

CATHOLIC SCHOOLS COMMISSION

Recommendations Summary

August 2011



ARCHDIOCESE
— OF —
SAINT PAUL &
MINNEAPOLIS

GOVERNANCE

SUMMARY OF ISSUES AND HIGHLIGHTS OF RECOMMENDATIONS

CURRENT CHALLENGES:

Without a strong champion for the identification and implementation of best practice, we are now burdened in our decentralized Catholic school system with dozens of variations on school governance structures which confuse the pastor's role and fail to engage the laity in an appropriate and effective manner. This multiplicity of governance structures has led to inefficiencies and isolation. The Office of Catholic Schools would benefit greatly from an advisory body skilled in strategic planning and the sharing of best practices, as well as focused on fostering a culture of ongoing evaluation and greater accountability. Finally, the Office of Catholic Schools itself needs reinvigoration to empower it to address declining enrollment with new tools and resources and partnering with schools to proclaim and deliver on the promise of Catholic schools: our next generation of Church and civic leaders who have been formed to live out the Gospel message of Jesus Christ.

GOVERNANCE DELIVERABLES:

- Charter and membership profile for Archdiocesan Catholic Schools Advisory Council
- Best practices, roles, responsibilities, and membership for
 - Individual Catholic School Advisory Councils
 - Consolidated School Advisory Councils
- Framework and operating principles for Catholic schools' relationship with parishes and Office of Catholic Schools
- Staffing requirements in Office of Catholic Schools going forward

GOVERNANCE RECOMMENDATIONS:

Recommendation 1: An Archdiocesan Catholic Schools Advisory Council should be established to be a visible and supportive leader for the Catholic schools of our Archdiocese.

The Council's purview should not include individual school closing decisions. School closing decisions consumed the work of an earlier permutation of an Archdiocesan School Board in 1990s and inhibited advancement work.

The focus of the Council will be strategic. The Archdiocese will need to devote resources to strategic planning and oversight in order to engage leaders willing to devote time and talent.

The Council must have input on how the Archdiocese spends dollars on school support. There is a need to ensure that the Council is not disempowered if an independent foundation/fund for the support of schools is established.

It is recommended that archdiocesan, parish and Catholic school employees should not sit on the Council in order to avoid conflicts of interest and too parochial a focus. However, local expert principals, presidents, teachers or others may (and should) sit on the Council's committees, which is where the significant work of the Council will be accomplished.

Recommendation 2: *All parish schools should establish a school advisory council to advise the pastor and the principal in the governance of the school.*

School advisory councils can be an effective means to engage lay leadership. Council membership should be selected via appointment/discernment to ensure that needed talents are secured and that membership is expanded beyond parish to: alumni, parents, and community leaders.

In order for a parish-based school management model to be successful, the following foundational elements should exist. Such a school management model should be discontinued if the following foundational elements are missing, and there is no realistic plan to create the necessary foundation:

- The parish community has a strong sense of mission for Catholic schools.
- The pastor has time, knowledge, vision, commitment, and interest to oversee the parish school.
- The school age population in the parish and surrounding area is sufficient to fill classes.
- The parish has a giving base that (i) provides adequate financial support to the parish school so that it may deliver a quality education and (ii) can support the other needed parish ministries.
- Lay leadership works well with the pastor and principal to provide additional expertise and support for the parish school.

If any of the above elements is missing in a particular school, then a plan should be developed to address whether the school will continue as a parish school.

Recommendation 3: *There should be clear roles and responsibilities outlined for the parties involved in the governance of consolidated Catholic schools in order to enhance the schools' capabilities and long-term viability.*

Clear roles and responsibilities are particularly important for consolidated Catholic schools where a lack of clarity in the authority structure or a lack of committed involvement by all stakeholders can lead to a school which is unable to function effectively and efficiently.

In order to function successfully, a consolidated school requires strong and committed leaders. However, not all pastors have an interest in or talent for school ministry. It is critical that the canonical administrator appointed by the Archbishop have the time, knowledge, vision, commitment, and interest to oversee the school. If such a pastor cannot be found among the pastors of the sponsoring parishes, then the proposed model should be reconsidered.

Depending on the number of sponsoring parishes involved in, and the community served by, a consolidated school, the proposed model may need to be revised regarding the division of responsibilities between the board, canonical administrator, principal, and school advisory council.

