

# ST. ANN CATHOLIC SCHOOL 2015-2016 FINANCIAL REPORT

Dear St. Ann School Parents,

We are pleased to present the School Financial Report for the fiscal year ending June 30, 2016. The report is designed to provide transparency and clarity about our school finances; our sources of funding, major operating expenses and the investments we have made in the school over the past year.

I would like to begin this report with a few words of appreciation for our greatest resource, the teachers and staff that care for and about your children each day. Not only are they teachers, they are role models who share their faith so your children can learn about the love of God; coaches who believe in your children and work tirelessly to inspire them to become the best they can be; expert evaluators and listeners who look at each child individually and seek the best way to motivate and encourage them. There is nothing that replaces a good teacher and St. Ann is fortunate to have many of them. As a wise person once said, "Teachers affect eternity, they can never tell where their influence stops".

Below are a few highlights from the report:

- The actual cost of education per student last year was \$5,748 of which tuition covered \$3,138 or 55%. This funding percentage is down from 59% the previous year. Some of this difference is attributable to a slightly lower student base and the timing of certain capital expenditures.
- Parishioners generously provided approximately \$800,000 (32% of school funding) or \$1,862 per student. This was up from \$697,000 last year. Please keep this in mind when considering your financial support of the parish.
- We would like to acknowledge and thank all those who served the school in various leadership roles, those who volunteered on the PTO, MOSAYC, Fall Festival and Tiger Trot committees and of course our Scrip ladies. Fundraisers generated almost \$220,000 for the school last year!
- We are also thankful to those families who gave out of their abundance to the supplemental tuition program. This program was introduced two years ago to fund enhanced educational opportunities and investments driven by the strategic initiatives of the school while minimizing future tuition and subsidy increases. Last year we collected over \$41,000 in supplemental tuition and we have received pledges this year totaling over \$84,000.
- Capital expenditures last year totaled over \$175,000 and included \$42,000 of technology investments, \$46,000 for the new pavilion, \$31,000 for the hallway ceiling and lighting project (\$17,000 was paid the previous year), and \$27,000 to replace three heating and air conditioning units.

We are thankful to each of you who have chosen to entrust us as your partner in the education and formation of your children. It is truly an honor and privilege, and a responsibility we take very seriously.

May the grace and blessings of Almighty God be upon you and your families always, and may each of you have a wonderful school year filled with the joy of seeing your children grow in many ways and draw closer to the Lord.

*Dr. Keith Lunsford*



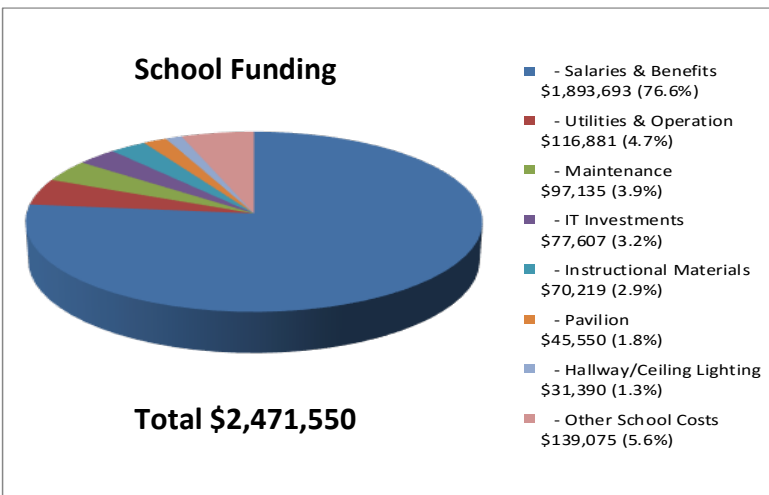
# 2015-2016 FINANCIAL RESULTS

Below are the highlights of St. Ann Catholic School financial results for the fiscal year ending June 30, 2016.

Our goal is to provide our teachers and students with the resources to support a high level of academic achievement in a safe, nurturing and Christ-filled environment. In conjunction with the School Council, we look for opportunities to improve the learning environment through investments in teaching resources, technology and facility improvements. These investments are made with the responsibility of maintaining tuition rates that are affordable. We are meeting these challenges thanks to the generosity of our school and parish families, the seemingly endless energy of many volunteers, a dedicated staff of teachers and administrators, and God's bountiful gifts.

## School Costs

The total cost of running the school for the 2015-16 school year was \$2,471,550 which equates to a cost per student of \$5,748. Salaries and benefits are the single largest cost category, representing 76.6% of total costs. Our teachers and staff represent our greatest resource and we are extremely grateful for their dedication, sacrifices and faithfulness. Other costs are noted below.



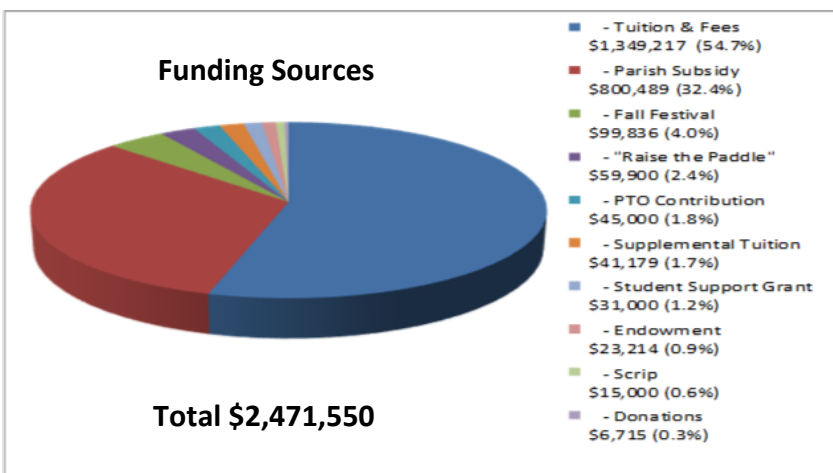
**Included in these costs is approximately \$175,161 in capital investments as follows:**

(33) Thin Clients for Computer Lab	\$13,246
(28) Netbooks and Carts	\$10,536
Other IT	\$18,409
Pavilion	\$45,550
Hallway Ceiling & Lighting (partial)	\$31,390*
Replace (3) HVAC Units	\$27,200
White Boards	\$ 9,310
Other Capital	<u>\$19,520</u>
<b>Total</b>	<b>\$175,161</b>

\*The total cost of this project was \$48,850. The amount of \$17,460 was paid in the prior fiscal year.

