



# Catholic Schools of Greater Kalamazoo

## Faith-Filled Education For Life!

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### CSGK Board Meeting Minutes

June 27, 2008

Hackett Library, 3:00 pm

Call to order: 3:01 p.m.

**Opening Prayer:** Monsignor/Father

3:00-3:05pm

#### **Consent Agenda Items\*:**

1. Agenda: June 27, 2008
  2. Administrative Reports: St. Monica School, St. Augustine School, Hackett Catholic Central
  3. Local Advisory Committee Reports: St. Augustine School, St. Monica School
  4. Marketing Committee Report
  5. Policies Committee Report
- Motion: Fr. Schmidt moves to approve Consent Agenda, removing "St. Monica Bylaw Approval" from 6/27 agenda. Simonds seconds. Motion carries without dissent.*

Benoit introduced and welcomed Kristy VanderMolen, who will be taking Jim Simonds' spot on the CSGK 2008-09 Board and serving as chair of the Finance Committee. Kristy is a CPA with BDO Seidman, is an alum of CSGK schools and has children at St. Monica and Hackett Catholic Central.

#### **Administrative Reports:**

1. Financial Review (Rich Dykstra)
  - 1.1. Remaining income items (tuition, parish subsidies) expected to be collected in full. Remaining expenses will bring us close to budget for the year.
  - 1.2. Enrollment as of 6.27.08: Currently under target amount. Each principal has established a contingency plan that will be implemented as we approach the school year to further reduce expenses.
  - 1.3. Medical Benefit Plan
    - 1.3.1. Reviewed plan and further edits which concern when both spouses work at CSGK
    - 1.3.2. *Motion: Schmidt moves to approve Medical Benefit Plan. Benoit seconds. Motion passes without dissent.*
  - 1.4. Treasury Management Resolution
    - 1.4.1. Required to use National City's ACH program for collection of tuition.
    - 1.4.2. *Motion: Farrell moves to approve implementation of above program. Simonds seconds. Motion passes without dissent.*
  - 1.5. Duke St Property
    - 1.5.1. Finance committee recommends acceptance of rental offer; monthly amount will cover expenses incurred at the property.
    - 1.5.2. *Motion: Schmidt moves to accept rental offer. Farrell seconds. Motion passes without dissent.*
2. Hackett Catholic Central (Tim Eastman) -- report attached
  - 2.1. Discussion: Approval of MHSAA resolution for the 08-09 school year.
    - 2.1.1. *Motion: Schmidt moves to approve the MHSAA resolution. Farrell seconds. Motion passes without dissent.*
3. St. Augustine Cathedral School (Andra Zommers) -- report attached
4. St. Monica School (Becky Reits) -- report attached
5. Office of Schools (Margaret Erich) -- no update.
6. Local Advisory Committees (Steve Clark, Anne Wickham, Steve Benoit) -- reports attached

#### **Committee Reports (Key Objective/Target Completion Date)**

3:45-4:45pm

1. Finance (J. Simonds) -- New Tuition/Financial Aid Model (2/2008) -- report attached
2. Special Needs (N. Ray) -- Special Needs Program Plan and Funding Needs (6/2008) -- *Presentation and Q/A concerning the final work product, distributed in May and June CSGK Board Package.*

- 2.1. Benoit requests any questions of the document be directed to Ray.
- 2.2. Ray thanks Reits for moving committee forward with initial checklist, AEPs, etc. from the beginning.
- 2.3. Formally adopted by the Office of Schools and the schools will begin implementation of plan.
3. Policies (S. Bradshaw) – CSGK Policy Manual (1/2008) -- report attached
4. Development (K. Weishaar) – Articulated Development Strategy (12/2007)-- report attached
  - 4.1. Ahead of budget in non-restricted funds but not in restricted. Weishaar reiterates a recommendation that the \$150,000 due HCC from the development fund needs to be financed from another source in future years. Finance will take this approach in developing budget for 2009-2010 school year.
    - 4.1.1. Weishaar commends Jeff Cavanaugh for working hard to obtain school match at St. Monica.
  - 4.2. Candidates for the Development position have been interviewed. An offer was made and the party declined. The position is posted again. Weishaar will remain in position until a replacement is found.