Catholic schools require significant support with their mission from their faith communities. One of the key ways to engage this support is the creation of a school advisory council whose members can be leaders in securing the future of the school. School advisory councils should be diverse and seek to reflect their community, as well as include persons with specific expertise directly related to school needs.

Recommendation 4: The Archdiocese should adopt Operating Principles which outline the manner in which the local school operations, the parishes, the Office of Catholic Schools, and other Archdiocesan staff with school-related responsibilities will collaborate, support, and be accountable to each other in order to advance Catholic schools in the Archdiocese.

These Operating Principles would need to be modified to correspond with any modifications the Archbishop makes to pertinent Catholic Schools Commission recommendations. These Operating Principles should be seen as high level guides for the strengthening of Catholic schools in the Archdiocese.

Recommendation 5: The Archdiocese should adopt the Model for the Archdiocesan Office of Catholic Schools in order to solidify the office's leadership role in the renewal and advancement of our Catholic schools.

The suggested changes in the model must be balanced with resources available. The most recent reorganization of the OCS had the office resourced to be staff to the Archbishop rather than a significant resource to the schools. The OCS must wear both hats, serving as a primary resource to the Archbishop on educational issues, but also serving as a clearinghouse and developer of best practices for schools. The OCS must do more to be a resource on critical financial and enrollment issues for schools struggling with those issues. This is especially true for schools which cannot find volunteer experts in their community to boost their resources. The OCS will need to work effectively with the Archdiocesan Catholic Schools Advisory Council and other Archdiocesan offices (i.e., Department of Finance and Administration, Communications Office, Office of Development and Stewardship) to be a significant resource of best practices for schools.

EDUCATIONAL EXCELLENCE

SUMMARY OF ISSUES AND HIGHLIGHTS OF RECOMMENDATIONS

CURRENT CHALLENGES:

Due to the decentralized nature of Catholic schools within the Archdiocese, there are diverse curriculums and testing models. Today, potential Catholic school parents are, by and large, as concerned about academic excellence as they are about Catholic formation and spiritual life. Parents want to know schools assess student achievement; growth and progress to ensure children are assisted in reaching their full academic potential. Additionally, many benefactors want to see comparative data when making their gift decisions. Therefore, it is essential that Catholic schools have a uniform assessment system, including uniform standardized tests, that addresses these needs. It is recognized that there are not currently Archdiocese-wide learning standards aligned to locally-established curriculum, which can lead to inconsistencies between schools and inefficiencies. It is also recognized that parish and school leaders need assistance in recruiting the right principal for their school, and that principals/presidents and teachers desire more development opportunities.

EDUCATIONAL EXCELLENCE COMMITTEE DELIVERABLES:

- Characteristics of successful Catholic schools, possibly including articulated points around Catholic identity
- Best practices process for principal and teacher recruitment, selection, development, and assessment
- Identification of key components of archdiocesan learning standards to guide curriculum, and proposed implementation process (noted from outset as needing to be carried forward by the Archdiocesan Catholic Schools Advisory Council)
- Balanced and uniform assessment requirements, as well as a recommended phase-in process

EDUCATIONAL EXCELLENCE COMMITTEE RECOMMENDATIONS:

Recommendation 1: *Office of Catholic Schools should establish benchmarks for addressing school vitality and viability for all elementary schools to support a culture of continuous improvement and ongoing renewal within the schools.*

The committee identified ten characteristics of successful Catholic Schools and created levels of expected performance against these characteristics. An outline of performance levels has been developed for each of the ten characteristics detailing what makes a successful Catholic school along each dimension. The draft enhanced Catholic Identity Standards (approved final

standards announced on August 11, 2011) were reviewed and incorporated in this rubric. Use of this rubric would not be mandated. The rubric would be a tool for schools to self-assess their own health and vitality. The outcome of the assessment would allow school administration and leadership to identify areas of strength and improvement for the school. Accreditation by a state-recognized accreditation agency is noted as a requirement for a satisfactory self-rating in this rubric. Currently, four Catholic schools in the Archdiocese are not accredited by a state-recognized accreditation agency.

Recommendation 2: Professional development related to the role and mission of Catholic schools and their operation and governance should be provided to seminarians and priests. Furthermore, it is recommended that the Archbishop assign pastors with expertise or high interest in schools as pastors/canonical administrators.

