

Response to the Draft "Strategic Plan for
Catholic Schools" and Proposed
Alternative for St. Peter School, Riverside

Respectfully submitted to the
Diocese of Trenton
on
December 15, 2005

Amended With Additional Financial Information
On
December 19, 2005

By
The Parish of St. Peter

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I. Executive Summary

On November 17, 2005, Meitler Consultants, Inc. and the Burlington County Task force released a draft document entitled “Strategic Plan for Catholic Schools” (hereinafter the “Draft Plan”). Affected Parishes were given until December 15, 2005 to respond to the Draft Plan. The following represents the response of St. Peter’s Parish, after consultation with all stakeholders.

The “Draft Plan” did not suggest that St. Peter School was failing to meet the goals of supplying a “distinctly Catholic” education or of achieving “academic excellence.” St. Peter School’s post-graduation data unequivocally demonstrate its excellence in these categories. Rather, the “Draft Plan’s” analysis of St. Peter School focused entirely upon its enrollment and financial viability.¹

To prepare this Proposal, an analysis was undertaken of St. Peter School’s current financial situation and a variety of financial options were proposed. Most significantly, the financial analysis demonstrated that St. Peter School is currently very close to meeting all of the policies of the Diocese of Trenton’s “Elementary School Financial Operation Plan” (hereinafter the “ESFOP”). Specifically, the financial analysis demonstrated that with only modest tuition increases, St. Peter School could meet all of the milestones in the “ESFOP” at current enrollment. A variety of proposed tuition increases were submitted to St. Peter School families during a meeting held on December 6, 2005 as well as in on-line and paper surveys. The responses to date show extraordinarily strong support for the proposed tuition increases. Therefore, these increases should be deemed reasonable and workable. A budget meeting the requirements of the “ESFOP” at current enrollment is set forth in detail in Section IV.

After declining for the last four years, enrollment at St. Peter School appears to have stabilized at approximately 200 hundred students.² The financial analysis, coupled with a review of existing facilities, suggest that St. Peter School should optimally achieve a K-8 enrollment of between 215 and 225 students, with a Pre-K to serve as a feeder. As noted in the “Draft Plan” marketing is a “relatively new concept for many schools,” and St. Peter School is no exception.³ The “Draft Plan”, however, has served as a “wake-up call” in this regard, and in order to remedy this deficiency, St. Peter School has called upon the abundant resources of its parents and well-wishers to create a marketing plan that takes advantage of the partnerships and synergies available - including issues in the local public schools and transportation and commuting patterns - to increase the visibility and viability of St. Peter School. The goal of the marketing plan is to hold enrollment steady next year and then increase enrollment at a moderate rate of 3.3% per year for the next three years until the target enrollment is met.

Finally, as the recommendations of the “Draft Plan” became widely publicized in the press, St. Peter School alumni and other well-wishers approached PTA members

¹ See, “Draft Plan” at 24-25.

² See, “Draft Plan” at 7.

³ See, “Draft Plan” at 8.

with offers of support. Some of these offers came from heretofore-untapped sources. Therefore, included in this Proposal is a Fundraising and Capital Campaign Plan, which seeks to provide sufficient funds to establish a Capital Endowment, retire any existing debt, and, when appropriate, provide tuition relief. In addition, the Fundraising and Capital Campaign Plan seeks to wean St. Peter School from some of its historical fundraising practices that are becoming less viable with time.

As the following will demonstrate in more detail, the financial status of St. Peter School, while needing attention, is not, under the terms of the “ESFOP,” critical. The following proposals are based upon conservative and realistic estimates. If implemented, these proposals should result in St. Peter School becoming a strong one section school, and allow it to continue its mission of making an excellent Catholic education affordable and accessible to residents of the “River Communities,” many of whom are of modest means. Thus, these proposals seek to fulfill the commandment of our Lord and Savior to the Apostles, “Let the children come to me, and do not prevent them; for the kingdom of heaven belongs to such as these.”⁴

⁴ Mt 19, 14; Catholic World Press, *The New American Bible* (Red Letter ed.).

II. Background

For over 130 years St. Peter School has furthered the mission of the Catholic Church by providing an outstanding Catholic education on an affordable basis to the “River Communities,” including Riverside, Delran, Delanco, Willingboro, Riverton, Palmyra and Beverly. The love and esteem in which St. Peter School is held is evidenced not only by the wide geographical area from which it draws its students but also by the fact that some of its current students are the fourth consecutive generation to attend St. Peter School. The School began by serving a mostly immigrant community, and it currently serves the descendants of those immigrants as well as a new group of immigrants of Portuguese and Brazilian extraction. Many residents of the “River Communities” are of modest means, yet St. Peter School has always striven to make Catholic education affordable to this highly diverse population in a manner that welcomes all regardless of race, faith or income level. In doing so, St. Peter School has upheld and advanced the highest traditions of the Catholic Church.⁵

The “Draft Plan’s” proposal to close St. Peter School served as a clarion call to the St. Peter’s community. Many of the “Draft Plan’s” findings came as a surprise, and sparked a healthy evaluation of the current state of the finances of St. Peter School. The evaluation unearthed more surprises. For example, some St. Peter’s parents were surprised to find out that the School has no active Financial Review and Advisory Committee. Fortunately, as the following analysis will demonstrate, the financial picture as St. Peter School, while requiring corrective action, is not desperate. The “Draft Plan” concedes this point when it notes that a critical financial condition does not currently exist at St. Peter School.⁶ The timing of the “Draft Report,” therefore, can be seen as a blessing, inasmuch as it came at a time when St. Peter School’s finances can be reasonably rehabilitated, rather than at a later date, when St. Peter School may have drifted into a critical condition.

A word about methodology: all expense and income figures are based upon financial records graciously supplied by St. Peter’s Parish. The budget methodology follows the work sheets, guidelines and policies kindly supplied by the Diocese of Trenton, including, but not limited to, the “ESFOP.” Conservative, but reasonable, assumptions were used throughout this Proposal, and such assumptions are noted when used. Whenever possible, estimates of inflation and growth are based upon the latest estimates from the Office of Management and Budget (“OMB”) for the Philadelphia Metropolitan Area.⁷ With regard to teachers’ salaries, for reasons of privacy, individual salaries were not scrutinized. Instead, salaries from those teachers who consented to reveal their salaries were compared to the “Diocese of Trenton, Lay Teachers Minimum Salary Guide for Parish Elementary Schools” and then an average

⁵ See, “Draft Plan” at 3 (specifically noting points 4,10,11).

⁶ See, “Draft Plan” at 13, paragraph 54 (St. Peter School is not among the four schools listed as “critical”).

⁷ OMB is currently calculating the locality pay figures for different areas of the country, and while the final figures are historically released in January, good estimates can be obtained now.

differential was calculated. This differential was then applied to the aggregate of the teachers' salaries to calculate an aggregate increase. Data was also obtained from an on-line and paper survey of parents as well as feedback solicited verbally at the December 6, 2005 meeting and on-line on the website set up to capture such feedback.

