Finance

**Adequate and appropriate financial support is necessary for the school to achieve its mission.**

**RESPOND TO THE FOLLOWING:**

1. Describe the financial and fee structure used in this school (i.e., tuition, free-will offering, members, nonmembers).

St. John’s has a tuition fee schedule (Exhibit 34) that is updated on a yearly basis. The schedule includes tuition rates for member and community, registration fees, lunch, milk, and bus fees (preschool).

The church includes the school costs in the budget process every August-September, with the budget being approved by the congregation during its October meeting.

In addition to the tuition and congregation, our PTL has two fundraisers that help provide needed items and updates to the school building and grounds.

1. List all types of third source funding and government aid received.

We receive title money for textbooks, health and services, and counseling (Jr. High). We also participate in the school hot lunch program.

The other major 3rd source funding comes in the form of the bequests given to the school or the church.

1. Describe the procedures followed for budgeting for and purchase of equipment and teaching/learning materials for the various levels and departments.

The Board of Christian Education plans and approves budget amounts at their August meeting. This budget is then brought before the church budget committee for discussion and adjustments. Once all numbers in the church and school budget have been thoroughly examined, the budget moves on to the church stewards, who take one more look at it and make suggested changes, if they feel it is appropriate. It is then moved on to the congregation for approval. The school budget is incorporated into the church budget.

We plan for items that we know that we will need over the course of the new school year and include items into our budget discussions. The unforeseen needs (building repairs, etc.) are under the board of trustees, who have the power to spend up to $2500 without congregational approval. Any expenditures over this amount needs to be approved for any group by congregational vote.

1. Give the operating expenditure budgeted per student for the current school year. (Please use the synodical statistical report format to determine the amount.)

The cost to educate one student during the current school year is $5400.

Please see (Exhibit 35 – Tuition Presentation) for further information on other school-related cost information.

1. Give the operating expenditure budgeted per student for the previous school year.

The per student cost for the 2012-13 school year is $4900.

F. Identify sources (and amounts) of income for the last school year. Include, if applicable:

Congregation, tuition/fees, fundraising, development (gifts), endowment, government aid,

student scholarship, and other (specify).

Congregation $407,000

Tuition/fees 87,000

Fundraising 15,000

Endowment 57,000

Government Aid 15,000

Student Scholarship 8,000

**ATTACHMENTS:**

\* The current itemized school budget and a final itemized financial report for the past three years.

\* Your current schedule for tuition and fees.

\* The policy and procedures related to financial assistance.

\* The school’s current salary and benefit scale and the district’s suggested salary scale. Compare actual salaries with the scales.

\* Copies of auxiliary organizations’ budgets where applicable.

\* A copy of the three-year financial plan.

**Standard 10:**

The School Has a Financial Plan to Accomplish Its Mission.

**OVERVIEW:**

List significant changes that have been made by your school in this area during its previous accreditation cycle.

St. John’s Lutheran Church and School has combined the two separate accounting systems into one system, operated by the church. All tuition and registration monies go into the church account. Certain money remains in a school account (teacher classroom, PTL, specific donations to school, etc.) All bills, except items listed in the previous sentence are sent to the church to be paid.

As part of this system, the school board studies projections for student enrollment, tuition revenue, etc. as part of the financial outlook. This information is shared with the church leaders as we plan our budget for upcoming years.

**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 ensure continuing financial support. The plan provides for a quality educational program including necessary staff, adequate to achieve its goals.

**GENERAL INDICATORS OF SUCCESS:**

General Indicators of Success help the school quantify its compliance with the Required Standard. Evaluate your school’s compliance with each General Indicator of Success using the criterion defined below. In the “Comments” section related to that indicator, specify how your school falls short of full compliance for any indicator marked less than “**Met in Full**.”

**Met in Full**-—The indicator of success has been completely accomplished by the school. It is verifiable through evidence and documentation.

**Mostly Met**—The indicator of success has been partially accomplished by the school. Documentation and evidence regularly indicate that the school is well on the way toward full accomplishment of the indicator.

**Rarely Met**—Infrequent implementation of an indicator of success. This indicator rarely occurs in the school and evidence and documentation for compliance are minimally present.

**Not Presently Met**—There has been no progress by the school toward the accomplishment of this indicator of success.

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

 **\_\_\_Met in Full (3) \_2\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 2**

**Comments: The congregation is responsible for about 75% of the school budget.**

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

 **\_3\_Met in Full (3) \_\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 3**

**Comments:**

**10:04** The board approves the budget for the school.

 \_\_\_Met in Full (3) \_\_\_Mostly Met (2) \_1\_Rarely Met (1) \_\_\_Not Presently Met (0)

**Comments:The board presents a recommended budget to the budget committee, which is then approved by the board of stewards, and then voted on by the voting members of the congregation.**

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

 **\_3\_Met in Full (3) \_\_\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 3**

**Comments:**

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

 **\_3\_Met in Full (3) \_\_\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 3**

**Comments:**

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

 **\_\_\_Met in Full (3) \_\_\_Mostly Met (2) \_\_\_Rarely Met (1) \_0\_Not Presently Met (0) 3**

**Comments: Salaries are below the recommended salary scale, but are reviewed annually.**

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

 **\_3\_Met in Full (3) \_\_\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 3**

**Comments:**

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

 **\_3\_\_Met in Full (3) \_\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 3**

**Comments:**

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

 **\_3\_Met in Full (3) \_\_\_Mostly Met (2) \_\_\_Rarely Met (1) \_\_\_Not Presently Met (0) 3**

**Comments:**

**COMMENT ON THE WHOLE**

**SUBSECTION ON FINANCE:**

A. Is the required indicator of success met? Yes

B. Is the total for the indicators of success a minimum of 18 points? Yes

C. Based on this portion of the self-study, what are the strengths of your school?

D. Based on the concerns identified in your self-study, you will develop future plans to improve your school. Identify every item marked as less than “Met in Full” with specific plans for action to be taken by the school over the next cycle of accreditation. Any areas identified as needing improvement in the “Respond to:” component must also be included in the proposed school action plan and addressed in the cumulative annual report.