This recommendation was not specifically mentioned as a deliverable, however pastor support for and interest in Catholic schools are key determiners in the vitality and viability of a school.

Recommendation 3: Office of Catholic Schools develops and employs a professional growth and evaluation tool for principals/presidents.

Recommendation 4: Office of Catholic Schools organizes and supports ongoing professional development and learning communities for all school administrators and teachers that enhances professional practices and aligns with diocesan strategic initiatives.

Recommendation 5: To continue to attract qualified and effective principals, it is critical to have an effective principal recruiting and hiring process. It is recommended that the Office of Catholic Schools work with pastors and school leadership in the process of principal selection, recruitment, and hiring.

Stakeholder input has indicated a desire for a greater leadership role for the Office of Catholic Schools, provided this leadership is carried out in consultation with individual school leaders. School leaders and teacher have also expressed an interest in more development and consultation opportunities with their peers.

Recommendation 6: By July 1, 2015, all current principals and teachers have a current up-to-date Minnesota Department of Education license or equivalent. Also, all newly hired principals and teachers have three years, from their date of employment, to attain their Minnesota Department of Education license or equivalent for their position. Also, it is expected the hiring process strongly emphasizes the recruitment of practicing Catholics who understand and accept the teachings of the Catholic Church and the moral demands of the Gospel. (See Recommendation 6, Appendix 1, Catholic Identity Standards Final Draft) Non-Catholics are only hired for compelling reasons and never as teachers of religion. Furthermore, school administrators (president, principal, assistant principal, etc.) are active, practicing Catholics

who understand and accept the teachings of the Catholic Church and the moral demands of the Gospel.

During the 2009-2010 school year, 87.3% of K-12 teachers working in Catholic schools in the Archdiocese were licensed. The percentage of licensed teachers is 91.4% for K-8.

Recommendation 7: *The Office of Catholic Schools (OCS), through a collaborative process, should develop a comprehensive, multi-variant evaluation process that promotes best practices and a holistic look at K-8 schools using existing and new tools and programs. This evaluation should be ongoing to promote continuous improvement and should include the evaluation of school performance (e.g., accreditation, Catholic identity), principal and teacher performance, and student performance.*

The Commission recommends the use of two uniform standardized tests, one to assess student achievement, growth and progress, the other as a comparative tool. It is recognized that it is critical that school principals/presidents and teachers be involved in the development of uniform learning standards and the selection of a standardized test to assess student achievement, growth, and progress. The Commission recommends the use of the standardized test used by public schools in Minnesota to provide comparative data. Some school leaders have expressed concern about the performance of economically disadvantaged children or language learners on standardized tests and about standardized tests reducing available instructional time.

Currently, there is one standardized test used by all Catholic schools with 8th grades in the Archdiocese. During the 2010-2011 school year, 96% of 8th graders in Catholic schools in the Archdiocese ranked average or above in math problem solving, 94% ranked average or above in science, and 93% ranked average or above in reading comprehension. The SAT 10 was first required annually for 8th graders in Catholic schools in the Archdiocese beginning in the autumn of 2009.

The archdiocesan communications office will need to work with the ACSAC and OCS to design a communications plan regarding uniform learning standards and assessment.

ADVANCEMENT

SUMMARY OF ISSUES AND HIGHLIGHTS OF RECOMMENDATIONS

CURRENT CHALLENGES:

Leadership at many Catholic schools is ill equipped to effectively market the value of their schools. This is due to the lack of professional expertise and the absence of available revenue to fund creative efforts and access vehicles for sharing the message. The need, however, for marketing is more important than ever for several reasons: a continuing decline in enrollment during the past decade and in light of a decline in the belief that the entire Catholic community should support Catholic schools because of their fundamental value to the future health of the Church.

ADVANCEMENT COMMITTEE DELIVERABLES:

- Specifics of a comprehensive branding, messaging, and marketing plan for schools in the Archdiocese
- Template and plan for individual schools to incorporate comprehensive branding tailored to individual schools

ADVANCEMENT COMMITTEE RECOMMENDATION:

Recommendation 1: The Archdiocese, through the Office of Catholic Schools and the Office of Communications and with the assistance of outside firms as needed, should execute a marketing and branding plan. This plan should include an archdiocesan-level marketing initiative along with a toolkit for individual school implementation which each school should be encouraged to use to improve marketing efforts at the local level.