III. St. Peter School – Meeting the Vision for Catholic Schools

As noted above, there is no debate that St. Peter School exemplifies a “distinctly Catholic” educational institution. Its commitment to welcoming all is amply documented in the “Draft Plan” which notes that St. Peter School has a non-Catholic enrollment of 34% and an African-American enrollment of 27%.⁸ Moreover, while not documented in the “Draft Plan,” St. Peter School also serves a large Portuguese population. Thus, St. Peter School puts into action the Diocese of Trenton’s vision that a Catholic school be “available to people of all cultures, races, faiths, and socio-economic levels.”⁹ This coupled with St. Peter School’s 130-plus-year commitment of extending Christian service to the community is indisputable evidence that Catholic values permeate St. Peter School.

Likewise, the academic excellence of St. Peter School is beyond question. A review of last years graduates reveals that approximately two-thirds of them went to Holy Cross High School.¹⁰ This is particularly impressive given the “Draft Plan’s” finding that approximately one-third of St. Peter School’s enrollment is non-Catholic.¹¹ St. Peter School’s percent of graduates advancing on to Catholic high school far exceeds the Trenton Diocese’s goal of having a simple “majority” attend Catholic high school.¹²

IV. Financial Plan and Budget

a. Enrollment Targets

As discussed in above, St. Peter School’s K-8 enrollment appears to have stabilized at approximately 200 students.¹³ The “Draft Report” suggests that a single-section elementary school should have an enrollment of at least 215.¹⁴ As will be demonstrated in Subsection IV.b. below, this comports well with the results of the analysis of St. Peter School’s finances. While the proposed budget allows St. Peter School to remain solvent at an enrollment of 200, enrollment of 215 students would allow the School to place in excess of \$50,000 towards a much needed capital endowment fund. Moreover it would act as a buffer against cyclical variations in enrollment.

If on the other hand enrollment were to exceed 225, class size would begin to exceed an average of 25 students per class. This would not necessarily work to St. Peter School’s benefit. Based upon anecdotal evidence, it appears that one of St. Peter School’s strong points, as perceived by St. Peter’s parents, is the individual attention and

⁸ See, “Draft Plan” at 24.

⁹ See, “Draft Plan” at 3.

¹⁰ Saint Peter’s 2005 Year Book.

¹¹ See, “Draft Plan” at 24.

¹² See, “Draft Plan” at 4.

¹³ See, “Draft Plan” at 7.

¹⁴ See, “Draft Plan” at 18.

caring that students receive. Once class sizes begin to approach 30 students per class, parents begin to worry that their children will not receive this individual attention.¹⁵ Moreover, the existing physical facilities do not lend themselves to enrollment significantly above 225. During the 2000-2001 school year, St. Peter School's enrollment reached 359.¹⁶ During that time, the facility was so overcrowded that the two sections of Fifth Grade were housed under the gym in less-than-ideal conditions. Some parents who removed their children from St. Peter School at that time indicated that these conditions played a role in their decision.¹⁷

Thus, facility capacity, class size, and finances all lead to the same conclusion: namely that St. Peter School should strive toward a goal of stable enrollment in the range of 215 to 225 students. Two factors suggest that achieving this goal in the next year would be ambitious: (1) given all the negative publicity surrounding the "Draft Plan's" recommendation that St. Peter School be closed, it will be difficult to attract new students until families are confident the Diocese of Trenton will give the School a reasonable opportunity to remain open; and (2) St. Peter School will be graduating one of its largest classes at the end of this school year. Therefore, the proposed goal for the 2006-2007 school year is to maintain steady enrollment at 200 students. This should be achievable.

Currently St. Peter School enrolls 198 students.¹⁸ 39 students will graduate in June. The "Draft Plan" mistakenly found that the current Pre-K enrollment was ten. It is unclear how this mistake was made. Most likely, it is the result of biased¹⁹ sampling. As best as can be determined, the "Draft Plan" may have compared last June 2005's Pre-K enrollment with either August or September 2005's pre-enrollment. Enrollment in Pre-K, however, unlike the other grades, traditionally does not stabilize until late September or early October. Therefore, would be a mistake to compare two different time periods. In any case, the actual enrollment in Pre-K for the 2005-2006 school year is 17²⁰ and, to date, parents of 11 of these children have expressed an intent to maintain their children in St. Peter School.²¹ In addition, each year St. Peter School historically receives an influx of about ten middle school students from the "River Communities" public schools.²² Given the current state of turmoil in those public schools, it might reasonably be anticipated that this figure would increase in the coming year.²³ Nevertheless, in keeping with its conservative approach, this Proposal will assume no increase in the historical influx of middle school students.

Therefore, based upon current expressions of intent and historical trends, a conservative estimate is that St. Peter School would have an enrollment of 180 students next year in the absence of any marketing efforts, and that it would need to enroll an

¹⁵ Again, this observation is based upon self reporting by some St. Peter's parents.

¹⁶ See, "Draft Plan" at 7.

¹⁷ This anecdotal evidence is based upon self reported statements made by some parents during the relevant time frame.

¹⁸ See, "Draft Plan" at 7.

¹⁹ No offense is intended by the use of the term "bias" here. It is being used in the statistical sense of a "biased sample" and is not intended to imply any intentional misrepresentation on the part of the "Draft Plan."

²⁰ St. Peter School 2005-2006 Pre-K Class Roster.

²¹ Verbal reports from the relevant parents.

²² See, e.g., St. Peter School 2005-2006 Grade 6 Class Roster.

²³ See, e.g. "Save Our School Campaign Returns Monday to Trenton", *Burlington County Times*, at page 1 (Dec. 10, 2005).

additional 20 students to meet the proposed budget. As will be discussed in more detail in Section V. below, it is anticipated that the proposed marketing efforts should achieve this goal, given the current problems faced by the public schools in Delran and Riverside.

After maintaining enrollment in the coming year, the goal of the marketing plan is to increase enrollment at a modest 3.3% per year for the following three years until a stable enrollment in the target range of 215 to 225 is met.

b. Budget Meeting Diocese’s Guidelines

The first step in determining the Essential School Budget is to calculate salaries and benefits.²⁴ As noted in Section II, a sample of consenting teachers’ salaries were compared to the Diocese’s salary guidelines. This analysis demonstrated that St. Peter School teachers were paid, on average, 14.7% below the Diocese salary guidelines. So, for purposes of this Proposal, teachers’ salaries, in the aggregate, were increased by 14.7%, as were Social Security payments and retirement benefits. Medical benefits were increased by 8% based upon the estimated increase in the cost of Federal Government medical benefits.²⁵ It should be noted that this 8% figure exceeds, but is close to, the 7% average annual increase in medical benefits experienced at St. Peter School.²⁶ Nevertheless, to be conservative, the 8% figure will be used in this proposal.

2006-2007	
Salaries	
Principal ²⁷	
Pre K Teacher ²⁸	
Pre K Aide	
Teachers K - 8	
Teachers Spec.	
Staff ²⁹	
Total Salary	\$550,062
Social Security	\$54,138
Medical	\$69,390
Life Insurance ³⁰	\$2,489
Retirement	\$60,066
Total Sal. & Ben.	\$736,145

Calculation of Total School Budget

²⁴ See, “ESFOP” Exhibit II , Work Sheets A and B.

²⁵ Based on estimates supplied by U.S. EPA Office of Human Resources.

²⁶ St. Peter Expense Account, Line Item 5221-00.

