Guidelines for Understanding

Lighting the Way
Most Reverend

John J. Myers, J. C. D., D.D.

Archbishop of Newark
January 16, 2014

Dear Brothers and Sisters in Christ,

Catholic Schools are an integral part of the teaching mission of the Church because they assist parents in the important obligation of educating and forming their children through faith development. It is more important than ever that we continue to provide an academically rigorous education, rooted in the Gospel.

To make sure that we can continue our mission to provide an outstanding, values-driven Catholic Education to the children of our Archdiocese, we launched “Lighting the Way,” a strategic plan that boldly identified the steps we needed to take to ensure a vibrant Catholic Elementary System of stable Catholic Schools.

“Lighting the Way,” is a creative new model that recognizes the critical importance of Catholic identity, leadership, academics, technology, communications and enrollment strategies to the successful future of Catholic Schools. Together, pastors, parents, guardians, teachers and administrators, will begin in the Archdiocese of Newark a renaissance of Catholic Education. It must be our commitment to make sure that outstanding Catholic Education not only survives but truly thrives!!!

As you read this report, you should be aware that it is the product of a Commission of 33 members who over a two year period worked extensively to formulate this document. Pastors, administrators, parents, teachers, school office staff and finance office staff were represented on the Commission. I have approved the document that was vetted by a 16 member Pastor Focus Group, Legal Counsel and Meitler Consultants.

It is our hope that with this document we can plan for a future where we can promise our children an unparalleled experience found only in Catholic education. Please pray for the continued success of our Catholic schools, our educators, and our students.

With kindest personal regards, I am
Sincerely in the Lord,
Catholic Education Commission Members

Henry Amoroso
Senior Partner
Nowell Amoroso Klein Bierman, PA

Michael T. Corcoran

Lorraine Cunningham
Chair of Advisory Board
Our Lady of Guadalupe Academy, Elizabeth
Former Exec. Director Scholarship Fund
Inner-City Children

Margaret A. Dames, Ed.D.
Secretary for Catholic Education/
Superintendent of Schools
Archdiocese of Newark

Anthony J. de Nicola
Commission Chairman
Co-President
Welsh, Carson, Anderson & Stowe

Rev. Thomas Devine, O.A.R.
Pastor
Saint Augustine Parish, Union City

James Goodness
Director of Communications
Archdiocese of Newark

Linda Graves
President
Blue Sky Data Corp

Rev. Msgr. Donald Guenther
Pastor
Saint Joseph Parish, West Orange

Rev. Msgr. Robert Harahan
Pastor
Saint Elizabeth Parish, Wyckoff
RCAN Board of Trustees Scholarship Fund for Inner-City Children

Craig J. Leach
Commission Co-Chairman
CEO
Graham-Pelton Consulting

Nancy F. Lystash
Executive Director
Parish Business Services & Internal Audit
Archdiocese of Newark

Sheila Johnston Mulcahy
Former Vice President
William E. Simon Foundation

Joseph Pescatore
Chief Fiscal Officer
Archdiocese of Newark

Dr. Eileen Poiani
Special Assistant to the President
Saint Peter’s College

Sr. Dominica Rocchio, S.C.
Leadership Team
Sisters of Charity, New York
Former Secretary for Education/
Superintendent of Schools
Archdiocese of Newark

Denise Rover
Broadcasting/Media Professional

Rev. Msgr. Ronald Rozniak
Pastor
Our Lady of Mount Carmel, Ridgewood

Arthur Ryan
Chair Board of Consultants
Union Catholic Regional High School, Scotch Plains
The Art of Leadership
Former Development VP Bell Laboratories

Rev. Msgr. Timothy Shugrue
Pastor
St. Michael Parish, Cranford

Martin Smith
Executive Director, Equity Trading
Morgan Stanley

Suzanne Spero
Brother Raymond Vercauteren,
C.F.C., Ed.D.
Edmund Rice Christian Brothers
North American Leadership Team
Former Director Institutional Catholic
Education Leadership, University of
San Francisco

Andrew Walton

Jack Walton

Michael Weir
Chair Board of Trustees
Saint Anthony High School, Jersey City
EVP, Thrapoint Inc.

SUPERINTENDENT CABINET
COMMISSION MEMBERS

Sr. Patricia Butler, S.C.
Associate Superintendent
Elementary Schools
Archdiocese of Newark

Bro. Ralph Darmento, F.S.C.
Deputy Superintendent of Schools
Archdiocese of Newark
Member NCEA; CACE; National
Council of Teachers of Mathematics

John O’Neil
Associate Superintendent of
Regional High Schools
Archdiocese of Newark

MEITLER CONSULTANTS

Thomas Heding
President
Meitler Consultants

Sr. Mary Anne Heenan, C.S.J.
Senior Consultant
Meitler Consultants

Diane Leone
Project Coordinator
Meitler Consultants
Guidelines for Understanding Lighting the Way

Archdiocese of Newark

**Lighting the Way**

Implementation Team

Margaret A. Dames, Ed.D.
*Secretary for Education/Superintendent of Schools*

Mr. Tony de Nicola
*Chairperson, Catholic Education Commission*

Mr. James Goodness
*Vice Chancellor – Director, Communications and Public Relations*