**New Business:**

1. Crazy Cool Carnival (J. Niesen)
  - a. Celebration of successes.
2. Letter from concerned CSGK family
  - a. Discussion tabled until next meeting to give the board a chance to further review.
3. CSGK Board Lay Membership for 2008-09
  - a. Reviewed email changes.
  - b. Weishaar addressed why nominations are accepted for LACs but not for CSGK Board. Per our bylaws, positions are all appointed by the bishop (eight pastors) to the Board.
    - i. Farrell suggests that if a party is interested, they contact their pastor.

**Next Meeting:** (no meeting will be held in July)

Meeting adjourned at 3:37 p.m.

**Closed Session:**

Wickham reviewed evaluation of Zommer's principal evaluation. St. Augustine LAC recommends that the Board renew contract and implement appropriate salary increase. *Board renews said contract and approves salary increase.*

Clark reviewed evaluation of Reits' principal evaluation. St. Monica LAC recommends that the Board renew contract and implement appropriate salary increase. *Board renews said contract and approves salary increase.*

Benoit reviewed evaluation of Eastman's principal evaluation. HCC LAC recommends that the Board renew contract and implement appropriate salary increase. *Board renews said contract and approves salary increase.*

*\*Vote Required*

**Distribution:**

**Pastors:** Monsignors Hazard and Martin, and Fathers Derda, Farrell, O'Leary, Schmidt, Sirico, Covert

**Principals:** T. Eastman, B. Reits, A. Zommers

**Lay Members:** S. Benoit, S. Bradshaw, J. Niesen, J. Simonds, K. VanderMolen

**LAC Reps:** K. McKinney, S. Clark, S. Benoit

**Diocesan Staff:** M. Erich

**CSGK Staff:** R. Dykstra, K. Weishaar

**Invited Participants:** E. Gallagher, N. Ray, N. Smith

**CONTENTS:**

July Consent Agenda .....4  
Financial Review .....4  
St. Augustine Principal—no report.....6  
Hackett Catholic Central Principal .....6  
St. Monica School Principal .....7  
Local Advisory Council Reports .....7  
    St. Augustine LAC Representative—nothing to report .....7  
    Hackett Catholic Central LAC Representative—nothing to report .....7  
    St. Monica School LAC Representative .....7  
CSGK Finance Committee Report .....8  
Special Needs Committee.....9  
Policies Committee --nothing to report .....9  
Development.....10