²⁷ “Diocese of Trenton, Guidelines for Lay Principals Salaries and Benefits”; as per 12/15/05 e-mail of Ms. JoAnn Tier to Ms. Barbara Szyszkiewicz, all salaries are combined into a single figure for confidentiality.

²⁸ Pre-K Teacher and Aide includes 14.7% increase, based upon current half-day Pre-K.

²⁹ No guideline was included for support staff, so the 7% annual increase for teachers was assumed.

³⁰ General inflation rate is assumed to be 3.1%. OMB is currently working out the locality increase for the Philadelphia Metropolitan Region, and the figure could range from 2.7% to 3.7%, but 3.1% is currently considered the most likely figure.

Calculation of Parish Investment into Essential School Budget

A. & B.	Total Salaries and Benefits Cost	See Table Above	\$736,145
C.	Professional Fees	Acct # 5300's	\$0
D.	Material & Supplies ³¹	Acct # 5500's	\$15,053
E.	Informational Supplies	Acct # 5600's	\$6,598
F.	Motor Vehicle Expenditure	Acct # 5700's	\$258
G.	Building Upkeep & Maintenance	Acct # 5800's	\$63,819
H.,I. & J.	Cap. Exp., Interest, Student Act.	Acct # 5900's	\$12,013
K.	Subtotal (Lines A through J above)		\$833,886
L.	Contingencies (1% of Line K)		\$8,339
M.	Transfer Cap. Replac. (3% of K)		\$25,017
	Total School Costs as Budgeted		\$867,242
	Figures supplied by St. Peter's are net of excluded items.	Exclusion therefore equals 0	\$0
	Essential School Budget ("ESB")		\$867,242
Cost to	educate 1 Stud. at 200 Enrollment		\$4,336

A.	% of Qualifying Catholic Students	66%
B.	ESB x % of Qualifying Students	\$572,380
C.	Parish Investment (30% times Line B)	\$171,714

School Revenue (Assuming Enrollment of 200)

Tuition	No. of Families	Revenue
1 Child: \$2,900	68	\$197,200
2 Children: \$4,700	33	\$155,100
3 Children: \$5,500	6	\$33,000
Non-Catholic: \$3,200	68 Non-Catholic	\$217,600
K-8 Tuition		\$602,900
Registration Fees		\$19,305
Pre K (Tuition & Registration)		\$47,354
Total Tuition & Fees		\$669,559
Alumni Endowment ³²		\$15,500
PTA Contribution		\$15,500
Est. Employer Contribution		\$17,500
Revenue Subtotal		\$718,059
Early Payment Discount		(\$5,000)
Total Revenue from School		\$713,059
Parish Contribution (C above)		\$171,714
Total Revenue		\$884,773
Net Revenues	Total Revenue - ESB	\$17,531

³¹ All expenses, other than those discussed above, assume a 3.1% increase over 2005-2006 rates.

³² Contributions were not adjusted upward for inflation.

c. Survey of Parents

During the December 6, 2005 meeting a survey was handed out to the parents attending the meeting. The surveys were also sent home with all the children during the “Wednesday Notices,” and the survey is available on-line at www.keepthespiritallive.com.³³ As of the date of this proposal, the surveys from the “Wednesday Notices” have not all been returned. Nevertheless, already the survey has generated a response rate of nearly 25%. This is an excellent response rate given that the survey is not yet completed and surveys of this nature typically have response rates of 25% or less when finalized.³⁴

While caution must be used when analyzing a survey before all responses are in,³⁵ certain trends can be seen in the early data. First, approximately 85% of the Catholic parents supported the proposed tuition increases. Second, travel distance appears to be a significant factor. Approximately 70% of the parents would not drive over five miles. For many of the parents in the Riverside/Delran area, the commute to the proposed regional site slightly exceeds five miles. Moreover, an interesting anecdotal, self-reported trend surfaced that will have to be more fully developed in a follow-up phone survey. Specifically, it appears that most of the St. Peter’s parents commute to the South or West. Therefore, the proposed regional site is not on existing commuting patterns, meaning that it would require a detour of ten miles or more for these parents to bring their children to the proposed regional site. 92% of respondents refuse to drive that far.³⁶

Of those who have responded to date, when asked what they would do if St. Peter School closed, slightly more than 40% indicated they would go to public school. Approximately 40% indicated that they would attend an existing Catholic School (i.e. not the proposed regional facility). Approximately 11% indicated that they would attend some other private school, and two respondents indicated a willingness to attend the proposed regional facility.

d. Elasticity of Demand at Proposed Tuition Rates

One of the main purposes of the survey was to determine the elasticity of demand for the proposed tuition rates. Obviously, if the increase in tuition rates causes enrollment to drop to the extent that total revenues fail to increase as projected, then the tuition increases are self-defeating.³⁷ As noted above, there was strong support for the proposed tuition rates, with approximately 85% indicating they would pay the proposed rates. In particular, 90% of the parents with one child indicated they would pay the survey amount of \$2,750. One surprise was that several of the Catholic parents with one child indicated that they would pay even higher tuition to lessen the gap between Catholic and non-Catholic families. Given the strong response at a proposed tuition of \$2,750, and the unsolicited evidence of willingness to pay more, it can be reasonably assumed

³³ The survey includes the respondents’ names, and the surveys are QA/QC’ed to ensure that multiple responses are not submitted by the same party via different media.

³⁴ E. McCarthy & W. Perreault, Jr., *Basic Marketing*, at 150-151, Irwin Press (8th Ed.).

³⁵ For example, early responders may be particularly motivated, and thus represent a biased sample.

³⁶ The recent high gas prices probably play some role in the strong resistance to lengthy commuting.

³⁷ See, e.g., P. Wonnacott & R. Wonnacott, *Economics*, at 375-377, McGraw Hill.

that a slight further increase of \$150 (*i.e.* \$2,900 for one child) would not negatively impact demand for this group.

The non-Catholic group was the only one to evidence strong resistance to the proposed tuition rates. This is to be expected. First, the non-Catholic families faced a larger increase in tuition. Second, this would mark the first time in recent memory that St. Peter School charged a differential tuition for non-Catholics, and several of the non-Catholic parents reported that one of the things they liked about St. Peter School was its family atmosphere where everyone is welcome.

It should be noted that, to date, only six of the non-Catholic St. Peter's families have responded. Therefore, it is dangerous to draw any conclusion from such a small sample. Nevertheless, four of the six expressed strong resistance to a non-Catholic tuition of \$3,700. Follow-up was conducted with two of this group of four. For this group, resistance to the tuition increase was eliminated at a non-Catholic rate of \$3,200. Apparently, not only is the dollar amount more palatable, but the differential between Catholic and non-Catholic is only \$300 or approximately 10%, and this appears to be an acceptable differential.