Mrs. Nancy Lystash
*Executive Director, Parish Business Services*

Deacon John J. McKenna
*Vice Chancellor – Executive Director, Human Resources*

Mr. Joseph Pescatore
*Chief Fiscal Officer*

**Lighting the Way**

Pastor Focus Group

Reverend Monsignor Robert E. Harahan, *Chair*
Reverend Joseph S. Bejgrowicz
Reverend Larry Evans
Reverend Joseph A. Ferraro
Reverend Carlo Fortunio
Reverend George D. Gillen
Reverend Clement M. Krug, CSSR
Reverend Armand Mantia
Reverend Felix R. Marcinak
Reverend Monsignor Thomas P. Nydegger
Reverend James V. Pagnotta
Reverend John J. Paladino
Reverend Monsignor Lewis V. Papera
Reverend Charles Pinyan
Reverend Alexander M. Santora
Reverend Monsignor Gregory J. Studerus

*Lighting the Way is dedicated to Reverend Monsignor Kevin M. Hanbury, Ed.D.*
## Contents

Letter from the Archbishop .......................................................... i
Catholic Education Commission Members .............................................. ii
Archdiocese of Newark *Lighting the Way* Implementation Team/
*Lighting the Way* Pastor Focus Group ............................................. iii
Dedication ................................................................ iv
History of *Lighting the Way* .......................................................... 2
Governance ..................................................................................... 4
Partnership ...................................................................................... 5
Lines of Authority ........................................................................... 6
  - Archdiocese and Archdiocesan Catholic Education Services (ACES) .... 6
  - General Responsibility of the Pastor ............................................. 6
  - General Responsibility of the Principal ....................................... 7
  - General Responsibility of the School Advisory Board (SAB) ........... 7
Finance Model .................................................................................. 8
  - Introduction ................................................................................ 8
  - New Assessment Model ............................................................. 8
Funds Flow (Budget Process) ........................................................... 10
Staffing and Related Expenses Guidelines ......................................... 11
Enrollment Sample ........................................................................... 12
Elementary School Finance Model Summary ...................................... 13
Budget Process ................................................................................ 14
Frequently Asked Questions ............................................................ 15
Building a New Era in Catholic Education

History of Lighting the Way

Introduction

Education has been a core mission for the Archdiocese of Newark since 1853. Our schools were born at a time when many Catholics were newly-arrived immigrants. They belonged to urban parishes that reflected the language and culture of their congregants. The development of Catholic grammar schools was a natural outgrowth of this process. In a world where Catholicism was at times violently opposed, our schools offered a safe environment where students received a rigorous education in both academics and their Faith.

When the children and grandchildren of these immigrants migrated to the suburbs, they took their Catholic institutions with them. From the perspective of enrollment, the 1960’s represent a high point for Catholic education in our Archdiocese.

Today our schools continue to offer a superior education, infused with Faith. The results of the recent TerraNova achievement tests reported our students consistently achieve above national performance levels. Still, social and economic changes have put Catholic education at risk. Enrollment has decreased, as costs have steadily increased.

Fewer families are willing and able to pay Catholic school tuition. Children who in the past might have gone to parochial schools now attend taxpayer-supported Charter Schools. Aging buildings need ongoing maintenance. Effective education requires expensive, new technology. Attracting outstanding lay administrators and teaching staff requires paying competitive salaries. Pastors, with fewer assistant parochial vicars — if any — to help them, find issues relating to parish schools taking ever more of their time.

These are serious challenges not just here in New Jersey, but throughout the country. The situation is so severe that some have predicted the end of Catholic education.

We, the members of the Catholic Education Commission of the Archdiocese of Newark, could not disagree more. We believe the time is right for a renaissance in Catholic education.

In June 2011, Newark Archbishop John J. Myers appointed a 33-member Catholic Education Commission (CEC). The Archbishop acted in response to requests from pastors and principals for a plan to promote a sustainable model for economic and academic excellence that would characterize our Catholic elementary schools. Those selected for membership on the CEC have extensive experience in higher
education, business and school governance. Several pastors, as well as consultants from research firms and foundations, participated. A number of parents were also included. Additional members were drawn from the Archdiocesan Schools Office, elementary school communities and local universities.

Our goal was to create a multi-year strategic plan that provides elementary schools with a “roadmap for success.” We were tasked to determine not just what needs to be done, but how it could be accomplished. Our work was data-driven and our conclusions are based on extensive empirical analysis.

The Commission met as a group more than a dozen times. We also participated in subcommittees that explored eight (8) areas central to the future of Catholic schools: Catholic Identity, Academic Excellence, Governance, Leadership, Enrollment Management, Marketing, Finance and Facilities. Parental Choice and Development were added as special initiatives.

Cumulatively, these subcommittees met more than 50 times over a nine-month period, utilizing both internal and external resources. These included Seton Hall University, as well as Meitler Consultants, a national leader in strategic planning for dioceses, schools and parishes. We carefully studied the experiences of other dioceses, including New York, Los Angeles, Chicago, Philadelphia, Brooklyn, Wichita and Bridgeport. In addition, focus groups were conducted to assure input from all stakeholders.

