

January 25, 2019

Dear Parishioners,

I am sure that you have heard that I recently gathered together a group which we called the School Planning Commission. Its mission was to look at our budget and determine how we could maintain a high quality of education while keeping the parish subsidy to the school financially sustainable into the future. I am happy to report that our meetings were very productive, and we were able to come up with good ways to make the school sustainable into the future without radically changing our culture at the school, nor compromising our mission.

Whenever we talk about the school at St. Michael, it is important to remember that it is first and foremost a ministry of the parish. We run the school because we believe in Christ and want to spread His Gospel and do the work that He calls us to. We believe we are an A-rated school because of this belief. Our belief in Christ not only drives us toward academic excellence, but more importantly drives us to strengthen the faith by aiding families as they teach their children the ways of faith. Every child who goes to St. Michael is in some way aided and subsidized by the generosity of the parish and her members. Without their generosity, the school would cease to exist.

I think it's important for families to understand how we fund our school. Bear with me, while I explain a few things that will hopefully give you a bigger picture. In a typical year, we as a parish are given around \$850,000 by the people of this parish. That is a lot of money and it's important to know how that is spent. First, we are assessed around \$221,000 by the diocese each year. Of this amount, \$85,000 goes to our cathedraticum. The cathedraticum goes to the diocese to help it pay for staffing and overall expenses. Second, \$94,000 a year goes to support the Catholic high schools in Indianapolis. Third, \$34,000 goes to clergy health care. This covers all diocesan priests in our diocese. Finally, \$11,000 goes to support the Criterion, our Catholic newspaper. Almost a quarter of our money is earmarked for these items. The remaining amount is used to fund parish ministries, including the school and related operating expenses, maintaining our large campus, parish staff, and helping to fund other ministries.

Our parish school is currently subsidized by the parish by around \$300,000 a year because school expenses are greater than tuition revenue. This has been above and beyond what the parish can bear, but we have been able to use some savings in the school to offset this over the years. However, we are now at a point that we can no longer do that. Being good stewards of our resources means living within our means. The parish can continue to support the school with a subsidy of \$200,000. The goal of the School Planning Commission was to look at our current budget and our projected enrollment for the next few years and make adjustments that will allow us to reach the annual goal of a \$200,000 subsidy to our school while maintaining tuition rates in line with other similar diocesan schools. Reaching this goal allows us to continue this important ministry at our parish. I hope this dispels any thoughts that the parish is somehow making money on the school.

Over the last six years, enrollment at the school has been in decline. There are plenty of people who have opinions as to why this might be the case, but one undeniable fact is that the number of baptisms at our parish have been in steady decline. Between 2003-2008, we had over 40 baptisms a year at St. Michael. In fact, in 2003-2004 we had almost 70 baptisms. However, since 2008 those numbers have been in decline. Baptisms are now averaging around 25 a year. By this key statistic, it is no surprise that we have fewer students in our school. I know that there is always a persistent rumor that the school is about to close. It's not. Things would have to be much worse for that even to be a possibility and no one, especially me, is interested in closing the school down. So please, if you hear this unfounded rumor, help squash it. It does nothing to help our school and further our mission. Instead of engaging in idle gossip, I encourage everyone to become strong advocates in order to build up our wonderful school. The school isn't going away.

We do have to deal with a new reality, however. This reality is that our school is going to be smaller than in our recent past. The good news is that it's been this size before, we just need to adjust the way we operate so that we can continue to be successful. It's important to understand that we are not the only school in the diocese experiencing this. Most schools are finding fewer kids in their population. Even public schools are experiencing a decline in enrollment because there are fewer children all around. Indianapolis Catholic schools benefit from competing against a failing school

cooperation that drives people to choose Catholic schools over Indianapolis Public Schools. That is not the case for us at St. Michael.

One of the most surprising things we realized during our school planning commission meetings was that St. Michael has the highest non-parishioner rate in the diocese. We are well above schools in more affluent areas. The reality that we have fewer children in our parish means that if we want to maintain our school and keep costs down for parishioners and non-parishioners, we will need other families and children beyond our parish. One way to attract them is to bring our non-parishioner tuition down to a level that is at least competitive with other diocesan schools and realistic for Hancock county. Our current level of non-parishioner enrollment is low and making these changes now will not greatly affect the budget. We certainly realize that maintaining the 2% increase for parishioners while dropping the non-parishioner rate may at first seem odd, but we are doing so to reflect what we see in other parishes and schools as well as match the community we find ourselves in. The decrease in the number of children in our parish means that we must find ways to attract people from outside our parish so that everyone can benefit.