In short, the demand at the proposed tuition rates is relatively inelastic. Part of this is due to the great value that St. Peter's parents place on St. Peter School.³⁸ Moreover, even with the increase, St. Peter School still remains one of the lowest tuitions in the area. After this initial increase, it is proposed that tuition be increased by 6% for the next two years and then remain targeted to the Regional rate of inflation for the "out years." Ideally, in the future funds would be available for tuition relief. Nevertheless, based on the survey result, St. Peter School must be prepared to lose four or five students in response to the tuition increase. This loss of enrollment will need to be addressed in the Marketing Plan to ensure that enrollment targets are met.

e. Capital Endowment and Debt Retirement

St. Peter School's facility was built in 1922 and needs to be addressed. Three years ago St. Peter's parents volunteered to perform major renovations over the Summer, and this greatly improved the facility, but more needs to be done. In accordance with Diocese of Trenton guidelines, the current proposed budget sets aside 3% for capital improvements.³⁹ Over and above that, however, St. Peter School has received assistance from the Pennsylvania Museum of Fine Arts in preparing a Capital Campaign Fund Plan. This Plan is set forth in Section V.e.

In addition to saving for capital projects, St. Peter School proposes to retire any outstanding debt. This was the one area where St. Peter School financial documents proved unclear. Based upon the best information available, it appears that St. Peter School may have a running debt of approximately \$196,000. This situation needs to be

³⁸ Caution should be exercised in attempting to extrapolate demand for given tuition rates from St. Peter School to the proposed regional facility. There is no evidence that the two are fungible in the minds of the parents. In fact, the written comments collected with the survey, suggest that these parents put special value on St. Peter School, making demand relatively inelastic.

³⁹ See, "ESFOP" Exhibit II, Work Sheet B.

clarified during the annual audit. Whatever the result of the audit, the ultimate financial goal for St. Peter School is to retire debt while also creating a capital endowment.

f. Implementation of Financial Review and Advisory Committee

As noted above, more than a few St. Peter's parents were surprised to find that St. Peter School did not have an active Financial Review and Advisory Committee. Such a committee is called for by the Diocese's guidelines,⁴⁰ and it is proposed that such a committee be formed immediately to implement the steps outlined in this Proposal.

V. Marketing and Fundraising

a. Marketing Goals

In the short-term, St Peter School needs to:

- Overcome the negative publicity generated by the release of the Diocese's report
- Attract ~ 20 students for the 2006-2007 school year.

In the long term the goal is to increase enrollment at a modest 3.3% per year for the following three years until a stable enrollment in the target range of 215 to 225 students is attained.

b. The Message/Beginnings of A Marketing Campaign

The focus of the marketing campaign will be to highlight St. Peter School's recognized strengths, which are:

- Catholic education
- Experienced teachers
- Small class size

i. Catholic Education

Parents see stories about the assault on Catholic tradition in the newspaper daily. From retailers eschewing Christmas greetings for the more generic 'holiday' term, to lawsuits regarding Nativity scenes, to what songs can be sung at school 'winter' concerts, to what can or cannot be said at graduation programs, there clearly exists a strong push to completely secularize our society.

In an extraordinarily disturbing ruling the 9th Circuit Appeals court in California ruled that parents of children in public school "have no due process or privacy right to override the determinations of public schools as to the information to which their children will be exposed while enrolled as students."⁴¹ This was in response to a lawsuit brought

⁴⁰ See, "ESFOP" Sec. 12.

⁴¹ See

[http://www.ca9.uscourts.gov/ca9/newopinions.nsf/E8695945B7C6F6B5882570AD0051320A/\\$file/0356499.pdf?openelement](http://www.ca9.uscourts.gov/ca9/newopinions.nsf/E8695945B7C6F6B5882570AD0051320A/$file/0356499.pdf?openelement)

ii. Experienced Teachers

While building the website www.keepthespiritalive.com it became obvious that many of the faculty at St Peter School have a tremendous amount of experience. This is a strength that should be highlighted in any marketing campaign. A potentially clever way of highlighting this competitive advantage is shown in Figure 2.



Figure 2: Its What's on the Inside That Counts.

iii. Class Size

Recognizing that the facility at St Peter School cannot adequately handle more than 215 to 225 students can be used to our advantage. By marketing the fact that St Peter School is only looking to enroll a maximum of 225 students, we create the image of a scarce, sought-after resource in the eyes of the public.

At a maximum enrollment of 225 students in K-8, St Peter would have an average class size of just 25 children per class: no more, no less. This would become a statistic parents would depend on and use as justification to send their children to St. Peter School.

c. Partnerships

St. Peter School is actively pursuing several partnerships with institutions in the area. Some of these are already bearing fruit.

i. River Line

St. Peter School is a natural partner for the River Line. Ridership on the River Line is increasing, and N.J. Transit is looking for ways to increase it even further.⁴³ St. Peter School is a short two-block walk from the Riverside station, which has ample free parking. Parents can drop their children off at school and be on the River Line in two minutes, making it a natural commuting option.

In addition, there are currently four St. Peter's students that use the River Line to get to the School (*i.e.* 2% of current enrollment). For students in Grades 6, 7 and 8, the River Line provides a safe, clean, efficient and inexpensive way to get to school. Since St. Peter School has historically received an influx of students in these grades, this partnership provides a opportunity to increase this market by making St. Peter School accessible to the "River Communities" from Palmyra to Burlington.

The River Line had already been contacted regarding such a potential partnership. The benefits of such a partnership include listing St. Peter School on the River Line website, reduced advertising rates, and marketing tie-ins educating consumers about St. Peter School and how it could fit with their commuting needs.

ii. Holy Family University

One of the St. Peter's parents is an Adjunct Faculty member at Holy Family University and has approached the University about the "Draft Plan." Holy Family University is a Catholic University with an excellent School of Education. The University has offered to lend St. Peter School advice and assistance, including reviewing and commenting on this Proposal. Having a relationship with Holy Family University,

⁴³ See. "Ridership on River Line expanding, NJ Transit Says", *Burlington County Times* (June 26, 2005). See also, http://www.njtransit.com/nn_press_release.jsp? PRESS_RELEASE_ID=1986.

and especially with its School of Education, will give St. Peter School numerous opportunities to improve the educational experience for its students.

In addition, James Higgins, Coordinator of the MBA Program at Holy Family University, has offered to lend his advice and experience to St. Peter School in connection with the financial challenges it faces. Mr. Higgins currently serves on the Board of an inner-city Philadelphia Catholic school, which was once slated for closing. Mr. Higgins turned what was once a struggling institution, into a strong school with an enrollment of approximately 450. The availability of Mr. Higgins' advice and practical experience is a true Godsend to St. Peter School.

iii. Local Realtors

Realtors in Riverside have a vested interest in the continued survival of St. Peter School. Riverside is being marketed as a "walkable" community, with a reviving town center and the "Golden Triangle" all within walking distance of the River Line and St. Peter School. Buyers who are looking for a "walkable" community, however, also want a "walkable" school. While Riverside's public school is certainly "walkable" from anywhere within Riverside, it is evident that Riverside public Schools are performing poorly (See Figures 3 and 4).