We found that Catholic education in the Archdiocese of Newark can do more than simply survive, but can thrive in the coming years. Doing so will require fundamental changes in governance and leadership. It also means embracing new enrollment and financial management strategies, along with consistent marketing, fundraising and development methods. The introduction of State legislation offering the promise of parental choice could potentially have a major positive impact on some urban schools. Yet whatever happens, our schools must never lose their distinctive Catholic Identity.

The title of our report to the Archbishop, *Lighting the Way: Building a New Era in Catholic Education*, reflects our optimism and our hope.
Governance

For generations, Catholic schools nationwide have been centered on local parishes. Pastors and priests headed the schools; the religious of the parish taught the classes; the children of the parish filled the seats. The Catholic schools of the Archdiocese of Newark were no different, and for generations this model led to thriving and successful schools.

Today, however, a rising number of laity in leadership positions and the dissolution of the parish model in many neighborhoods call for a re-evaluation of existing governance models. An innovative approach must be taken to ensure the continued success and sustainability of Catholic education.

This Commission believes successful governance should encourage and guarantee the quality of the education provided, while nurturing the leadership of the school. The responsibility for the growth, development, marketing, and financial resources of the school community rests in the hands of its governing board.

This Commission recommends a change from the traditional model, which has been the norm for generations, to a new archdiocesan school advisory model.

The archdiocesan model is a bold new direction in governance and leadership. It relies more heavily on local lay leaders to ensure the fiscal successes of every school. At the same time it maintains a commitment to the highest academic standards, and a strict adherence to sound Catholic identity. Governance changes have already been implemented in many different archdioceses, including Los Angeles, Boston, and New York.

The new archdiocesan model for Catholic schools involves all parishes in the support of Catholic education. Whether or not a parish is associated with a specific school, all parishioners will have access to a quality Catholic education. It also supports fair distribution of resources, everything from teachers’ salaries to technology. This will provide more consistency across the Archdiocese of Newark.

The new model for Catholic schools in the Archdiocese of Newark is a “call to the laity.” It is a collaborative model that engages and empowers parents and lay constituents to have a voice in the future of their schools. The new model is always mindful of the authority and teachings of the Church, and at the same time it provides an opportunity for the laity’s greater involvement in the school’s strategic planning, finance, facilities, and marketing and development activities.
Under *Lighting the Way*, our schools will be guided by a partnership among the Pastor, the Principal, the School Advisory Board and the Archdiocesan Catholic Education Services (ACES).
Lines of Authority

General Responsibilities of the Archdiocese

1. Recognizing Archdiocesan Catholic Education Services (ACES) as the management and service arm of the Archdiocese of Newark for its Catholic elementary schools. Through a service agreement with each parish, ACES will provide instructional, marketing, development, financial and personnel services to each parish school and to the School Advisory Board
2. Organizing schools and consulting Boards in ways that are consistent with the authority of the Catholic Church whose mission the schools serve
3. Setting Archdiocesan policy for instructional (including academics and discipline), finance and facilities
4. Reserving to the Archbishop, Vicar General, Chancellor, Secretary for Education, Archbishop’s Pastor Appointee:
   a. The opening and closing of schools
   b. Negotiation and signing of contracts
5. Reviewing and taking action on school strategic plans and budgets
6. Setting salaries and benefits for faculty, administrators, and staff
7. Reviewing all School Advisory Board (SAB) proposals

General Responsibilities of the Pastor

1. Providing for the daily spiritual needs of the school and is responsible for the spiritual and liturgical life of the school community
2. Acting asCanonical Representative of the Archbishop
3. Collaborating with ACES and the Search Committee to hire the principal
4. Consulting with ACES in the evaluation of school employees
5. Sitting as a voting member of the School Advisory Board
6. Developing the annual school budget with the principal, ACES and the School Advisory Board
7. Determining and invoicing the school for services, repairs, maintenance and snow removal based on an apportionment formula agreed upon between the school and parish. Determines with ACES and the school an equitable method for sharing capital improvements.
8. Determining use of the school building(s) by the parish, recognizing the need for the smooth running of the school’s programs; there shall be no rental fee, but a pro-rated cost of building usage for utility and janitorial services.
Guidelines for Understanding *Lighting the Way*

**General Responsibilities of the Principal**

1. Creating with the pastor an environment conducive to the vibrant spiritual life in the school
2. Implementing Archdiocesan policies
3. Evaluating staff
4. Preparing with the pastor and business manager and finance chair the annual operating budget for review by the SAB
5. Operating the school regarding staff, students, and programs
6. Working cooperatively with the pastor to schedule use of the building facility
7. Being involved in public relations together with the SAB and in coordination with the pastor and ACES
8. Designing curriculum and instructional strategic plans for the school in coordination with ACES
9. Collaborating with the pastor to recommend to ACES staff to be hired

**General Responsibilities of the School Advisory Board**

1. Providing leadership to foster an environment which provides underlying Catholic values
2. Participating in strategic planning and goal setting for finance, facilities, marketing and development which should complement the curriculum and instructional strategic plan developed by the local school administration
3. Receiving, reviewing and, if necessary, revising the annual operating budget prepared by the local school administration, the pastor, the principal and the business manager, and forwarding the budget to ACES for approval
4. Overseeing the school operations concerning student life and facilities
5. Establishing and maintaining effective marketing and development programs
Finance Model

Introduction

Traditionally, Catholic elementary schools were funded by the parishes in which they were located. While budgets were not overly generous, they were considered adequate. When that funding proved inadequate, especially in urban areas, diocesan subsidies were established. Declining student enrollment has translated into declining tuition income, requiring ever larger subsidies. All at a time when the costs associated with operating our schools have continually increased.