We also realized that our preschool rate was very low compared with the surrounding daycare cost. Our preschool program is much more than a daycare, so it only seemed to make sense that our preschool rate be brought up to a rate that is comparable to other local programs. Similarly, our Kindergarten rate is below our regular rate for school. In the past, this lower rate was instituted in hopes that we could attract more students. However, that has not become a reality. With Kindergarten now being required by the state, it makes sense that this grade be included in our regular school tuition model.

Over the years that I have been at St. Michael, we have had to reduce staff to reflect our school size. This has not only been felt in the school but also in the parish office. We have reduced the parish office staff by two full-time employees. Most of this savings has been used to provide for the increased school subsidy. We have also reduced the staff by one teacher a year in the school, and this year will be the same. Along with the full-time teacher, we will need to reduce some part time staff. It's always unfortunate when people leave, and we would love to be able to afford to keep them or afford more staff, but we must be realistic. Our student population is lower so our staffing, both teaching and support, needs to reflect our size. The loss of staff will be offset by others stepping up and taking on more, but it will not mean the loss of any grade levels. We are committed to having preschool through 8th grade at St. Michael.

St. Michael School is an A-rated school and has been for three years. This is in spite of the fact that we must fight for everything. We are competing against school corporations that spend around \$11,000 per child a year while we spend around \$6,500 because that is what we can raise. The state's voucher program helps us. Most of the students who receive vouchers at St. Michael are parishioners. When a child receives a voucher, it does not cover the full cost of education. Voucher money is tax money that you and I pay. We should work to get the state to broaden that program so that at least while your child is here, they receive the money you pay for education. At the very least, no one should be shy about taking a voucher if they can because it benefits us all.

St. Michael School is not a private school nor is it an elite school. St. Michael is a Catholic school which means we are pursuing a deeper relationship with God and His son through His church. We are an A-rated school because we commit ourselves to excellence because it is pleasing to God and what He calls us to. Since 1953, the people of St. Michael have generously given their time and treasure to the school because they believe it is the best way to pass on the faith. This remains the case today and will into the future. We will always face struggles and we will always have to work to be vigilant to maintain excellence in our school in addition to being fiscally responsible so that the ministry can continue. It's important that we all work toward that together.

I hope that you will join with me in prayer for the continued success of the school.

Rev. Aaron Jenkins



FACTS ABOUT ST. MICHAEL CATHOLIC SCHOOL



- has been serving Greenfield and surrounding communities since 1953
- is a 4-star, 2005 Blue Ribbon, A-rated school of excellence
- serves children from Preschool through 8th grades
- is accredited by the Northwest Accreditation Commission
- Catholic faith-based education serving children of all faiths and denominations
- small class size for more individualized learning

TUITION BASED EDUCATION

- Parishioner and non-Parishioner rates
- Indiana Choice Scholarship (Vouchers – your tax dollars at work for you)
 - Income based (1st – 8th) See guidelines below
- Scholarships through Institute for Quality Education (SGO)
 - Income based (KN – 8) See guidelines below.
- Private scholarships available (PS – 8)

INDIANA CHOICE SCHOLARSHIP PROGRAM & SGO SCHOLARSHIP INCOME LEVELS 2018-2019 SCHOOL YEAR (Updated 2019-2020 coming soon)

Choice Scholarship Program Income Limits by Household Size 2018-2019 School Year (2019-2020 Limits to be announced)				
	69% of Reduced Lunch Eligibility*	100% of Reduced Lunch Eligibility**	150% of Reduced Lunch Eligibility ***	200% of Reduced Lunch Eligibility ****
# Of People in Household	Annual household income limit for a 90% Choice Scholarship	Annual household income limit for a 90% Choice Scholarship	Annual household income limit for a 50% Choice Scholarship	Annual household income limit for a 0% Choice Scholarship
1	\$15,418	\$22,459	\$33,689	\$44,918
2	\$20,904	\$30,451	\$45,677	\$60,902
3	\$26,391	\$38,443	\$57,665	\$76,886
4	\$31,877	\$46,435	\$69,653	\$92,870
5	\$37,363	\$54,427	\$81,641	\$108,854
6	\$42,850	\$62,419	\$93,629	\$124,838
7	\$48,336	\$70,411	\$105,617	\$140,822
8	\$53,823	\$78,403	\$117,605	\$156,806
9	\$59,309	\$86,295	\$129,593	\$172,790
10	\$64,795	\$94,387	\$141,581	\$188,774