**JULY CONSENT AGENDA**

**FINANCIAL REVIEW**

**Board Member: Rich Dykstra**

<b>Catholic Schools of Greater Kalamazoo</b>						
<b>Statement of Revenue and Expenses</b>						
For the eleven months ended May 31, 2008						
Comments	Ln#	Current Month		Actual	Annual Budget	% Budget
			<b>Revenues</b>			
			<b>Tuition, Fees and Subsidy</b>			
	1	\$195,742	Tuition Current Year - net	\$3,474,386	\$3,545,879	98.0%
	2	2,233	Tuition Prior Year	22,897	-	
	4	125	Registration Fees	136,236	144,000	94.6%
	5	-	Transfer from Development	114,000	177,125	64.4%
	6	79,032	Parish subsidies	1,364,742	1,566,000	87.1%
	7	7,474	Dues and Fees	22,029	22,000	100.1%
	8	-	Other Grants and Subsidies	-	-	
	9					
	10	284,606	<b>Total Tuition, Fees and Subsidy</b>	<b>5,134,289</b>	<b>5,455,004</b>	<b>94.1%</b>
	11					
	12		<b>Extra Curricular/Ancillary</b>			
	13	3,470	Athletic	61,790	55,976	110.4%
	14	252	Bookstore	72,250	75,000	96.3%
	15	6,613	Latch Key	52,204	50,000	104.4%
	16		Lunch Program	-	12,000	0.0%
	17	-	Transfer from TRIP	11,766	33,400	35.2%
	18	1,333	Rent Income/Other facilities income	16,957	25,600	66.2%
	19	-	Bequests/Donations	6,593	11,000	59.9%
Reclassify Haiti project	20	(2,919)	Fundraising	23,048	26,000	88.6%
	21	1,465	Miscellaneous	33,334	15,000	222.2%
	22					
	23	10,215	<b>Total Extra Curricular/Ancillary</b>	<b>277,941</b>	<b>303,976</b>	<b>91.4%</b>
	24					
	25	294,821	<b>Total Revenues</b>	<b>5,412,231</b>	<b>5,758,980</b>	<b>94.0%</b>
	26					
	27		<b>Expenditures</b>			
	28		<b>Instructional</b>			
Three pay periods in May	29	296,497	Instructional Salaries	2,174,199	2,482,785	87.6%
	30	7,075	Teacher Supplies	66,856	86,000	77.7%
	31	303,572	<b>Total Instructional</b>	<b>2,241,054</b>	<b>2,568,785</b>	<b>87.2%</b>
	32					
	33		<b>Support Services</b>			
	34	585	Guidance Supplies	6,481	4,500	144.0%
	35	3,504	Graduation	5,629	15,000	37.5%
	36	82,032	Administrative/Non-teaching Salaries	593,816	682,101	87.1%
	37	12,555	Administrative Expenses	120,822	147,000	82.2%
	38	5,045	Administrative Data processing/Computers	46,724	60,000	77.9%
	39	1,551	Library Media Center	6,662	10,000	66.6%
	40	15,800	Operations Maintenance - Salaries	139,296	146,692	95.0%
	41	3,319	Operations Maintenance - Supplies	52,053	54,500	95.5%
	42	13,929	Operations Maintenance - Subcontracting	159,017	168,000	94.7%
	43	17,489	Operations Maintenance - Utilities	214,650	242,075	88.7%
	44	50,535	Operations Maintenance - Subtotal	565,017	611,267	92.4%
	45	-	Capital Improvements	115	-	
Reclassify to Development Office	46	(362)	Development Expense	26,275	-	
	47	19	Marketing Expense	3,216	2,500	128.7%
	48	-	Miscellaneous	5,565	24,500	22.7%
	49	155,464	<b>Total Support Service</b>	<b>1,380,321</b>	<b>1,556,868</b>	<b>88.7%</b>
	50					
	51		<b>Fixed Charges</b>			
	52	46,129	Health Insurance	502,686	556,275	90.4%
	53	50,356	Employee Retirement	173,889	220,122	79.0%
	54	30,640	FICA	217,398	258,276	84.2%
	55	8,377	Unemployment	12,795	15,790	81.0%
	56	-	General Insurance	99,225	94,112	105.4%
	57	135,502	<b>Total Fixed Charges</b>	<b>1,005,993</b>	<b>1,144,575</b>	<b>87.9%</b>
	58					
	59	594,538	<b>Total Cost of Education</b>	<b>4,627,369</b>	<b>5,270,228</b>	<b>87.8%</b>
	60					
	61		<b>Extra Curricular/Ancillary</b>			
	62	22,113	Athletics	239,958	318,756	75.3%
	63	144	Bookstore	60,770	75,000	81.0%
	64	6,304	Latchkey	34,220	36,000	95.1%
	65		Lunch Program	-	-	
	66	8,290	Transportation	42,914	41,200	104.2%
	67	8,290	Club Activity/ Stipends/Other/Band	8,290	13,000	63.8%
	68	200	Hall Rental/Play ground Supervision	800	600	133.3%
	69	45,341	<b>Total Extra Curricular/Ancillary</b>	<b>386,952</b>	<b>484,556</b>	<b>79.9%</b>
	70					
	71	639,879	<b>Total Expenditures</b>	<b>5,014,321</b>	<b>5,754,784</b>	<b>87.1%</b>
	72					
	73	(\$345,058)	<b>Revenues over Expenses</b>	<b>\$397,910</b>	<b>\$4,196</b>	<b>9483.1%</b>

