

St. Rita Parish
Parish Finance & Pastoral Joint Council Meeting
February 28, 2023

In Attendance:

PFC Members: Christopher Alessia, Dennis Collins, Pam Dean, Michael Kroes, Suzanne Kroes, Kevin McCabe, Rev. Michael Petersen, and Michelle Remfry

PPC Members: Ruth Adamczyk, Marilyn Butler, Myra Fox, Bill Greinke, Ellie Hammond, Sharon Gierhan, Bob Mitchell, Jean Weaver.

Guests: Brad Berghouse, Chief Operating Office of the Archdiocese of Milwaukee and Brenda White, President of Siena Catholic Schools.

The meeting was called to order at 6:03 pm and opened with prayer.

Fr. Michael introduced the council chairs and guests. Brad explained that he is serving on the Siena Board of Trustees until the Superintendent position is filled.

Fr. Michael offered his sincere apology for his communication error regarding the January Joint Council meeting that resulted in the need for it to be rescheduled.

Brenda presented a history and overview of Siena Catholic Schools

- Siena was incorporated in May of 2017 following about 7 years of formation.
- Many influential volunteers from all the parishes were instrumental in the development of the original business model.
- 2018 was the first year in full operation.
- Siena serves approximately 1600 students, 210 at St. Rita School.
- St. Sebastian will be opening next year as a STEM academy for grades K-3.
- Siena is constantly working on the strategic planning, using the road map that is currently in place as the guide.
- Siena schools serve a diverse population.
 - 14% African American
 - 38% Caucasian
 - 40% Hispanic
 - 8% Multi-Racial
 - 65% Catholic
- Siena is structured as a 2-tiered System.
 - Board of Directors is made up of parishioners
 - Board of Trustees is made up of Racine Pastors (6), Dominican Sisters (1) and the Archbishop's delegate (Brad). The Archbishop is the head of the Board of Trustees.
- Siena's senior Leadership Team is made up of key staff members (directors, many of whom came from St. Cat's). Other positions were added over the years as needed.
- Siena employs about 175 individuals, including 110 teachers; about 40% have master's degree.

Council members were invited to present questions.

Does one board supersede?

Yes. The Board of Trustees, who meet 4-5 times per year, has reserved powers at a high level. This group handles things such as lease and subsidy agreements as well as loans and property decisions. The Board of Directors meets monthly and serves as an operational board handling issues such as audits, policy and budget/funding allocation.

Are all schools Choice? What percentage of students at each school are Choice?

Yes. All Siena schools participate in the Racine Parental Choice Program (vouchers). All Siena schools make up a single entity as far as the state is concerned. At St. Rita and St. Lucy, the goal is to maintain 50% Choice/50% Tuition

paying, however, the other schools were already participating in the RPCP prior to the formation of Siena and had already exceeded the 50/50 goal.

Who controls the day-to-day supervision of the schools?

Principals are responsible for the day-to-day supervision of the schools. At the system level, staff are under the direction of the department leaders. The President (Brenda) is supervised by the Board of Directors.

It seems that Siena and Archdiocese are making rules together without parish consultation.

Brad has attended about 3 board meetings so far. The Pastors have been totally involved in the decisions at each school. The Archbishop looks to pastors and asks them for feedback. Siena is very strong as a system in regards to Pastors' involvement, stronger than Seton. St. Sebastian's re-opening is a big sign of success. There are eleven parishes helping to fund the schools. (**Note: according to the Siena 2021/22 financial report, 3.8% of Siena's revenue comes from the parishes.*) The Archdiocese legal counsel, CFO, etc., work together to establish subsidy and usage agreements, etc. Foundational documents come through a process with many layers of feedback and approvals, following the principles of support. The Board of Trustees votes and proxy requests are issued. The model is so good it is going to be used in other areas of the Archdiocese.

Should every school be choice?

The Archbishop has set a goal that every school in the Archdiocese is participating in the Choice program. This allows parents to choose their school. Our experience is that all students participate in formation, theology, service hours, even when it is optional. Evangelization is the mission, especially students. 7 students were baptized at St. Lucy this year and 5 students were baptized at OLGA. It is hoped that parents will also be evangelized.

More details offered about the Choice Program.

The Milwaukee Parental Choice Program (MPCP) has been around more than 30 years.

The Racine Parental Choice Program (RPCP) was added in 2011.

The program has grown every year.

The development of the RPCP came about in response to the need in Racine.

The Wisconsin Parental Choice Program (WPCP) has a lower income threshold, making it more difficult for a family to qualify.

In Racine, a family of 5 making \$92K per year can qualify for a voucher of \$8399 (elementary) or \$9045 (High School). This has helped stimulate the participation in the program, both enrollment and school participation.

The vast majority of choice schools are faith-based.

Excluding St. Cat's what is the average % of parish students enrolled?