*For a household of eleven (11) or more, add \$5,486 to the annual limit for each additional member for a 90% scholarship

**Add \$7,992 to the annual limit for each additional member for a 90% scholarship

***Add \$11,998 to the annual limit for each additional member for a 50% scholarship

****Add \$15,984 to the annual limit for each additional member for a 50% scholarship

Amounts are based on data published at <https://aspe.hhs.gov/poverty-guidelines>

Note: Income levels are determined in accordance with IC 20-51-1-4.3. More information is available in the Income Verification Rules and Income Verification FAQs documents available at www.doe.in.gov/choice.

*Income is the same as the Federal Free and Reduced Lunch program income limit. Families qualifying at this level qualify for a Choice Scholarship at 90% of the per-pupil funding based upon the family's school district of residence.

**This income is 100% of the Federal Free and Reduced Lunch program income limit. Families qualifying at this level qualify for a Choice Scholarship at 90% of the per-pupil funding based upon the family's school district of residence.

***This income is 150% of the Federal Free and Reduced Lunch program income limit. Families qualifying at this level qualify for a Choice Scholarship at 50% of the per-pupil funding based upon the family's school district of residence.

****This income is 200% of the Federal Reduced Lunch program income limit. Families at or below this level qualify for an SGO Scholarship. Families of continuing Choice Scholarship recipients and/or students satisfying the Special Education Pathway qualifying at this level qualify for a Choice Scholarship at 50% of the per-pupil funding based upon the family's school district of residence.

Individuals wishing to donate to help St Michael School continue to offer scholarship to students can help by making an SGO donation. These donations are tax deductible and could reduce your state tax liability through this state tax credit. Please call school or parish office to have your questions about the SGO state tax credits answered.

Tuition Scale 2019-2020

Description	Tuition (divided into ten equal payments)
Non-parishioner 1 Child	\$ 7,000.00
Non-parishioner 2 Children	\$13,750.00
Non-parishioner 3 Children	\$19,320.00
Non-parishioner 4 Children	\$24,850.00
Non-parishioner Pre3/PreK**	\$ 167.00 Weekly
½ Day Non-parishioner Pre3/PreK*	\$ 83.50 Weekly
Parishioner 1 Child	\$ 5,345.00
Parishioner 2 Children	\$ 8,820.00
Parishioner 3 Children	\$11,070.00
Parishioner 4 Children	\$13,150.00
Parishioner 5 Children	\$15,240.00
Parishioner Pre3/PreK**	\$ 136.00 Weekly
½ Day Parishioner Pre3/PreK*	\$ 67.50 Weekly

The registration fee is \$150 and is non-refundable. Early registration discount is available to returning families. The registration fee is applied to tuition for the school year.

*1/2 Day -Paid monthly. The total annual fees are \$3,000 for Non-parishioners and \$2437.50 for Parishioners.

**Full Day - Paid monthly. The total annual fees are \$6,000 for Non-parishioners and \$4875 for Parishioners.

How Vouchers Can Help (Example is based on 2018-2019 Funding)

		Tuition – Voucher = Amount to Pay
90% Voucher (Parishioner)	Tuition \$5240	\$5240 - \$5232.37 = \$7.63
50% Voucher (Parishioner)	Tuition \$5240	\$5240 – \$2906.87 = \$2333.13
90% Voucher (Non-parishioner)	Tuition \$7560	\$7560 - \$5232.37 = \$2417.63
50% Voucher (Non-parishioner)	Tuition \$7560	\$7560 - \$2906.87 = \$4653.13

Tuition is divided into ten monthly payments. Scholarships are available on a financial need's basis. Please contact the St. Michael School office for more information on how you may qualify. 317-462-6380

We look forward to serving your family!