CSGK Enrollment Data As of June 17, 2008			
	K-12 Target Number of Students	Students Enrolled	Over (Under) Target
St. Augustine	306	299	(7)
St. Monica	393	357	(36)
Hackett Catholic Central	377	352	(25)
<b>Totals</b>	<b>1,076</b>	<b>1,008</b>	<b>(68)</b>

TRIP PERFORMANCE Year Ended April 30, 2008	
<b>Summary of Net (Loss) for year ended April 30, 2008</b>	
Total Gross Profit	\$ 75,620
Tuition Rebates	(50,687)
School Gross Profit	\$ 24,933
Operating Expenses	(32,469)
Net (Loss) for year ended April 30, 2008	\$ (7,536)
<b>Restated Net Income for 2008 - 2007 Comparison</b>	
Net (Loss) for year ended April 30, 2008	\$ (7,536)
Decrease in Net Income due to:	
Revised Meijer Program	\$ 12,133
Change in Tuition Rebates to Families from 50% to 70%	5,216
Eliminating Management Fee	7,675
Restated Net Income for year ended April 30, 2008	\$ 17,488
Net Income for year ended April 30, 2007	\$ 18,904

**ST. AUGUSTINE PRINCIPAL—NO REPORT**

**Board Member:** Andra Zommers

**Month Report:** June

**Brief summary of meeting/activities since last report:**

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**HACKETT CATHOLIC CENTRAL PRINCIPAL**

**Board Member:** Tim Eastman

**Month Report:** June

**Date of meeting/activities:** NA

**Brief summary of meeting/activities since last report:**

***Academics***

Senior Mike O'Brien, was named the recipient of a National Merit Corporate Scholarship to Michigan State University.

The staff completed their diary maps for the content of all of their courses. Next school year, the main project in this area will be to link what has been/is taught to the State of Michigan benchmarks.

105 students graduated on June 1.

For the fall, Terri Luzenske will be taking over the media specialist duties of a retiring Judy Vanderweg. Three staff members were not renewed for next year. Molly Williamson will join the Math Department. Replacements are being sought for the other two positions.

Hackett has signed an agreement with Gallup – Educational Division to implement the “Teacher Insight” survey. This tool is used as a selection “filter” for teacher candidates interested in working for Hackett.

***Faith***

The principal continues to work with the Theology Department to further development our overall Campus Ministry program.

The results of the Faith 2000, an assessment of our curriculum delivery and instruction, have been received. 54% of our juniors achieved proficiency on this assessment. This is in contrast to 38% of last year’s juniors. The results for HCC were the highest of the 3 high schools in the Diocese. Though results are better, much work remains. The theology department is aware of the results and will take a portion of the summer to complete an item analysis of “opportunity” areas.

***Finances***

Monthly financials continue to be in good shape. The area that continues to be of greatest concern is the line item of transportation. In light of the decreased expenditures in other areas, we should be OK.

Student numbers continue to increase. Numbers as of 6/19 are 357. A contingency budget is being planned to make up any shortfall in the projected 08-09 budget.

**Actions required by the Board, if any:**

MHSAA resolution for the 08-09 school year needs to be approved at the June meeting.

**Next steps/Upcoming events:**

Planning for next year is ongoing.

