

Operational Vitality

Standard 10

An excellent Catholic school provides a feasible three to five year financial plan that includes both current and projected budgets and is the result of a collaborative process, emphasizing faithful stewardship.

Narrative Summary

St. George Catholic School collaborates with the pastor of St. George Catholic Church and the finance council, who are experts in the field of non-profit accounting. In this collaboration, detailed financial plans are created, which outline revenue by source and expenses by category. These financial plans are created using best practices in an effort to ensure that St. George Catholic School continues to operate in a fiscally responsible manner, while at the same time, meeting its academic excellence goals. Current financial plans, including revenue and expense education, are communicated annually to all registering families of St. George Catholic School. Finally, monthly, quarterly and annual financial statements are presented to St. George Catholic Church, the finance council of St. George Catholic School and the Diocese of Baton Rouge.

Commendations

St. George Catholic School, in collaboration with the pastor and the finance council, engages in financial planning that utilizes a well-defined and high-quality process that benefits from the leadership of acknowledged experts in the field of non-profit planning. The process is well documented, followed, and evidences a wholly collaborative

relationship between school leaders, the governing body and the experts. When surveyed through the Catholic Identity Program Effectiveness survey, 76% of staff surveyed agree that St. George Catholic School's financial plan is the result of a collaborative process including expert advisors.

Financial plans at St. George Catholic School include agreed upon levels of investment by educational partners and the parish. The financial plans define revenue sources that include tuition, tuition assistance, public funding, gifts and other revenue sources. Additionally, all costs associated with the school are included in the budget and the finance council ensures that the cost picture is complete. Reporting of these costs can be generated at both detailed and aggregate levels, and is used for regular budget vs. actual monitoring throughout the year. According to the Catholic Identity Program Effectiveness Parent and Community Survey, 82% of staff surveyed said that leaders of St. George Catholic School take the responsibility for ensuring that the financial plans and budgets are implemented using best practices.

St. George Catholic School provides financial statements that include actual and projected revenue, by source, as well as actual and projected expenses, by category. Reporting includes actual costs per child analysis. These financial statements are prepared monthly and are reviewed quarterly by the Diocese, the parish and the finance council. Additionally, annual reports are submitted to the Diocese for audit. These annual reports contain detailed information as it relates to the financial operations of St. George Catholic School.

St. George Catholic School has a Tuition Assistance Committee that is comprised of members of the school and parish administrations. St. George Catholic School provides families access to information about tuition assistance during the registration process, and all families who are parishioners of St. George Catholic School may apply. This committee meets to review applications that have been received by families of St. George Catholic School. In an effort to be wise stewards of funding sources received, an in-depth application requires detailed financial information from the families and decisions are based upon greatest need. As evidence of this process, over \$40,000 in tuition assistance is given to applicants annually.

Recommendations

St. George Catholic School operates under stable financial conditions, with enrollment at 97% of total capacity. However, because the predominant revenue source is tuition, it is noted that a formalized long term financial plan should be created for the possibility of a drop in enrollment, a decline in local economic conditions, or any other unforeseen circumstance that could negatively impact enrollment. St. George Catholic School does have an endowment fund that is to be used in the event of economic hardships, such as a dramatic downward shift in enrollment. The goal is a 20% contribution from net proceeds. One goal will be to have net proceeds built into the budget, allowing continued contribution into the endowment fund.

Although it is widely recognized by parents and staff that St. George Catholic School works in collaboration with experts in the field to formulate detailed financial plans that are fiscally responsible, 35% of the parents and community surveyed were either unsure or felt that the school does not consistently share its financial plan with the school community. Annually, detailed information is given to all registering families that outline revenue by source and expenses by category. Also included is education regarding changes in major expense categories and changes in revenue sources. However, St. George Catholic School will work to improve communication to the community by providing information in a clear and concise manner and presenting it in a way that ensures the community is accessing the information provided.

Rating of Standard

Based upon the evidence, benchmark worksheets and recommendations for Operational Vitality Standard 10, St. George Catholic School rates themselves at level 3.