For Catholic elementary schools in the Archdiocese of Newark to continue to offer a quality education, a new finance model was adopted. It is the responsibility of all of the parishes in the archdiocese to financially support Catholic education.

The Archdiocese and its parishes has provided some $145 million in subsidy for elementary schools over the past 10 years to compensate for school financial deficiencies. Without the new model proposed by Lighting the Way, these deficits will continue to grow until it is financially impossible to sustain our system of Catholic Schools.

Without any changes to our current school model, the subsidy required to support our schools will skyrocket to $23.2 million per year by 2017. Under Lighting the Way, the projected investment required will be a more manageable $7.1 million.

New Assessment Model

Parishes that currently do not financially support a school will pay a new assessment to support Catholic Education throughout the Archdiocese of Newark.

Parishes that do financially support schools will continue to support them at the current levels. Assessments will be calculated based on the new rates with the following adjustments:

- No parish will pay more than what they are paying today in direct school subsidy and assessment.
- No parish will pay less either.

The dollars provided for direct cash subsidy will still be needed as we implement the plan and normalize school finances over the next 3-5 years.

When the new assessment rate is calculated, there will be an adjustment to ensure no one pays more or less than they do today, in terms of total assessment and financial support of a school.
The new rate, along with funding our archdiocesan schools today will have the following impact on our parishes as compared to the current funding:

The current assessment rates have not changed in more than 30 years. The new rate will go into effect July 1, 2014. The chart below reflects the new assessment schedule. Today, parishes receive a 1% discount on their assessments provided they support an elementary or high school.

<table>
<thead>
<tr>
<th>Current Income</th>
<th>Current Rate</th>
<th>New Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Over $750k</td>
<td>12%</td>
<td>18%</td>
</tr>
<tr>
<td>$500K–$750k</td>
<td>12%</td>
<td>16%</td>
</tr>
<tr>
<td>$100K–500k</td>
<td>12%</td>
<td>14%</td>
</tr>
<tr>
<td>Under $100K</td>
<td>12%</td>
<td>12%</td>
</tr>
</tbody>
</table>
Funds Flow

Tuition

Fundraising, Fees, Gifts, Bequests

School

Parish and Archdiocesan Contributions (if warranted)

Archdiocese

Parish Contribution
Staffing and Related Expenses Guidelines

An example of a school in the Archdiocese of Newark enrollment of 220
Class Size: 18-24, Pre-K – 2nd Grade / 25-30, 3rd – 8th Grade* / Every school should employ:

<table>
<thead>
<tr>
<th>Principal and Grade Teachers</th>
<th>Special Teachers</th>
<th>Administration &amp; Support</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td></td>
<td>Secretary</td>
</tr>
<tr>
<td>Pre-K 3</td>
<td></td>
<td>Custodial</td>
</tr>
<tr>
<td>Pre-K 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Kindergarten</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 2</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 4</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 5</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 6</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 7</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Grade 8</td>
<td></td>
<td></td>
</tr>
<tr>
<td>(Part Time)</td>
<td>Art</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Music</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Physical Education</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Computer</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Library</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Language</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Aides (3)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Substitutes</td>
<td></td>
</tr>
</tbody>
</table>

*Exception approved based on the profile of the class and the school’s budget.

Other Expenses

Business Manager and Other Business Support Expenses

Educational Materials
Faculty Expense
Student Expense
Technology

Administrative Expense & Supplies
Utilities
Maintenance
Enrollment Sample

Based on the “Staffing, Revenue and Expenditure Guidelines,” a school with 220 students collecting $4,600 per student in tuition, and $500 per student in fund raising, should approach the cost to educate each student, providing the school budget is in the range of $950,000 to $1,000,000.