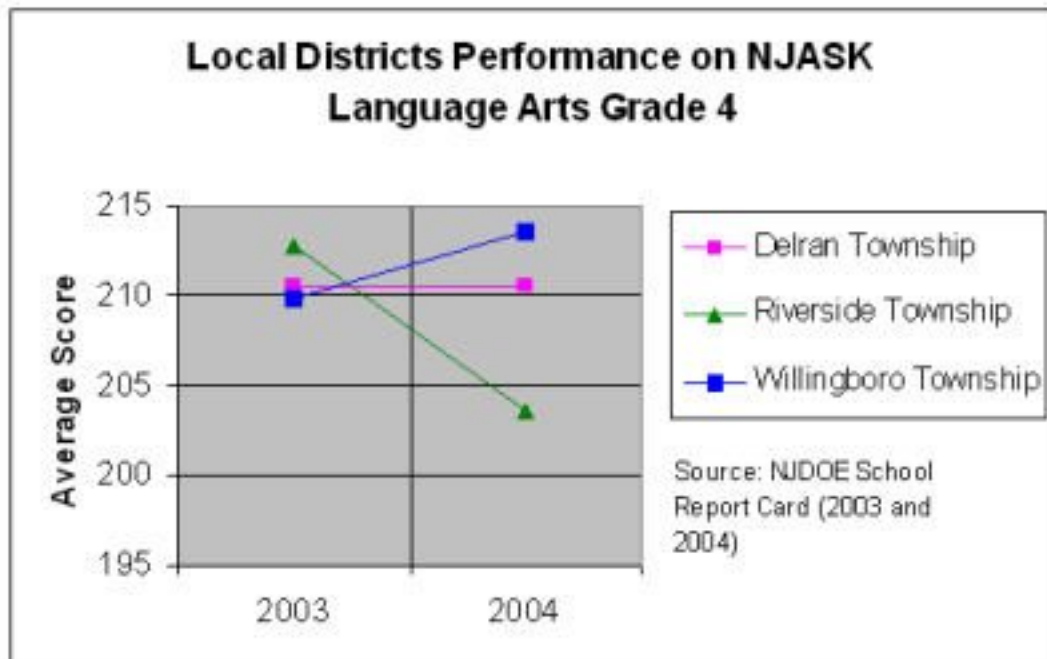


Figure 3: Scores on NJASK4 Language Arts For Selected Riverfront Communities

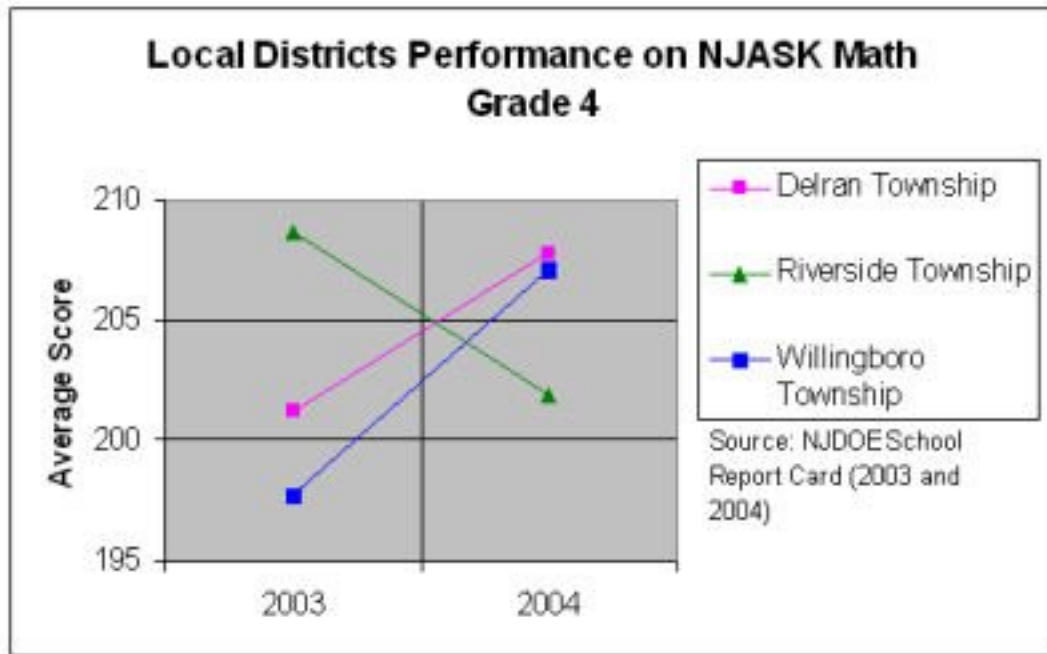


Figure 3: Scores on NJASK4 Math For Selected Riverfront Communities

Having St. Peter School as a viable option allows realtors to continue to market Riverside as a “walkable” community. Riverside’s property taxes are low enough that, for the average homeowner, the cost of property taxes combined with St. Peter’s tuition is less than or comparable with the property taxes alone in some surrounding communities.

Marketing materials are being prepared to educate potential home-buyers about the advantages St. Peter School has to offer, including “walkability” and “commutability.” These marketing materials will be provided to local realtors, who in turn will provide them to prospective buyers of Riverside homes. The obvious synergies of this partnership make for a low-cost but effective marketing tool.

iv. Other Local Business

As noted above, with advent of the River Line, the redevelopment of the “Golden Triangle” and the construction of high end condominiums, Riverside is experiencing a long-awaited resurgence. Local merchants, especially those in the Town Center, have an interest in keeping St. Peter School open. Closing St. Peter School would reduce foot traffic in the Town Center and leave an under-used building at the end of the Town Center, potentially blighting the area just when it is on the verge of redevelopment.

The Marketing Plan proposes approaching Local Merchants and seeking a partnering relationship. This partnership could include tie-in marketing, in-kind services, mutual advertising, etc.

d. Advertising Plan

Currently, St. Peter School does little-to-no advertising. The PTA has explored some local targeted advertising and found the rates to be reasonable. For example, the *Burlington County Times* reaches all of St. Peter School's target market group, and the rates are extremely reasonable. As noted above, a partnering with the River Line will provide the opportunity for free or low-cost advertising. Even without the partnership, the cost of advertising of the River Line is very reasonable and also targets a natural market for St. Peter School.

St. Peter would continue to enhance its presence on the internet by expanding the functionality of the present www.keepthespiritalive.com website. Friendly businesses would be given advertising space and special mention on our website, strengthening our ties with the neighborhood around us.

Finally, one of the functions of the Financial Review and Advisory Committee will be to set up a standing subcommittee for marketing. One of the tasks of this subcommittee will be to continuously explore new potential advertising opportunities to spread the message of St. Peter School.

e. Target Marketing in Delran and "River Communities"

Currently, the state of the public schools in some of the "River Communities" is troubling. Most notable in this regard is Delran. For three years in a row, Delran voters have rejected property tax increases to fund school expansion. The Delran Board of Education has warned parents that the failure to fund school expansion will result in class sizes of approximately 30 students per class.⁴⁴ As class sizes begin to approach or exceed 30, and Delran test scores drop⁴⁵, parents will have an incentive to look elsewhere to provide their children with quality education. A class size of 25 at St Peter School would be an attractive alternative.

There are approximately 800 students in Holy Name of Delran's CCD program. These are Catholic students attending the Delran public schools and a natural target market for St. Peter School. If St. Peter School could attract just 4% of these Delran Catholic students, it would meet its target enrollment goals. Given the status of the Delran public schools, this is an achievable goal.

f. Capital Campaign Plan

With the assistance of the Pennsylvania Museum of Fine Arts, St. Peter School has prepared draft Capital Campaign Plan. The Capital Campaign is an essential part of any proposal to improve St. Peter School's finances. As noted above, St. Peter School's physical plant dates to 1922 and provisions must be made for its upkeep and eventual

⁴⁴ See, http://www.delranschools.org/BOE_ADMIN/9-27-05%20Referndum/Size.html. See also, Letter from Delran Principal complaining that, "Delran's school board can't get a school addition project passed by taxpayers." <http://www.philly.com/mld/inquirer/news/opinion/local1/12622371.htm>.