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**ST. MONICA SCHOOL PRINCIPAL**

**Board Member:** Becky Reits

**Month Report:** June

**Brief summary of meeting/activities since last report:**

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**LOCAL ADVISORY COUNCIL REPORTS**

***St. Augustine LAC Representative—nothing to report***

**Board Member:** Kerry McKinney

**Month Report:** June

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***Hackett Catholic Central LAC Representative—nothing to report***

**Board Member:** S. Benoit

**Month Report:** June

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***St. Monica School LAC Representative***

**Board Member:** Steve Clark

**Board Member:** Steve Clark

**Month Report:** June

**Date of meeting/activities:** Monthly Meeting 5/29 & Conference Call 6/25.

**Brief summary of meeting/activities since last report:** We have had our regularly scheduled monthly meeting and are currently working on the following:

- 2008-2009 LAC Elections completed –
  - **New Members** – Michael Willis, Dave Summins, Dave Salerno, Pam Kolinski, Mary Beth Romano, Mary Cae Clare, Brad Moyer, Laura Mazstak
  - **Returning** – Jeff Cavanaugh, Suzann Baldwin, Mark Romstadt, Steve Clark
- Principal Evaluation completed – summary report and recommendation submitted
- Market Day – Boosters has asked to discontinue the Market Day program as they provide volunteers and there is a lack of interest in the program – the LAC discussed and recommends that CSGK/TRIP discontinue due to the lack of interest and very little financial benefit from the program.
- Crazy Cool Carnival held

**Actions required by the Board, if any:**

1. Approve bylaw changes (edits in red)
2. Approve 2008-2009 LAC
3. Motion to discontinue the Market Day program at St. Monica

**Next steps/Upcoming events:** July – possible conference call

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**CSGK FINANCE COMMITTEE REPORT**

**Board Position:** Finance Committee Chairman

**Board Member:** Jim Simonds

**Month Report:** June 2008

**Date of meeting/activities:** 6/20/08

**Brief summary of meeting/activities since last report:**

1. The **financial reports** for the 11 months ending 5/31/08 were reviewed. St. Augustine is 1.3% over budget but expectations are that they will be on budget by year's end. St. Monica and HCC are fractionally under budget and should be on or slightly under budget at year's end.
2. **Enrollment** remains fluid. Since last month's report, St. Augustine is +1, HCC +9 and St. Monica is unchanged although there have been favorable developments. Families moving into the area have shown great interest and there is a waiting list for 1<sup>st</sup> grade which may allow opening another classroom. There are siblings of those potential 1<sup>st</sup> graders that would attend if the classroom is opened.
3. **The proposed Medical Benefits for School Employees policy** was approved for presentation to the Board. Changes bring the policy in line with the Diocesan policy and this version of the policy has been approved by Margaret Erich. See attached copy.
4. **403b plan update.** Employees will no longer be able to have individual investment companies for their 403b plans. Schools will need to choose an investment company for their school/district and that company must provide the required reports. Some of the companies that are currently used refuse to provide the reports so we will not be able to continue using their services. Additionally, each school/district needs to have a plan. It is our suggestion that the Diocese develop a plan that will be used by all Diocesan schools/districts, and each school/district can choose their own investment company. This plan would save substantial legal fees. Father Farrell will discuss this idea with Margaret Erich. The new plan must be in effect by 1/1/09.
5. **Duke Street property.** The realtor listing the house on Duke St. has suggesting we rent the house due to the difficult local housing market. He has two potential renters. The lease would be for one year at a positive cash flow. We suggest saving this amount for any potential repairs. At the end of the lease we could renew or put the property back up for sale.
6. **TRIP Performance review.** The TRIP program showed a net operating loss of \$7536 for the year ending 4/30/08. This was in part due to rescinding the 1% management fee and changing to a 70:30 split with the families. There are funds that have been earned for the schools that have not yet been distributed. The committee recommends using these funds to cover the deficit. Salary expenses were down \$6,350 due to the portion of the year the office was open 3 days per week. Attempts at promoting online purchasing have not shown substantial results to date. The committee recommends continuing the program for one more year. If the program is not at least break even, we may need to go to an online ordering program or have small banks of certificates at the schools based on their own experience and desires.
7. **Parent letter regarding international students and referral discounts.** See attached letter from a set of parents. Simonds will draft a response letter to these parents that Benoit will improve upon and be reviewed by the committee prior to being sent to the parents. The committee recommends the Board confirms the following positions:
  - a. The referral discount applies to new students joining CSGK after the date the policy was announced.
  - b. Other than the announcement date of the policy, there are no deadlines for the referrals; discounts are to be prorated based on the date the student joins and the percentage of the first full year's tuition the new student's family pays.
  - c. Multi-student discounts apply only to family members for whom the parents are paying tuition. International students, whose tuition is paid by their natural parents or legal guardians, cannot be used as a

