limited in our schools
- Assisting in the development of a voucher program/policy
- Explore options and contingency plans in the event enrollment targets are not met over time

# Financial Impact of Tuition on Families

## Tuition Impact on Families in Year 1

	Family A	Family B	Family C	
Annual Income	\$ 35,000	\$ 80,000	\$ 130,000	
Students In Parish School	2	2	2	
Tithing Support to Parish (5%)	\$ 1,750	\$ 4,000	\$ 6,500	Will be at risk
Tithing Support to Diocese (1%)	\$ 350	\$ 800	\$ 1,300	Will be at risk
Tithing Support to Other Charities (4%)	\$ 1,400	\$ 3,200	\$ 5,200	Will be at risk
<b>Tithing Paid</b>	<b>\$ 3,500</b>	<b>\$ 8,000</b>	<b>\$ 13,000</b>	
School Tuition & Fees	\$8,000	\$8,000	\$8,000	
Level of Assistance	40%	5%	0%	Unlikely to be adequate assistance
Amount of Assistance	\$3,200	\$400	\$ -	
% of Income Paid for School	14%	10%	6%	
% of Income Paid for School & Tithing	24%	20%	16%	A very high % of income
<b>Total Amount Contributed</b>	<b>\$8,300</b>	<b>\$15,600</b>	<b>\$21,000</b>	
Mix of A, B, C Families in School	20%	70%	10%	Unknown at this time
Students Assumed (400 Total)	80	280	40	
Assistance Required	\$ 128,000	\$ 56,000	-	Greater than available?

# The Financial Upside of Stewardship

Assuming the SW Pod mirrors the national average tithing percentage (1.7 – 1.9%\*) for Catholics, we believe there is greater financial upside to stewardship than a tuition-based funding model

(\$ in Millions)	Assuming Current Tithing Average in the SW Pod is similar to the Ntl Avg @ 2%	Assuming Tithing Average Increases to 3%	Assuming Tithing Average Increases to 4%	Assuming Tithing Average Increases to 5%
<b>VIS</b>	\$ 3.9	\$ 5.9	\$ 7.8	\$ 9.8
<b>STP</b>	\$ 2.0	\$ 3.0	\$ 4.0	\$ 5.0
<b>STE</b>	\$ 2.0	\$ 3.0	\$ 4.0	\$ 5.0
<b>CTK</b>	\$ 1.4	\$ 2.1	\$ 2.8	\$ 3.5
<b>STM</b>	\$ 3.9	\$ 5.9	\$ 7.8	\$ 9.8
	<b>\$ 13.2</b>	<b>\$ 19.8</b>	<b>\$ 26.4</b>	<b>\$ 33.0</b>

\*This amount is on the higher end of multiple references estimating the contributions of Catholics

# Annual tax cost of education if schools are funded 100% via tuition

Effect on:	Family w/2 children	Visitation Community	SW POD Community	Diocesan Community
Assuming 15% & 6% tax rates	\$ 1,680	\$ 495,044	\$ 2,152,684	\$ 8,230,340
Assuming 35% & 6% tax rates	\$ 3,280	\$ 966,514	\$ 4,202,860	\$ 16,068,759

## Assumptions:

- Tax cost based on 100% of 2006-07 school budgets.
- No adjustments or accommodations made for revenue derived from sources other than tithing/fundraising.

# Possible Options under the “Stop-Gap” Surcharge Concept

## Option A: Temporary Assessment Surcharge

Each year, after all budget-saving considerations have been exhausted, and a budget gap exists, the parish will publish the size of the budget gap and request parish-wide support to close the gap. If that is unsuccessful, the parish will assess a special surcharge to address any shortfall in that year’s income. This surcharge will be distributed equally across **all school families on a per student basis** and must be paid in a manner consistent with any other school fee payment policies.

### **Pros**

- Gap will be closed; budget will be balanced
- Temporary solution that flexes based on the gap
- “Safety net” until stewardship is fully embraced
- People will know why the surcharge is necessary
- Encourages families to pledge responsibly
- Allows for “sponsor a student” campaign in the parish
- Assistance/discounting could still be possible

### **Cons**

- Fees are already high
- Perceived as tuition by another name?
- Perception of “nickel and diming” families
- Burden is placed solely on school families
- Unplanned expense will be a challenge for some
- Some may “lay back” on tithing assuming surcharge is coming
- More difficult to implement consistently across parishes

# Possible Options to the “Stop-Gap” Surcharge Concept (cont’d)

## Option B: Incremental Surcharge Schedule

Every three years, the parish will review the historical revenue and expense trends and then project the expected annual budgetary gaps over the next three years. This estimated gap will result in a three-year incremental surcharge schedule that is published to the community. The schedule may be structured to accelerate/ decelerate over the three years. This surcharge will be distributed equally across **all school families on a per student basis** and must be paid in a manner consistent with any other school fee payment policies.

### Pros

- Gap will be closed; budget will be balanced
- Families will know why the fee is being charged
- Families can plan/budget for the incremental expense
- Encourages all parishioners to pledge responsibly
- Allows for “sponsor a student” campaign in the parish
- Assistance/discounting could still be possible
- Provides time for stewardship to be fully embraced
- Parishes can collaborate on fee schedules

### Cons

- Fees are already high
- Perceived as “tuition” by another name?
- Burden is placed solely on school families
- Perception of “nickel and diming” families
- Estimating gap over three years may fall short
- Volatility of student population may impact revenue assumptions
- Some may “lay back” on tithing anticipating surcharge payment

# Additional good ideas worthy of further exploration by the Diocese and a newly formed SW Pod Council

- Invite and host leaders from the Wichita diocese to learn more about their journey toward stewardship. Facilitate a “town hall” style discussion between these leaders and our community.
- Request the area private high schools (*Rockhurst, STA, and Notre Dame De Sion*) to establish a new scholarship exclusively for students coming from their primary feeders (the schools of the SW Pod).
- Provide a substantial discount or special scholarship to Archbishop O’Hara High School for students of families who consistently demonstrate a commitment of stewardship at the parish level.
- Recruit and hire a professional development director who can be shared among the parishes. Responsibilities will include aggressively pursuing other sources of income from grants, foundations, etc.
- Explore the potential to lobby federal, state, and local governments to acknowledge the value and benefit of Catholic schools. Request tax credits/relief based on the significant savings made possible by our parishes. ***(Note: John Murphy of Visitation has expressed interest in helping lead such an effort.)***