⁴⁵ See, charts in Section V.c.iii. demonstrating that Delran public schools are underperforming.

replacement. In addition, a sound Capital Campaign will allow St. Peter School to direct other fund raising revenue to debt retirement and, eventually, tuition relief.

A copy of the Draft Capital Campaign Plan is included below:

St. Peter's Catholic School

**A Commitment to Continuance and Excellence
in Catholic Education**

DRAFT

Summary of Campaign Objectives and Campaign Plan

*Alumni, Parents and Families, Faculty, Local Business and
Government Leaders, Friends*

December, 2005

1. In the next few weeks convene a School Focus Group to review the opportunities, challenges, process, support for, and evaluation required, in determining the continued existence of St. Peter's School. Focus Group members should include parents, engaged alumni, faculty, the religious community, representation from local Catholic high schools, and local business owners and other constituents.
2. Should the School Focus Group determine there is the requisite support for the School, the Focus Group can recommend a draft needs-based Capital Campaign Plan and Campaign Case Statement, focused on accumulating resources to fund the continuing operations of St. Peter's School, including funding for:
 - Operating expenses, including payroll, utilities, academic supplies, sports programs, insurance, and related costs
 - Tuition assistance to reduce the cost of attending the School
 - Any requisite capital improvements and general upgrades
 - Other School needs and programs
 - The Campaign plan should possess a short-term component, to fund monthly costs of School operation.
 - In addition to a short term funding component, the Campaign should possess a long-term component to fund strategic needs of the School.

- **Prospective Campaign donors within the broad School community should be identified, commencing with alumni, parents, and local businesses. Prospective donors should be invited to visit the School, and learn more about the School’s case statement, mission and legacy, and to meet the administration, faculty, and students.**
- The Focus Group should establish a date by which the draft Campaign Plan will be presented to the School community.
- With the School Principal, the Focus Group should have a Chair and Vice-Chair.

It is critical to communicating to the School community and prospective donors that the Campaign for St. Peter’s is only one step in a long-term process to support and nurture the continuum of Catholic education, collaborating with the community, parents, alumni, and other constituents.

3. The formation of a Campaign Committee will follow the Focus Group. Beyond the Campaign objectives cited in 1. and 2. above, the Campaign Committee with full involvement by the School community (see 1. above) strives to have broad participation at all levels of financial contributions, in order to attain the relationships and resources to fund Campaign goals.

4. Broadly, St. Peter’s School’s Capital Campaign is a necessary event in a continuing and long term process to maintain and enhance the existence and mission of Catholic schools in our community. Therefore, the Campaign Case Statement should articulate the benefit propositions of a St. Peter’s education and related matters, such as:

- Catholic schools are a major resource for nurturing the faith and fostering Christian values in the lives of children, and the Catholic elementary schools have been the foundation of instilling Jesus Christ into the lives of our community’s young people, while also promoting values, discipline, and academic excellence.
- Regarding academic excellence, the School aspires to educate students who can function in very competitive future academic environments and endeavors (cite examples to where School students matriculate).

- Current enrollment is 198 students. The average student faculty ratio is 22:1. Historically, St. Peter's students have gone on to competitive high schools and colleges; for example, approximately two-thirds of last year's graduating class went on to Holy Cross High School.
- The School has served the community since 1872. Many local community and business leaders are alumni of the School.

5. Nationally, elementary public schools are generally facing many challenges. For example, earlier this year, Governors of thirteen states formed a coalition to improve public schools by adopting higher standards and more rigorous courses and examinations, to improve student skills required for college and to be more competitive, nationally and globally. Six foundations have already pledged \$23 million to help states remodel high schools. Catholic schools can be effective alternatives to public schools, to enhance the academic experience for students.

6. The current profile of Catholic education in the United States, at St. Peter School and other Catholic elementary schools, include:

- a. Communities and the prominence and role of Catholic schools has changed;
- b. Enrollment has declined and populations are aging; these trends have been most dramatic in the last ten to fifteen years;
- c. Financial support has declined and budgetary pressures have increased allocated over fewer students, and as a result school tuitions have increased;
- d. As a result of increased tuition and fewer students, a significant number of schools have closed;
- e. Clearly the Southern New Jersey region is not immune to this profile.

7. Executing a Campaign Plan at St. Peters' to attain financial security and independence for the School, to benefit current and future generations of students and the parishes and elementary schools and our community is an immediate priority:

- A successful 2006 Capital Campaign is the current primary current objective, and will be an immediate accomplishment in attaining School goals.
- A secondary focus in 2006 to attain the School's long-term goals is to assemble an infrastructure ("The Principal's Advisory Board") comprised of representatives of the School's stakeholders, to maintain academic excellence, spiritual growth, community support, and the development of School students as tomorrow's societal Catholic leaders.
- A long-term goal, to commence in 2006, is to build an endowment fund for School capital and operating budget amounts, and for scholarships and academic programs.
- In the fourth quarter of 2005 and into 2006, a formal plan of collaboration is contemplated, whereby School parents will work with the School administration to formulate a long-term plan to implement a "Continuum of Catholic Learning" focused on raising funds to support School operations.
- A substantial endowment fund will help the School attain financial independence, and be less dependent upon variable income streams such as tuition and other revenue sources. A discussion of an endowment fund strategic plan, with amounts, sources, and funding timelines, will be formulated in late 2005/early 2006.

8. The role of the Principal's Advisory Board (2006):
Members representing and focused on coordinating the following stakeholders and activities to attain the School's long-term goals:

- 2006 Capital Campaign Committee
- Development Committee: The Annual Fund, Planned Gifts, Endowment, Grant Applications, Government and Corporate Relations
- Parents Association
- Alumni Relations (alumni services; career networking, the web site, other)
- The Faculty (modeling peer and aspiring schools; Middle States and AACSB)
- Student Recruiting and Enrollment
- Marketing and Publicity and Community Engagement and Education
- Finance and Budgeting
- Parish Relations
- Events, Activities and Branding

St. Peter's School seeks leaders and participants to convey their enthusiasm and ideas, financial gifts, time, and intellect and relationships to help execute the long-term mission of the School. When today's young students attend St. Peter's in future years, the fruits of our efforts and vision will be credited in providing students with an excellent education, Catholic values, the opportunities for a good home and a career or vocation to support their families, and to be well-prepared as active citizens, and mothers and fathers. A St. Peter's education positively impacts children's lives.

g. Employer Contributions

When news of the “Draft Plan’s” recommendation to close St. Peter School made the press, one local employer of a St. Peter’s parent asked to make a donation. Exploring this option led to the discovery that many of the employers in the area have programs that allow their employees to have charitable deductions taken directly from their paychecks. Moreover, many of these employers provide some form of matching contributions. This is a heretofore-overlooked fundraising opportunity for St. Peter School. Many of the St. Peter’s parents already make charitable donation in this manner, so this is a “painless” way of giving. In addition, the employer matching donations serve to leverage this giving.