## Funding Sources

There are three primary sources of funding for the school: tuition and fees, parish subsidy and fundraising. The following are the funding dollars and percent of total funding for the 2015-2016 school year.



## Funding Goal

Below is a summary of our school funding compared to the funding model established by the Archdiocese:

	Actual 2015-16	Archdiocesan Goal	Higher/ (Lower)
Tuition and Fees	55%	60%	(5%)
Parish Subsidy	32%	30%	2%
Fundraising/Other	13%	10%	3%

## Tuition

**Tuition and fees only cover about 55% of the actual cost of education. All school families receiving the in-parish tuition rate benefit from a significant discount, most of which is subsidized by the parish.**

The tuition rate for the year is approved by the Finance Council based on school funding requirements identified in the budget, projections of fundraising activities, and the amount the parish can afford to subsidize. We provided almost \$52,000 in tuition assistance last year which was awarded based on an independent evaluation of need along with our knowledge of family circumstances.

2016-2017	Actual Cost	Tuition	Difference
1 Child	\$5,748	\$3,800	\$1,948
2 Children	\$11,496	\$6,550	\$4,946
3 Children	\$17,244	\$7,880	\$9,364
4 Children +	\$22,992	\$8,550	\$14,442

## Parish Subsidy

The school is by far the largest ministry of the parish, representing about 61% of the overall parish costs. Last year, the parish subsidized the school by \$800,489 (approximately 32% of total funding) which equates to almost \$1,862 per child. As beneficiaries of the parish's generosity, we ask that school families do their part in providing financial support to the parish.

## Fundraising

**There are currently three major fundraisers that support the school:**

### Fall Festival

The Fall Festival is our parish social and fundraising event held each October. Profits from the Fall Festival are allocated based on the following formula:

- The first 10% is allocated to the Endowment Fund as "first fruits" to provide for the long-term financial stability of the parish and school. Last year, this amounted to \$21,514.
- All funds from the "Raise the Paddle" are directed to a specific project. Last year we raised almost \$60,000 to help fund new ceilings and lighting in the older classrooms and investments in the science lab.
- The remainder of the profit is allocated 75% to the school operating budget and 25% to the parish operating budget. Last year, the school's portion was almost \$100,000.

### PTO

In addition to the many wonderful ways in which the PTO supports the teachers, students and staff, they also provide financial support through various fundraising activities. The largest fundraiser is the Tiger Trot held in the spring. In its 5th year, Tiger Trot was again a huge financial success raising almost \$50,000. The PTO contributed \$45,000 to the school last year to help fund round tables in the cafeteria and new dropped ceilings and improved lighting in the older classrooms. Thanks to the many volunteers who support the PTO fundraisers and other activities.

### Scrip

St. Ann Scrip is a program where gift cards are purchased to grocery stores, restaurants and many other local establishments. The cards are purchased and redeemed at face value, but because Scrip purchases these cards at a discount, St. Ann makes money each time a Scrip card is purchased. The discount is shared 50/50 between the school and purchaser as long as the purchaser's rebate is at least \$50. Last year, Scrip contributed \$15,000 to support the general operation of the school.

## Supplemental Tuition

We are pleased to report that we received \$41,179 in supplemental tuition in the 2015-2016 school year and pledges of over \$84,000 for this year. Supplemental tuition was established so we could continue to support a high level of investment in the school while keeping tuition affordable. Supplemental tuition is considered a contribution and is tax deductible. The contributions will be used to:

- Fund on-going technology enhancements.
- Install classroom libraries in grades 5-8.
- Provide additional resources in the Excel Center and classrooms to support academic achievement for all students.
- Provide teachers and administrative staff with additional professional development to promote best teaching practices.
- Increase tuition assistance to support families where affordability of a Catholic education is an issue.



## Other Funding

Last year we received a student support grant of \$31,000 to provide additional resources for the Excel Center and classroom support. This grant was provided through the generosity of strong supporters of Catholic Education through what is now called the Embrace Foundation. We hope to be able to partner with this foundation in the future.

The Endowment Fund was established in 1973 to help strengthen the long-term financial future of the parish and school. Last year, the school received \$23,214 of investment income distributions from the endowment which was used to fund operations.

Additionally, last year we received direct donations to the school of \$6,715.



## 2016 - 2017 Budget

The Finance Council has approved the 2016 – 2017 School Budget. Included in the budget are:

- Total operating expenses of \$2,389,185.
- Technology investments of over \$69,000 to provide laptops for all 8th graders, and upgrade our wireless infrastructure and computer lab.
- \$88,000 to improve lighting in the older classrooms (Fall Festival and Tiger Trot project).
- \$29,000 for new round cafeteria tables (Tiger Trot project).
- Additional resources for the library and Excel Center.

## Questions

This Financial Report is provided with the hope that you will come away with a better understanding of the costs and funding sources for the school. If you have questions regarding this report, please feel free to contact Bill Schafer at 913-660-1128.