<table>
<thead>
<tr>
<th>Enrollment</th>
<th>220</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tuition Revenue</td>
<td>$1,012,000</td>
</tr>
<tr>
<td>(4,600)</td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>+$110,000</td>
</tr>
<tr>
<td>($500 a student)</td>
<td></td>
</tr>
<tr>
<td>Total Revenue</td>
<td>$1,122,000</td>
</tr>
<tr>
<td>Total Cost</td>
<td>$1,000,000</td>
</tr>
<tr>
<td>Net Surplus</td>
<td>+$122,000</td>
</tr>
</tbody>
</table>
Elementary School Finance Model

Summary

To achieve a sustainable financial model for Catholic Elementary Schools, this plan will gradually adjust tuition so that by the year 2024 it accounts for 93% of costs. The plan also anticipates that fundraising contributions will account for many important needs, including scholarships. Thus, affordable Catholic school education meets the perceived needs of the community; for example:

- **Tuition (93%) of total school cost**
  - Phase I  83% – 88% (first 5 years)
  - Phase II  88% – 93% (second 5 years)
  - Target date for achieving goal of tuition 93% of cost 2024

- **Fundraising contributions (7.0% to 17%)** are a critical component of a school’s success and can meet:
  - Enhanced programming needs
  - Special school equipment
  - Financial aid
  - Budget gap funding
Budget Process

STEP 1
Form School Advisory Board Finance Committee and appoint a chairperson.

STEP 2
School Business Administrator prepares a preliminary budget framework.

STEP 3
Principal, pastor and Finance Chair/Committee review and adjust budget for presentation to full School Advisory Board.

STEP 4
Full Board provides input and fine tunes the budget.

STEP 5
Approved budget is submitted to the Archdiocese Finance Office for ACES approval.

STEP 6
Budget is returned to the School Advisory Board for modification if necessary.
Frequently Asked Questions

1. What is Lighting the Way?
   In June 2011, Newark Archbishop John J. Myers, J.C.D., D.D. appointed a 33-member Catholic Education Commission (CEC). The goal of the CEC was to create a multi-year strategic plan that provides elementary schools with a “roadmap for success.” Their work was data-driven, and their conclusions are based on extensive empirical analysis.

   The CEC found that Catholic education in the Archdiocese of Newark can do more than simply survive, it can thrive in the coming years. Doing so, however, will require fundamental changes in governance and leadership. It also means embracing new enrollment and financial management strategies, along with consistent marketing, fundraising and development methods.

   The title of the CEC report to the Archbishop, Lighting the Way: Building a New Era in Catholic Education, reflects the optimism and hope of the Commission members.

2. What is the timeline for the implementation of the plan?
   • The Governance Model will be fully implemented July 1, 2014.
   • Beginning July 1, 2014 all parishes in the Archdiocese of Newark will be billed an assessment to support Elementary Catholic Schools.
   • Beginning July 1, 2015 financial services will begin to service the Elementary Catholic Schools in the areas of tuition collection, paying bills and accounting services.

3. What is the role of the Pastor?
   The Pastor is the canonical representative of the Archbishop. The site Pastor or his designee, together with the Superintendent of Schools, screens all candidates for the Principal’s position. The Pastor may be a voting member of the Search Committee and gives input into the Principal’s evaluation. Most importantly, the Pastor is the spiritual leader of the school. The Pastor has the responsibility for the spiritual and liturgical life of the school community. He may designate a Spiritual Director to provide the daily spiritual needs of the school. The Pastor or his designee also sits as a voting member of the School Advisory Board (SAB) and assists in developing the budget.

4. What is the role of the Principal?
   The Principal is the instructional leader of the school. In collaboration with the Pastor, the Principal creates an environment conducive to a vibrant spiritual life within the school. Reporting directly to the Superintendent of Schools or his or her designee, the Principal is responsible for establishing and achieving academic standards that exceed the State of New Jersey Standards for instruction. The Principal interviews and recommends to the Superintendent all new teachers and is responsible for the evaluation and professional development of the school faculty. The school Principal is responsible for communication with parents and the public and will interact with the School Advisory Board to fulfill the School Advisory Board’s responsibilities in the school’s strategic planning, financial management (including the budget), facilities, marketing and development.
5. **What is the role of the Archdiocesan Catholic Education Services (ACES)?**

ACES is the managing and service arm of the Archdiocese for its Catholic elementary schools and works closely with the Office of the Superintendent of Schools and the Office of Finance and Human Resources. Through service agreements with each parish, ACES will provide instructional, marketing, development, financial and personnel services to each parish school and to the School Advisory Board.

6. **What is the role of the School Advisory Board (SAB)?**

The role of the School Advisory Board rests exclusively in the areas of strategic planning, finance, facilities, marketing, and development activities. The School Advisory Boards represent the educational institutions of the Archdiocese of Newark under the authority of ACES. The SAB leadership will foster an environment which promotes Catholic values, long-term strategic planning and financial stability. The role of the SAB complements and supports the school’s mission to nurture through its religious and academic curriculum and extracurricular programs the spiritual, moral, intellectual, physical and social growth of each student.

7. **Whom does the School Advisory Board advise?**

The School Advisory Board advises the Principal who works collaboratively with the Pastor and the School Advisory Board.

8. **What is the position title and purpose of the School Advisory Board? Who is the supervisor?**

Position Title: School Advisory Board Member  
Reports To: School Advisory Board Chair  
Purpose: To act as voting members of the School Advisory Board; to represent the best interests of the school; to oversee the school’s planning, finances, and facilities; as well as to assure that the school meets its marketing and development goals and objectives.