Pro bono legal services have been donated to prepare the necessary paperwork, so this should prove to be a virtually “expense free” form of fund raising. Based upon average donation patterns, this form of fund raising could be expected to raise in excess of \$17,000 annually.

h. Alumni Endowment Fund

The Alumni Endowment Fund was started several years ago, but has not been vigorously pursued in recent months. Currently, the Alumni Endowment Fund provides about \$15,000 annually to St. Peter School. This avenue of fund raising needs to be actively pursued. The infrastructure is already in place (i.e. data base of alumni, mailing lists, etc.), but it needs to be put to aggressive use. Ultimately, the Alumni Endowment Fund should be incorporated into the Capital Campaign Plan.

i. Aggressive Pursuit of Grants

Although St. Peter School has made sporadic efforts in the past, it has never fully taken advantage of the grant opportunities available to it. This is an area that St. Peter School cannot afford to continue to neglect. Fortunately, a member of the PTA has generously volunteered time to aggressively pursue potentially available grants. Therefore, grant funding is expected to increase in the coming years, but in order to be conservative no increase was considered in the proposed budget.

VI. Conclusion

As amply illustrated by the foregoing, St. Peter School remains a vital and viable educational institution and should remain so for years to come, if the recommendations set forth in this Proposal are implemented. St. Peter School also plays a crucial role in the well-being of the local communities it services. The School’s current financial status requires corrective action but is not in critical condition. In fact, as this Proposal demonstrates, relatively modest increases in tuition, enrollment, and fundraising would allow St. Peter School to regain a strong and solvent position.

As evidenced by this Proposal, the recommended tuition increases have been well-thought-out and targeted to levels that St. Peter’s parents indicate they are willing to

support. The enrollment targets are also reasonable and achievable within a three-year period. St. Peter School's location near a River Line stop, Riverside's low property tax rate, the decline of the surrounding communities' public schools, and the resurgence and redevelopment of Riverside all serve to uniquely situate St. Peter School for success. We respectfully request that the Diocese of Trenton allow St. Peter School to remain open, and implement the program set forth in this Proposal and thereby continue its 133-year mission to make Catholic education affordable and accessible to the "River Communities" in Southern Burlington County.

a. Addendum

As stated above, St. Peter School believes that this Proposal unequivocally demonstrates why it should continue in operation. Nevertheless, if the Diocese of Trenton is committed to closing St. Peter School, then it is respectfully suggested that the currently proposed regional site is not an optimal choice.

As documented in Section IV.c. above, the survey of St. Peter's parents indicates that transportation and commuting patterns do not favor the proposed site. Moreover, given that Riverside does not provide busing, the proposed site is literally inaccessible to many of St. Peter's Riverside families. While the Diocese indicated during the Open House that the transportation issue is being explored, it is respectfully submitted that when choosing a regional site, transportation and commuting patterns should be considered as primary constraints rather than explored in a post-optimality analysis.⁴⁶ Moreover, even if busing were provided for the morning, this would not address the commuting problem, when children are picked up in the afternoon. For most St. Peter's families, the proposed site requires a commuting detour of ten miles, and the vast majority of those surveyed refuse to add this mileage and time to their commute.

If the Diocese insists on regionalizing, then it is respectfully submitted that it explore doing so at Holy Cross. Holy Cross is strategically situated on Route 130 between Fairview Street and Chester Avenue, so, regardless of whether one is headed North or South, parents can "swing by" Holy Cross campus without adding appreciably to their commute. The advantages of regionalizing at Holy Cross are obvious, inasmuch as the regional school would serve as a feeder to Holy Cross High School. While Holy Cross cannot currently house a regional elementary school, the Diocese could allow St. Peter School to remain open and implement the financial, marketing, and fundraising plans included in this Proposal, while the Diocese explored the option of using Holy Cross and, if necessary, constructed the required facilities.

Finally, and as the least-favored option, if the Diocese is committed to regionalizing next year, then it is respectfully submitted that it regionalize Grades 6,7, and 8 at Holy Cross (i.e. a feeder Junior High for Holy Cross) and temporarily regionalize Pre-K through Grade 5 at one of the many vacant or under-used class room facilities available to the Diocese along the dominant commuting pathways. There appears to be the necessary space at St. Peter, St. Joseph, St. Casimir, Holy Name, and Sacred Heart. As the survey of St. Peter's parents demonstrates, the proposed regional site is inconvenient in light of transportation and commuting patterns and attempting to remedy these problems with ad hoc *ex post facto* "fixes" will only result in driving almost half of what was once a vibrant tribute to Catholic education to the public schools, despite their current condition. This outcome would represent a tragic failure of Catholic education in the "River Communities."

⁴⁶ F. Hillier & G. Lieberman, *Introduction to Operations Research*, pages 19-22, Holden-Day, Inc. (4th ed.).

Exhibit II, Worksheet B
School Year 06/07

School Name St. Peter School City Riverside

Principal Richard Hartley Phone # 856-461-1087

Diocese of Trenton
Office of Catholic Education
Essential School Budget

Steps for Calculation of Parish Investment

Step I Computation of Total School Budget

A.	Total Salaries Cost	Exhibit II/Worksheet A	<u>\$ 550,062</u>
B.	Total Benefits Costs	Exhibit II/Worksheet A	<u>\$ 186,083</u>
C.	Professional Fees	Acct #5300's	<u>\$ 0</u>
D.	Material & Supplies	Acct #5500's	<u>\$ 15,053</u>
E.	Informational Supplies	Acct #5600's	<u>\$ 6,598</u>
F.	Motor Vehicle Expenditures	Acct #5700's	<u>\$ 258</u>
G.	Building Upkeep & Maintenance	Acct #5800's	<u>\$ 63,819</u>
H.	Capital Expenditures	Acct #5910-5929	<u>\$ 12,013</u>
I.	Interest on Debt	Acct #5932	<u>\$ 0</u>
J.	Student Body Activities	Acct #5940's	<u>\$ 0</u>
K.	Subtotal (Lines A through J)		<u>\$ 833,886</u>
L.	Contingencies (1% of Line K)		<u>\$ 8,339</u>

Transfer to Capital Replacement Fund (3% of Line K) \$ 25,017

Total School Costs as Budgeted (Lines K+L+M) \$ 867,242

Step II Exclusions From Total School Budget

A.	Tuition Assistance	Acct #5416	<u>\$ 0</u>
B.	Bad Debt	Acct #5845	<u>\$ 0</u>
C.	Fund-raising/Development Expend		<u>\$ 0</u>
D.	Extended Care (Before/After School)	Material Costs	<u>\$ 0</u>
E.	Pre-K Programs (If Self-Funded)	Material Costs	<u>\$ 0</u>
F.	Cafeteria	Acct #5590	<u>\$ 0</u>
G.	Other Self-Funded Programs		
	Name of Program _____	Account in Budget	<u>\$ 0</u>
H.	Transfer From Capital Replacement Fund		<u>\$ 0</u>
	Total Exclusions (Line A through H)		

Step III Calculation of Essential School Budget (ESB)

(Total of Step I minus Total of Step II) \$ 867,242

Parish Subsidy \$ 171,714

Projected Enrollment 200 Students

Marketing Plan Increase enrollment by 3.3% by the following year & River Line Partnership/Advertisements

