SECTION X:

Finance

**STANDARD 10:**

The School Has a Financial

Plan to Accomplish Its Mission.

**OVERVIEW:**

During the previous accreditation cycle, one of the School Improvement Plan (SIP) goals was, “Stable and sustainable financial plans assure the ongoing success of Trinity Lone Oak Lutheran School and the ministries of Trinity Lone Oak Lutheran Church.” One of the major accomplishments achieved through this goal was to increase third-source funding from $50,000 annually to as much as $180,000 in the best year. It is anticipated that third source funding will account for $145,000 in the current year, primarily from the annual appeal (Be a Light Campaign), Annual Fund, School Auction, and PTCO fundraising events.

TLO School would still like to move toward a one-tuition rate schedule for all constituent groups (currently TLO charges TLO church member, LCMS member, and community member rates). Progress has been slow and inconsistent.

To address the objective of a fully funded financial aid program, the congregation began a $1.5 million capital that included setting a portion of the campaign goal away for a financial aid endowment ($125,000). Unfortunately, a total of only $74,650 was collected between Nov 2008 through Dec 2011 and the campaign was ended due to lack of momentum and lay leadership. TLO is not able to fund as much financial aid as is needed.

**REQUIRED INDICATOR OF SUCCESS:**

Indicate whether or not the school meets the required indicator of success by circling **Yes** or **No**.

 YES NO 10:01 The school has a three-year financial plan, based on sound, realistic assumptions, supported by empirical data, to insure continuing financial Support. The plan provides for a quality educational program including necessary staff, adequate facilities and equipment, instructional resources and other support services that allow the school to achieve its goals.

Evaluate the level of implementation for each of the other indicators of success. Tally and record your point total at the end of this section.

**GENERAL INDICATORS OF SUCCESS:**

10:02 The congregation(s) provides financial support for the school.

[x]  **Met in Full (3)** [ ]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_3\_\_**

 COMMENTS: The church offers financial aid to school families and supports the school facility. Congregation member families are charged a reduced tuition rate.

10:03 The school administrator is responsible for developing and recommending a budget and managing the budget (expenditures).

[ ]  **Met in Full (3)** [x]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_2\_\_**

 COMMENTS: Our principal is always present and giving input at church council meetings. He notifies the Board of Christian Education and the Board of Trustees as soon as he becomes aware of a budget issue. By TLO constitution, only elected board members can approve expenditures and manage budgets.

10:04 The governing board approves an operating budget for the school.

[x]  **Met in Full (3)** [ ]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_3\_\_**

 COMMENTS: The Board of Christian Education approves a board budget, and then the Church Council approves a unified budget. Finally, the TLO congregation approves the annual budget at the May meeting. TLO operates under a July 1 - June 30 fiscal budget.

10:05 The school financial plan is coordinated with the operating congregation’s financial plan.

[x]  **Met in Full (3)** [ ]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_3\_\_**

 COMMENTS: Our school and church budgets are unified.

10:06 Sources of income and expenditures reflect the school philosophy and promote student growth.

[ ]  **Met in Full (3)** [x]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_2\_\_**

 COMMENTS: Sources of income are tuition, the auction, an annual appeal, offerings, additional fundraising activities, and donations. Almost all are used in promoting the education of the students.

10:07 Salaries reflect the current district recommended salary scale and salaries are reviewed annually.

[ ]  **Met in Full (3)** [x]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_2\_\_**

 COMMENTS: The Church Council annually reviews teacher salaries. Currently TLO uses the MN-South District salary scale without the regional economic adjuster of 10% due to location (Dakota County).

10:08 The budget is managed responsibly, using appropriate bookkeeping procedures and safeguards.

[x]  **Met in Full (3)** [ ]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_3\_\_**

 COMMENTS: The TLO elected treasurer manages the budget and pays all elected board member approved expenditures. The church secretary and school secretary post approved expenditures on QuickBooks accounting software. The TLO elected financial secretary and volunteers (the tellers) count and track all income utilizing ResultsPlus! gift tracking software. Recently a part-time business assistant position was approved and filled to handle HR matters and to assist the treasurer complete tasks during regular business hours.

10:09 Funds provided by auxiliary organizations are allocated according to governing board policy and in consultation with the school administrator.

[x]  **Met in Full (3)** [ ]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_3\_\_**

 COMMENTS: All organization funds are managed by QuickBooks. The PTCO (Parent-Teacher-Congregation Organization) and Board of Christian Education work together to allocate funds.

10:10 Financial assistance is available to families with limited financial resources.

[x]  **Met in Full (3)** [ ]  **Mostly Met (2)** [ ]  **Rarely Met (1)** [ ]  **Not Presently Met (0) \_\_3\_\_**

 COMMENTS: The church and school makes every effort to provide financial aid to all families who ask for assistance. Aid is given based on need assessed by a computer service. Assistance requests exceed the funds we have available, but every family is offered something and every family pays something.

**ANSWER THE FOLLOWING QUESTIONS:**

A. Is the REQUIRED Indicator of Success complete and available for review? \_\_\_NO\_\_\_\_

B. What is your GENERAL Indicators of Success point total for Standard 10? \_\_24\_\_\_\_\_

C. Is the total for the GENERAL Indicators of Success a minimum of 18 points? \_\_\_Yes\_\_\_\_

D. Have you provided comments or explanation for proposed actions to meet any of the GENERAL Indicators of Success that have not been fully met? \_\_\_Yes\_\_\_\_