first or subsequent student for purposes of obtaining a multi-student discount for the children of host families.

- d. Tuition for international students enrolled after 6/20/08 will be set at the non-parishioner rate. This will require the same tuition from an international student that is required from any local non-Catholic student or a student from a non-contributing parish. Those students enrolled prior to 6/20/08 will pay the flat rate they have already been quoted for SY 08-09. Tuition for this category of students in subsequent years will increase to the non-parishioner rate.
- e. A referring family will receive a tuition discount for referring an international student.

**8. Principal's contingency plans.**

- a. **St. Augustine.** Enrollment is close enough to the budgeted amount that profit from pre-school income will offset decreased enrollment.
- b. **St. Monica.** Multiple budget categories were discussed comparing budgeted expenses vs. actual expenses for SY 07-08. Several areas of potential savings were identified. Transportation expenses were discussed; changes in fees necessary to cover the true cost of operating the CSGK busses will be implemented. After taking these savings into account, St. Monica will still need to add approximately six additional students to avoid further cuts. The potential for a second 1<sup>st</sup> grade classroom, their siblings and the typical addition of some students over the summer makes us cautiously optimistic. The potential need for further cuts is understood.
- c. **HCC.** Tim Eastman presented a plan that included increased income from 9 additional students and 4 categories where cuts are possible.
- d. **Actual v. estimated tuition.** The business office is still working on enrollment and we are not yet able to calculate actual tuition income. Erin Gallagher did some calculations that we may have lost more families at the upper income levels than anticipated. The business office will present that information when possible.

- 9. **Diocesan school support plan.** Fr. Farrell presented an outline of a Diocesan Plan for funding the schools that the Bishop presented to Pastors earlier this week. The plan is not yet public, but it is potentially very positive for all Diocesan schools in both the short and long term. The plan reflects the importance of Catholic schools in the overall mission of the Church.

**Actions required by the Board, if any:**

See #3 & 7

**Next steps/Upcoming events:**

Continue working with the Business office and principals via email. The next meeting is scheduled for 7/18/08.

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**SPECIAL NEEDS COMMITTEE**

**Board Member:** Nancy Ray

**Date of meeting/activities:**

**Brief summary of meeting/activities since last report:**

M. Erich has reviewed the Special Needs committee's work, and approved the attached document.

**Actions required by the Board, if any:** Review committee's finished work prior to the June 27, 2008 meeting.

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**POLICIES COMMITTEE --NOTHING TO REPORT**

**Board Position:** Policy Chair

**Board Member:** Susan Bradshaw

**Month Report:** June

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**DEVELOPMENT**

**Board Member:** Karen Weishaar

**Month Report:** June

**Brief summary of meeting/activities since last report:** Have conducted interviews for development position. Made an offer, but offer was declined. We are currently accepting additional resumes and the job posting is with West Michigan Planned Giving and the parishes in southwest Michigan. In general, applicants to date have had limited development experience.

**Actions required by the Board, if any:**

None

**Next steps/Upcoming events:** The final month of the annual fund drive is underway. Database updating, 4 class reunions, training Linda Pickornik on the database; these are just a few things we will be working on over the summer.