**Exhibit II, Worksheet A
School Year 07/08**

School Name St. Peter School City Riverside

Principal Richard Hartley Phone # 856-461-1087

Diocese of Trenton
Office of Catholic Education
Essential School Budget
Staff Position Schedule

**As per the 12/15/05 e-mail Ms. JoAnn Tier to Mrs. Barbara Szyszkiewicz all salaries
have been combined into one total number to ensure confidentiality**

Position	Grade	Total Pupils	No. of Classes	Staff FTE Allowances	Total Salaries	Total Benefits
Principal				1		
Vice-Principal						
Classroom Teachers	Pre-K 3 yr		N/A			
	Pre-K 4 yr		.5	1		
	Kindergarten		1	1		
	1		1	1		
	2		1	1		
	3		1	1		
	4		1	1		
	5		1	1		
	6		1	1		
	7		1	1		
	8		1	1		
	Pre-K 3 yr					
	Pre-K 4 yr					
	Kindergarten					
	1 st					
	2 nd					
Library/Art/etc						
Support Staff				3		
				2		
Total			9.5	16	\$592,941	\$200,471

Exhibit II, Worksheet B
School Year 07/08

School Name St. Peter School City Riverside

Principal Richard Hartley Phone # 856-461-1087

Diocese of Trenton
Office of Catholic Education
Essential School Budget

Steps for Calculation of Parish Investment

Step I Computation of Total School Budget

A.	Total Salaries Cost	Exhibit II/Worksheet A	\$ <u>592,941</u>
B.	Total Benefits Costs	Exhibit II/Worksheet A	\$ <u>200,471</u>
C.	Professional Fees	Acct #5300's	\$ <u>1,700</u>
D.	Material & Supplies	Acct #5500's	\$ <u>15,520</u>
E.	Informational Supplies	Acct #5600's	\$ <u>6,803</u>
F.	Motor Vehicle Expenditures	Acct #5700's	\$ <u>266</u>
G.	Building Upkeep & Maintenance	Acct #5800's	\$ <u>65,797</u>
H.	Capital Expenditures	Acct #5910-5929	\$ <u>12,385</u>
I.	Interest on Debt	Acct #5932	\$ <u>0</u>
J.	Student Body Activities	Acct #5940's	\$ <u>0</u>
K.	Subtotal (Lines A through J)		\$ <u>895,883</u>
L.	Contingencies (1% of Line K)		\$ <u>8,959</u>
Transfer to Capital Replacement Fund (3% of Line K)			\$ <u>26,877</u>
Total School Costs as Budgeted (Lines K+L+M)			\$ <u>931,718</u>

Step II Exclusions From Total School Budget

A.	Tuition Assistance	Acct #5416	\$ <u>0</u>
B.	Bad Debt	Acct #5845	\$ <u>0</u>
C.	Fund-raising/Development Expend		\$ <u>0</u>
D.	Extended Care (Before/After School)	Material Costs	\$ <u>0</u>
E.	Pre-K Programs (If Self-Funded)	Material Costs	\$ <u>0</u>
F.	Cafeteria	Acct #5590	\$ <u>0</u>
H.	Other Self-Funded Programs		
	Name of Program _____	Account in Budget	\$ <u>0</u>
H.	Transfer From Capital Replacement Fund		\$ <u>0</u>
	Total Exclusions (Line A through H)		

Step III Calculation of Essential School Budget (ESB)
(Total of Step I minus Total of Step II) \$ 931,718

Parish Subsidy \$ 184,480

Projected Enrollment 207 Students

Marketing Plan Increase enrollment by 3.3% by the following year & Full Capital Campaign Drive

**Exhibit II, Worksheet A
School Year 08/09**

School Name St. Peter School City Riverside

Principal Richard Hartley Phone # 856-461-1087

Diocese of Trenton
Office of Catholic Education
Essential School Budget
Staff Position Schedule

**As per the 12/15/05 e-mail Ms. JoAnn Tier to Mrs. Barbara Szyzkiewicz all salaries
have been combined into one total number to ensure confidentiality**

Position	Grade	Total Pupils	No. of Classes	Staff FTE Allowances	Total Salaries	Total Benefits
Principal				1		
Vice-Principal						
Classroom Teachers	Pre-K 3 yr		N/A			
	Pre-K 4 yr		.5	1		
	Kindergarten		1	1		
	1		1	1		
	2		1	1		
	3		1	1		
	4		1	1		
	5		1	1		
	6		1	1		
	7		1	1		
	8		1	1		
	Pre-K 3 yr					
	Pre-K 4 yr					
	Kindergarten					
	1 st					
	2 nd					
Library/Art/etc				3		
Support Staff				2		
Total			9.5	16	\$639,183	\$216,136

Exhibit II, Worksheet B
School Year 08/09

School Name St. Peter School City Riverside

Principal Richard Hartley Phone # 856-461-1087

Diocese of Trenton
Office of Catholic Education
Essential School Budget

Steps for Calculation of Parish Investment

Step I Computation of Total School Budget

A.	Total Salaries Cost	Exhibit II/Worksheet A	\$ <u>639,183</u>
B.	Total Benefits Costs	Exhibit II/Worksheet A	\$ <u>216,136</u>
C.	Professional Fees	Acct #5300's	\$ <u>1,700</u>
D.	Material & Supplies	Acct #5500's	\$ <u>16,000</u>
E.	Informational Supplies	Acct #5600's	\$ <u>7,014</u>
F.	Motor Vehicle Expenditures	Acct #5700's	\$ <u>274</u>
G.	Building Upkeep & Maintenance	Acct #5800's	\$ <u>67,837</u>
H.	Capital Expenditures	Acct #5910-5929	\$ <u>12,769</u>
I.	Interest on Debt	Acct #5932	\$ <u>0</u>
J.	Student Body Activities	Acct #5940's	\$ <u>0</u>
K.	Subtotal (Lines A through J)		\$ <u>960,913</u>
L.	Contingencies (1% of Line K)		\$ <u>9,609</u>
Transfer to Capital Replacement Fund (3% of Line K)			\$ <u>28,827</u>
Total School Costs as Budgeted (Lines K+L+M)			\$ <u>999,349</u>

Step II Exclusions From Total School Budget

A.	Tuition Assistance	Acct #5416	\$ <u>0</u>
B.	Bad Debt	Acct #5845	\$ <u>0</u>
C.	Fund-raising/Development Expend		\$ <u>0</u>
D.	Extended Care (Before/After School)	Material Costs	\$ <u>0</u>
E.	Pre-K Programs (If Self-Funded)	Material Costs	\$ <u>0</u>
F.	Cafeteria	Acct #5590	\$ <u>0</u>
I.	Other Self-Funded Programs		
	Name of Program _____	Account in Budget	\$ <u>0</u>
H.	Transfer From Capital Replacement Fund		\$ <u>0</u>
Total Exclusions (Line A through H)			

Step III Calculation of Essential School Budget (ESB)
(Total of Step I minus Total of Step II) \$ 999,349

Parish Subsidy \$ 199,870

Projected Enrollment 213 Students

Marketing Plan Increase enrollment by 3.3% to reach target enrollment & Full Capital Campaign Drive