It is recognized that work related to marketing and branding begun under the auspices of the Catholic Schools Commission will continue into the 2011-2012 school year. It is clear that our schools and our graduates have a large and positive impact on our communities and our regional economy. Catholic schools are unique in offering not only academic excellence, but also character development and the imparting of transformative wisdom through formation in the faith. It is also clear we need to do a better job of sharing the amazing success stories of our Catholic schools so that their lifelong contributions to students, communities and our society as a whole is better known.

The overarching goal of the plan is to address directly the decline in enrollment that schools have experienced in the past decade. Because of economic pressure, new academic alternatives

(such as charter schools), and both internal and external challenges, schools need direct access to marketing tools which will enable them to more successfully reach potential school families.

It is recognized that all available resources within the archdiocesan structure will need to be fully engaged in this marketing and branding effort. This includes the Archdiocese's Office of Catholic Schools, the Archdiocese's Office of Parish Services, the Archdiocese's Office of Communications, the Archdiocese's Office of Development and Stewardship and the Archdiocesan Catholic Schools Advisory Council. Additionally, it is recognized that all available resources within the archdiocesan structure must work in collaboration with school leaders from throughout the Archdiocese to assist all schools in become even more parent responsive and community invested going forward.

FUNDING MODELS

SUMMARY OF ISSUES AND HIGHLIGHTS OF RECOMMENDATIONS

CURRENT CHALLENGES

The average, adjusted cost of education per student at Catholic schools throughout the Archdiocese is \$5,237. The average tuition revenue per student at Catholic schools throughout the Archdiocese is \$3,377. That leaves an average gap between cost of education and tuition per student of \$1,860. The remaining total cost of education not covered by tuition comes to more than \$30 million annually. That gap is covered by parish subsidy (intentional and unintentional), grants and gifts, endowments, local fundraising and financial support through the Archdiocese and other sources.

Due to the revenue shortfall, schools and parishes have taken increasingly drastic approaches to meet budget which have resulted in donor fatigue, reduction of capital reserves, delayed facility investment, and other concerns. Adding to the challenge is the use of a variety of charts of accounts among parishes and schools, resulting in lack of clarity about the true cost of Catholic school education. Moreover, it is recognized that parishes without a school must do more to support Catholic schools.

FUNDING MODELS COMMITTEE DELIVERABLES

- Specific components of a sustainable funding model for schools including: template for expenses, level of investment from parish, diversified funding sources, and level of annual Archdiocesan support
- Metrics dashboard of key indicators of financial health and process to gather data
- Standards for individual school financial practices and procedures including: data collection and reporting, enrollment management, financial aid guidelines
- Specific strategies to pursue for revenue enhancements and cost reductions

FUNDING MODELS COMMITTEE RECOMMENDATIONS

Recommendation 1: *Consolidate archdiocesan support (Assessment, CSA, CCF, new Foundation) for schools/students to a coordinated transparent function that provides coordination, monitoring, measurement, and reporting to all stakeholders. The granting philosophy should be to move K-8 support from block grants to schools to primarily student-based financial aid. While specific school level support will be made in certain instances, the vast majority of aid will go to students. Aid should be provided to students across the Archdiocese based on a financial need assessment approach to be developed and which will include family needs, community resources, and school finances. This will be phased in by the*

2013-2014 academic year. Metrics and functions of qualifying schools will be articulated by June 1, 2012.

Student financial need would be determined by a uniform rating agency (TADS), with additional community metrics taken into account. Integration of TADS and Cornerstone could facilitate identification and utilization of these metrics. During the 2010-2011 school year, 69 of 98 schools utilized TADS to determine student need. Approximately 20 schools use other rating agencies. It is generally recognized that TADS is a good system.

Recommendation 2: Catholic schools are an important ministry of our local Church and are the responsibility of all parishes in the Archdiocese. We recommend that through the assessment process, the amount of aid for students across the Archdiocese significantly expand over the next five years, and that the assessment levy be altered (through another process) to include a component related to supporting Catholic schools for those parishes without a school. In addition, we recommend that the level of Catholic Services Appeal (CSA) support continue to be in the 20-25% range.