9. **What are the individual SAB member’s duties?**

Individual SAB members are expected to:
1. Attend all board and committee meetings and show commitment to board and school activities  
2. Be informed on issues and agenda items in advance of meetings  
3. Contribute skills, knowledge, and experience as appropriate  
4. Support all decisions of the full board  
5. Assume leadership roles in all board activities as appropriate  
6. Participate in professional development training for boards

10. **What is the status of the current School Advisory Board members?**

They may apply for a position on the newly-formed SAB provided they possess expertise in the particular areas in Item 6.
11. What is the composition of the School Advisory Board?
The School Advisory Board will be composed of no fewer than 9 and no more than 15 members proposed by the Pastor and Principal and approved by the Archbishop, and should include:
- At least five (5) members with experience in the areas of strategic planning, finance, facilities, marketing or development
- Home School Association President (ex-officio – voting member)
- Pastor(s) (ex-officio – voting member)
- Principal (ex-officio – non-voting member)

12. How long may SAB members serve?
Members may serve two or three-year terms, which will be staggered to provide continuity. Parents, as well as parishioners of parishes that do not have schools, may serve on the School Advisory Board.

13. Does the Inner City School Advisory Board have the same structure as all other School Advisory Boards?
Yes, the Inner City Advisory Board has the same structure as other SABs in the Archdiocese, except that its members are carefully selected for their ability to give of their time, talent and treasure. Though the structure is the same, the Inner City Advisory Board will oversee at least ten (10) schools.

14. Who can remove a member of a School Advisory Board?
The Archbishop or Vicar General and Moderator of the Curia of the Archdiocese of Newark shall have the authority to remove any member of a School Advisory Board at any time, with or without cause.

15. Should families be concerned that the individual character of the school will change?
No, families choose a Catholic school because it honors their values and because they and their children desire to be part of the school and parish family. With the Pastor as spiritual leader and the Principal as instructional leader, families should be assured that the individual charism of the school they choose is not altered. Rather, the school’s individual character will be enhanced by the increased ability of the Pastor to devote more time to shepherding students and families, and of the Principal to ensure that academic excellence is consistently attained.

16. Will there still be a role for parents?
Yes, parents are encouraged to participate in the life of the school as they always have. In fact, the call to the laity that is at the heart of Lighting the Way provides increased opportunities for parents to serve their individual schools as members of their School Advisory Board and various committees and to be more vocal and visible proponents of Catholic education.
17. What are some pertinent Church canons to be considered with the supervision and control of Catholic Schools?

CANON 803
Paragraph 1: A Catholic school is understood to be one which is under the control of the competent ecclesiastical authority or of a public ecclesiastical juridical person, or one which in a written document is acknowledged as Catholic by the ecclesiastical authority.

Paragraph 2: Formation and education in a Catholic school must be based on the principles of Catholic doctrine, and the teachers must be outstanding in true doctrine and uprightness of life.

Paragraph 3: No school, even if it is in fact Catholic, may bear the title “Catholic school” except by the consent of the competent ecclesiastical authority.

CANON 805
In his own diocese, the local Ordinary has the right to appoint or to approve teachers of religion and, if religious or moral considerations require it, the right to remove them or to demand that they be removed.

CANON 806
Paragraph 1: The diocesan Bishop has the right to watch over and inspect the Catholic school situated in his territory, even those established or directed by members of religious institutes. He also has the right to issue directives concerning the general regulation of Catholic schools; these directives apply also to schools conducted by members of a religious institute, although they retain their autonomy in the internal management of their schools.

Paragraph 2: Those who are in charge of Catholic schools are to ensure, under the supervision of the local Ordinary, that the formation given in them is, in its academic standards, at least as outstanding as that in other schools in the area.

18. Who determines the use of the school building(s) when parishes use the school for multiple activities such as CCD, Hospitality Sunday, Holiday Parties, etc. How will this work out under the new system paying for use? Cleaning? Possible Damage?
The relationship should remain the same as it is now. As in current practice, there is no rental but a pro-rated cost of building usage for utility and janitorial services. Maintenance would be a school expense unless something is damaged during a church related function. The church would be expected to cover those expenses.
19. How will parish funding be affected? For example, Bingo is the main fundraiser for my parish (4 nights a week, Thursday, Friday, Saturday and Sunday). How will this new system affect this? Will the school principal be able to say she/he needs the building and thus prohibit the parish from holding the games?

No, it will remain the same as it is now. A schedule for usage is worked out in the beginning of the year for known dates. Any unplanned functions are scheduled in interim based on date availability.

20. Who is responsible for night-time maintenance? Who is responsible when electrical/heating/water systems break down in the middle of the night? What happens when the fire or burglar alarm is activated in the middle of the night?

To clarify, the building remains the property of the parish. That said, the school will engage administration and maintenance staff who will have responsibilities as defined by job descriptions. It is expected that they will function in a manner similar to existing independent schools.

21. Can the schools continue to utilize personnel in a manner that allows them to keep their tuition at an affordable rate? For example:

- Collect Tuition in house to avoid charges by outside companies
- Utilize the Pastor for Black Seal and minor repairs
- Pro-rate self-compensation among many positions to keep cost down
- Volunteers to paint, who are not necessarily school parents, to save money
- Run lunch program in house, etc. to save money

For the first year, there will be no changes. After that, ACES will work with the school to provide an efficient, effective model to keep tuition affordable.