Brenda was not sure of the figures. Fr. Michael shared that at St. Rita, 53 families stated on their school enrollment that they belong to St. Rita; 9 of these families are not registered. 23 families listed "other parish" and 58 claimed no parish affiliation (not Catholic).

How does Siena define success? We can see the expansion and financial impact-the schools are tremendously different than 10 years ago. How do you explain to a new family why Siena is successful?

Students at Siena are deeply engaged. The schools have great principals. The students are forming their moral compass. The academic standards are high. The high school offers more advanced courses. Some students graduate with high school with college credits. St. Rita school has added many clubs, including cooking club and robotics. The Kids are happy and respectful, praying and learning. They are engaged in school and community. Project lead the Way is providing STEM curriculum. Students start the day with prayer. They are respectful and participate in athletics. Students know the pastor because they are at mass together.

While this definition of success is heart-warming and we all celebrate opportunities for evangelization, how is this being paid for? Our parish has a deficit and Siena does not. What kind of support can Siena provide the parish and our pastor?

Brad distributed the Principles of Support document that was developed in 2018 and approved by the Siena board of Trustees. A committee meets annually in March and makes a recommendation about subsidy levels based on these

principles. The committee uses income tiers to determine the percentage each parish should pay. The Board of Trustees, which includes all the pastors, approves this recommendation by a majority vote. All of the Pastors approved the subsidies recommended for 2022/23, including Fr. Michael, who signed a subsidy agreement indicating St. Rita would pay 15% of 2021/22 collections. This tiered system is a great improvement over the original subsidy formulas.

Some parishes are paying less than 15%. What is the time frame for bringing all parishes up to the minimum of 15%?

Some parishes with a shared pastor agree to pay more than what their tier would indicate so that another parish can pay less. These smaller parishes may not ever be capable of paying 15% of their collections. The negotiation is with the Board of Trustees.

There was discussion about the subsidy level for St. Rita.

Fr. Michael asked the Board of Trustees for a one-year reduction in 2021/22 because we were in a deficit. The Trustees agreed to a 10% subsidy for one year only.

Other parishes have a deficit and still honor their commitment to Siena.

Mediation, if needed, would be with the Archbishop or Vicar of Clergy.

Every parish has a voice in the assignment of the subsidies-the percentage could change if the pastors agree.

Do parishes with schools pay more than parishes without schools?

No, the subsidy is based only on the dollar amount of collections. The bottom line of a parish is not considered.

Our 5-year plan does not show us getting out of a deficit. What happens when our reserves are depleted?

The subsidy percentages are assigned annually in March. That is the time to request a reduction if needed.

What happens if we don't pay our subsidy assessment?

Any unpaid obligation would be added to future subsidy assessments.

The funding principles document indicates the possibility of assessing fundraisers in the future. Would that be determined by the committee?

Brenda stated that fundraising has not been a consideration when assessing subsidies. She is not aware of any indication that fundraisers would be considered. The Board of Trustees would make that decision with a Super Majority vote. There are 6 pastors, one representative from the Dominican Sisters, and the Archbishop's delegate. Pastors serving multiple parishes only have one vote; there are 8 total votes.

The Pastor and the President of Siena sign the subsidy agreement. However, the trustees are required to sign the proxy request. St. Rita trustees did not sign the proxy request for 2022/23, but this appears to make no difference. By the time the subsidy is presented to the Trustees, it is already decided and the trustee's approval is irrelevant.

Brad stated that Fr. Michael signed and approved the 15% subsidy. The Archbishop has spoken and St. Rita must pay 15% of its 2021/22 collections in 2022/23 to Siena. Brad could not disagree that the trustees are not part of the process.

We want to support Siena Schools but we also have to be responsible stewards of parish assets. Additionally, the parish has to answer to the Archbishop for our deficit. What is the accountability of Siena?

Pastors receive financial reports from Siena at least quarterly. They may be shared with the parish. Siena is audited at least annually.

Catholic Identity is very important in our schools. What % of teachers are Catholic?

Brenda was not sure how many teachers are practicing Catholics, but all teachers receive formation-2 full days of staff development are dedicated to Sustaining the Mission each year, plus a Mission Day is held in January when all Siena employees participate in service to the community. Every teacher who teaches religion or theology is required to be Catholic.

Students who participate in the Choice program cannot be required to participate in Religion. How is this handled?

While Choice students have the opportunity to opt out of religious activities, our experience is that they don't. If they did opt out, the school would have to offer an alternative.

Is there any movement toward daily mass attendance for school students?

No, it is typical that students attend a weekly school mass. Schools maintain their local traditions (such as celebrating their patron saint day).

What is the role of the Pastor in the formation of Students? Is there a required number of hours per week expected of the Pastor?

Siena pays 10% of the Pastor's salary, but doesn't dictate how the Pastor's time is spent. Kristin Dahlgren is the Campus Minister who works with the Pastors and Religion teachers.

Adjournment: The meeting was adjourned at 8:08 PM and closed with prayer.
Respectfully submitted by Suzanne A. Kroes and Patricia Rossman.