The current level of combined assessment/CSA support to Catholic schools is approximately \$2.75 million. The committee recommends increasing this support to \$3.5 million over the next 4-5 years. The Committee is aware that the Archdiocesan Finance Council (AFC) is working on revisions to the assessment practices, and defers to them on the methodology to increase the amount flowing from assessment to school support and create a process so that this support for Catholic schools is borne by the parishes that do not already provide direct support to schools. It is recommended that this assessment revision begin phase-in during 2012-2013 with full implementation in 2013-2014.

Recommendation 3: Increase the amount of financial resources from outside the Archdiocese that would be available primarily for student assistance at Catholic schools across the Archdiocese.

This recommendation calls for the establishment of a foundation dedicated to the support of Catholic schools. Other dioceses have found success with independent foundations/funds established to support schools. Details of this foundation require further development. The foundation will be formed in the autumn of 2011. The foundation's goal by 2014-2015 would be to provide \$3.5 million annually in additional support to schools.

Like those engaged in school finance-related planning in many other dioceses, members of the Funding Models Committee of the Commission wrestled with ways to help schools be sustainable for the long term while being accessible to all families who desire a Catholic school education. Recommendations 1 - 3 from this committee outline several key changes directed at this goal.

Recommendation 4: Deploy a uniform accounting and reporting methodology that will strengthen school management capabilities. The goal is to move to a consistent financial model that emphasizes transparency into per student costs, including an intentional plan to communicate that true cost of education with stakeholders, as well as transparency into levels of financial support from the parish and barriers/gaps to achieving a balanced budget.

As in other dioceses which are decentralized in structure, there is a need for some standardization of financial forms and the establishment of best practices in budgeting and reporting, as well as the communication of some guidelines related to enrollment management and parish subsidy. These changes are aimed at improving efficiency and the quality of financial decision-making. Standardization of financial forms and adherence to best practices in budgeting and reporting will allow better financial analysis and other archdiocesan support to the schools. This will require enhanced staffing at the archdiocesan level.

The Archdiocese has identified two data management systems, Cornerstone and Logos, certain modules of which are being integrated to provide an automated and centralized tool for financial planning, reporting, and analysis. Work is being done during the summer of 2011 to include templates within these systems to facilitate standardized reporting. While utilization of these tools is not mandated, adoption and use of Cornerstone and Logos will be considered best practices. This means that the flow of archdiocesan financial aid to a school, in the form of either student-based financial aid or programmatic block grants, is contingent upon a school's utilization of these systems. Additionally, financial analysis and other financial support at the archdiocesan level will be provided only to those schools utilizing these systems. In most cases, the parish affiliated with a school would adopt Logos. In the case of consolidated or independent schools, the school may need to adopt Logos itself. Adoption of Cornerstone and Logos would be required, if a school wishes to remain eligible to receive financial aid from the Archdiocese. There remains considerable work to be done in integrating Cornerstone and Logos to facilitate centralized reporting and analysis.

Local administration would be accountable for maintaining a balanced budget, including: the establishment of revenue targets (from all sources, e.g. tuition, archdiocesan aid, local fund raising and parish subsidies); a practical assessment of enrollment and adjustment based upon actual enrollment at the beginning of each program year; and solid cost estimates. Financial aid (either in the form of need based student aid or block grants) from the Archdiocese will be contingent upon a school's meeting approved best practices regarding budgeting and reporting.

Generally, the funding models committee recommends a standardized approach for school financial management which allows for local decision-making and accountability with the Archdiocese (the CFO's office and the OCS) as a resource for training and monitoring of consistent application of strategies.

Local Administration (pastor, principal, business administrator, parish finance council) are charged with establishing tuition prices and revenue requirements. As a guideline, tuition

prices should be based on local economic conditions including a consideration of local average cost per student. Clear communication with stakeholders about the true cost of education is necessary.

Parish subsidies (a parish's financial support for its school) should be determined locally through a deliberate, transparent, annual dialogue and fixed, rather than determined based on the "gap needing to be covered" between tuition revenue and cost of education. A general guideline for parish subsidies of schools is in the range 20-35% of collections. Parishes with subsidy levels above or below that range should review and discuss the parish subsidy level to ensure that the subsidy amount is in line with the local parish's program priorities and that it is intentional.

Recommendation 5: *Centrally coordinated means of enhancing revenue and reducing costs are necessary.*

The Archdiocesan Catholic Schools Advisory Council will establish a committee to research further strategies to pursue for revenue enhancement and cost reduction.