22. What is the process for tuition collection?

Many of these programs will not change. Initially, tuition collection methods will stay intact as we evaluate options to provide the best process uniformly across our schools.

23. How will the school finances be managed?

Administrative support for business management of the school will be coordinated from a central location. This centralized support structure should result in an overall cost savings for our schools and create a uniform business platform for our schools. This portion of Lighting the Way is not scheduled to begin until FY 2015.

24. Will local school business support still be needed?

Initially, the local school support will continue as it is today. As the implementation evolves, local school business support will be evaluated. It will be necessary for each parish to evaluate its internal administrative support if they currently share such resources with their school.
25. How will tuition be determined?
- Tuition will continue to be determined at the local level in the same manner it is today – based on an analysis of expenses and revenue sources.
- There are no plans to standardize tuition rates at this time.
- Schools that meet or exceed standards for class size, salary scales, staffing models and enrollment while maintaining a sound fiscal budget will continue to set tuition rates consistent with the methodology they engage today.

26. Will the funds raised by the school be sent to the Archdiocesan Finance Office?
Yes, all funds will be maintained in separate bank accounts in the respective school’s name. Funds will not be commingled with any other school’s, parish’s or Archdiocese’s accounts. Schools will be able to access their account at any time through QuickBooks.

27. Can you compare the former way of operating with the operation proposed by Lighting the Way?
The main difference is the movement from a parish school to an archdiocesan school Governance and Financial Model.

<table>
<thead>
<tr>
<th>Former</th>
<th>Proposed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Parish operated schools</td>
<td>Archdiocesan Catholic Education Services (ACES) in collaboration with the Pastor, Principal and School Advisory Board operate schools.</td>
</tr>
<tr>
<td>Pastor had the final decision on all school issues; personnel, discipline, policy procedure.</td>
<td>Archdiocesan Catholic Education Services (ACES) in consultation with the principal and Pastor decide personnel, discipline, policy and procedural issues.</td>
</tr>
<tr>
<td>Parish(es) supported its own school</td>
<td>All parishes in the Archdiocese will be assessed to support the Catholic elementary schools.</td>
</tr>
<tr>
<td>Parish(es) with no ties to a school</td>
<td>Parishes pay their subsidy as outlined in the new assessment model to the Archdiocese. The school with ACES oversight and accountability to pastor and School Advisory Board will be responsible to manage school finance.</td>
</tr>
<tr>
<td>There is a one-tier Board</td>
<td>There is a one-tier Board</td>
</tr>
</tbody>
</table>
28. Will Principals (especially my Principal with an excellent record) need to re-apply and go through an interview process?
No, only new principals will go through the interview process as part of a search process.

29. Will teachers need to re-apply and go through the interview process?
No, only new hires will have to apply.

30. Who has the final word regarding the salary contracts, particularly the Principal’s salary?
ACES has the final word regarding salary contracts (in order to develop consistency). There will be a salary range for all staff including Principals. A specific Principal’s salary is negotiated based on experience and/or education but it must fall within the designated range.

31. Who will have the final say in approving hires?
The principal and ACES, with input from the Pastor, have the final say in approving all instructional staff, administrative staff, and custodial staff hires.

32. Who will approve salaries?
ACES will develop a salary scale to be used by the Principals and approved by the Office of the Superintendent of Schools.

33. If payroll is handled through the Archdiocese, how will payroll be handled for per-diem employees and hourly employees? Will they get paid in the regular pay period? (10 months or 12 months)?
Initially, payroll will continue to be processed as it is today. Establishing uniformity in a service provider and centralized management are considered future goals. Per-diem and hourly employees, as well as non-exempt employees, will continue to submit time sheets for payroll processing under the same procedure as today. Foreseeably, 10 months vs. 12 month payout options for 10 month employees will be at the individual employee’s option for all school employees.

34. When parents prepay tuition, the school gets the interest benefit by investing the money with the Archdiocese. Under this plan, will the parish still collect the money and get the interest when parents prepay tuition?
Initially, the tuition will continue to be processed and collected as it is today. Establishing uniformity in a service provider and centralized management, are considered future goals. As should be occurring today, prepaid and deferred income should be held in each respective school’s individual bank account. Any interest earned will benefit the applicable school.
35. Will the Archdiocese be responsible for collecting from delinquent parents?
Currently each school is mandated to have a written collection policy which details procedures for delinquent tuition collection. Under the new initiative, ACES will standardize tuition collection policies and parents/guardians will be advised in writing at registration. ACES will also monitor tuition collection and initiate collection letters and phone calls. (Ultimately, students with delinquent tuition will not be eligible to receive school services.) The eligibility of any particular student for school services will continue to remain the responsibility of the local school management.

36. Paying our bills promptly is essential for our credit rating. It is essential to our ability to do business with our vendors. It also prevents us from receiving “late fees” on our bills. Will our bill be paid in a timely manner?
Initially, the payment process will continue to be as it is today. As the implementation evolves, payment of invoices on a timely basis will continue to be a critical management objective. Technology will be used to expedite the transmission and approval of account payables.

37. How will we know that they are paid?
Initially, the payment process will continue to be as it is today. As the implementation evolves, School administration will have access to their QuickBooks files on the Right Network for reference on all school financial activity.

38. Will the Archdiocese be responsible for “late fees” if payments are not timely?
Initially, the payment process will continue to be as it is today. As the implementation evolves, if an approved invoice is submitted for payment upon receipt and delay in payment is due to an action or inaction of ACES staff, ACES will be responsible for late fee expenses. Late fees as a result of the failure of school administration to submit approved invoices upon receipt will be the responsibility of the school.

39. Do you have the staff to do this for all the schools? Will there be an Archdiocesan staff large enough to tackle this change? How will this be funded?
Preliminary staffing needs were included in the plans developed by the Catholic Education Commission. These needs will be refined prior to implementation. Surveys will be sent to all school locations to determine various activities and volumes as a means of determining the appropriate staffing levels. Funding for this support will be an expense line item in the school operating budgets. It is expected that these shared resources will reduce the existing costs of current school bookkeepers, business managers and/or accountants.
40. My school has a debt to the Archdiocese for a capital improvement, about $500,000. How will this be budgeted? 
   The issue of existing liabilities is an agenda item but has not yet been resolved.

41. Who controls the budget? 
   The School Advisory Board in cooperation with the principal and pastor formulates the operating budget and monitors the budget, then it is approved by ACES.

42. If a school is liable for re-payment of loans (and the parish does not have the resources to pay the debt), how will the Archdiocese get re-paid? 
   As a school liability, loans should currently be reflected on the school’s balance sheet. If applicable, loan payments should be included in the operating budget of the schools. Schools unable to make payments on amortized loans should contact the Archdiocesan Finance Office for assistance in evaluating their operating model. As a reminder, all schools qualify to apply annually for a Stewardship Grant for capital projects including payments on loans related to capital expenses.

43. Will the Archdiocese micromanage daily operations? 
   The Office of the Superintendent of Schools has general oversight now and that will continue. Management of the school will be a cohesive partnership among the Pastor, ACES, the school Principal and the School Advisory Board to ensure the long term viability of the school. The responsibility for each partner will be clearly defined.

44. How will this plan help a Principal who already is an instructional leader? 
   This plan will expose the Principal through professional development to strategies which will enhance both the spiritual and academic opportunities for their students. These opportunities include: Catholic Alumni Partnership (CAP); marketing; curriculum mapping and sharing best practices; Science, Technology, Engineering and Math (STEM) training; protocols for the evaluation of teachers; formative and summative assessments and differentiation of instruction; Understanding by Design (UBD) training; as well as the availability of the Catechetical Office to provide on-site training for certification in teaching religion and infusing Catholic values throughout the curriculum.

45. How do you separate the role of a Principal as an instructional leader from that of a manager without compromising the organization? 
   The Principal must assume both roles with a strong support network from ACES. Presently the job description of Principal includes Spiritual, Instruction, and Administrative management.
46. Based on the school’s location, population, tuition rate, etc., we are not homogeneous.
   How will you differentiate to meet the needs of each school?
   ACES will provide for flexibility within the model. *Lighting the Way* recognizes the individuality of each of our schools. Although best practices and operational functions will be standardized, flexibility will be afforded for each self-sustaining school to operate as local management determines. Schools requiring funding will work closely with ACES to develop operating budgets which address their unique issues within an established operating model.

47. For those schools that are profitable and reinvest their profits in striving for excellence, has consideration been given to not changing what is already working?
   All schools must be included in the model for it to be successful. Only a few schools operate with no Archdiocesan or parish financial assistance (whether direct subsidy, 25% rental contribution, Policy 13) and are able to pay all financial obligations annually. All schools will recognize additional cost savings under the *Lighting the Way* initiative as a result of shared resources and bulk purchasing programs.

48. Because one size does not fit all, will this plan allow for academic freedom?
   Yes, academic freedom will be allowed in how the instruction is developed. The content to be taught will be decided by the teachers collaboratively through a process called curriculum mapping under the Principal and Office of the Superintendent of Schools guidance.

49. If there is a loan for a school shouldn’t it be placed on the School Financial Statement and not on Parish Financial Statement? This is not a parish liability. Only the school has the financial ability to repay loan, not the parish.
   Currently, there are separate financial statements for church and schools. If it is a school loan, it should currently be on the school balance sheet.

50. My school has expanded two classrooms into the convent. Does the school need to pay rent to the parish?
   Yes, in the same manner that a church shares utility and maintenance expenses with a school for usage of a school facility for church-related functions such as religious education, a school would reimburse the parish for any shared usage of a church building.

51. How is the cost of the use of the building determined?
   For utility services and repairs, maintenance and snow removal to common areas, the Parish shall invoice the school on a monthly basis based on an apportionment formula to be agreed upon by the school and parish, consistent with prior practices. The school, the parish and ACES recognize that capital improvements of the school facilities may be necessary from time to time to maintain or improve such facilities. The school and parish and ACES shall determine an equitable method of sharing the costs of such capital improvements.