

## Policy 3000

### Finance Policy Overview

Effective: March 2009

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

All schools are to follow the directives in the most current edition of the Diocese of Columbus Financial Policy Manual. These policies are extensive and, to reduce repetitiveness, they will not be repeated in this manual. However, all schools are responsible for knowing and adhering to those policies. The Office of Catholic Schools Financial Policies listed hereafter are additional policies that are supplemental to the Diocese of Columbus Financial Policy Manual. All schools must follow these as well.

## Policy 3001

### School Bank Accounts

Effective: January 2024

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

The Office of Catholic Schools recommends that any parish with a school establish a school-specific checking account with their bank. The purpose of a separate school checking account is to provide a better, transparent view of the school's current cash flow position, avoid commingling of school and parish revenue, and allow for separation of school and parish expenses.

The Office of Catholic Schools also recommends that any school (parochial or diocesan) that nets an annual surplus open a savings account through the Diocesan Finance Office. Please see Diocesan Finance Policy 306.1 and 306.2 for more information and guidance. These school specific savings accounts should consist of, but are not limited to, capital repairs and maintenance, capital improvements, tuition assistance, and school reserves.

Authorization and control of the school checking and savings accounts reside with the following authorities. Please see below and Diocesan Finance Policy 302.1 for more information and guidance.

#### Parochial Schools

Pastor

#### Interparochial or Consolidated Elementary Schools

Canonical authority or Sponsoring Pastors (depending on the governance model in effect).

Principal

#### High Schools

Principal

These standard accounting practices should aid in providing greater clarity on the school's financial position, allowing for the Diocesan Finance Office and the Office of Catholic Schools to better support and guide operational success as well as long-term sustainability.

## Policy 3002

### Financial Reporting

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

Diocesan schools are required to submit a Statement of Financial Position and Statement of Activity to the Diocesan Finance Office and to the Office of Catholic Schools on a monthly basis. Please see Diocesan Finance Policy 201.0 and 202.2 for more information and guidance.

Parishes are required to submit a Statement of Financial Position and Statement of Activity to the Diocesan Finance Office on a quarterly basis, reflecting both parish and school accounts. Please see Diocesan Finance Policy 201.0 and 202.1 for more information and guidance. To provide greater financial support and guidance to parochial schools, the Office of Catholic Schools asks and recommends that this financial information also be sent to the Office of Catholic Schools on the same quarterly basis.

## Policy 3100

### School Budget Preparation

Effective: December 1975

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

All schools of the Diocese are to prepare an annual budget for school operation costs based on past expenditures and projected cost increases. Budgets must be balanced. All income sources for a school must offset the expenditures. It is the responsibility of the parish(es) to assist, when necessary, with funding the operating costs for a parochial school and to assist with the funding of all capital expenditures. It is each diocesan school's responsibility to fund all operating costs.

Copies of all school budgets are to be submitted to the Office of Catholic Schools. Parochial and diocesan schools must submit a preliminary budget by March 1 with a final budget due no later than September 15. It shall be the responsibility of the Office of Catholic Schools to provide data, assist in the preparation of the budget, and act in a consultative capacity in refining the budget of each school.

#### Parochial Schools

1. The pastor, principal, business manager, school advisory board and others deemed appropriate shall help prepare the preliminary and final school budgets according to Diocesan and OCS financial policy guidelines.
2. The budget is then submitted to the finance committee for final approval.
3. The budget is then submitted to the Office of Catholic Schools for their consulting advice in the refinement of the budget.
4. It is highly recommended that tuition rates not be set nor released to the community until the Office of Catholic Schools has reviewed and approved the budget.

#### Diocesan Schools

1. The principal, business manager, school advisory board and others deemed appropriate shall help prepare the preliminary and final school budgets according to Diocesan and OCS financial policy guidelines.
2. The budget is then submitted to the finance committee for approval.
3. The budget is then submitted to the Office of Catholic Schools for review and final approval.
4. Tuition rates cannot be set nor released to the community until the Office of Catholic Schools has reviewed and approved the budget.

Revision History: 05/24, 08/14, 08/99, 06/94, 03/89, 02/82

## Policy 3101

☐ Elementary

☐ Secondary

☒ Both

### Reporting Income/Expenditures From School-Related Organizations

Effective: May 1983 as Policy 3100.85

Revised: May 2024

For budgeting and accounting purposes, money raised by school-related organizations shall be treated as Net Student Services Activities Income. This includes, but is not limited to, cafeteria, preschool, and Jon Peterson Scholarship programs.

In addition, all schools that utilize the Jon Peterson Scholarship are required to follow the *Jon Peterson Scholarship Playbook*, developed by the Office of Catholic Schools, which lays out further policies and best practices for implementation and management of this program.

## Policy 3110

### Central Administration Fee

Effective: June 1972

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

The annual fee for each parochial and diocesan school is based on the school's average daily membership (ADM) as determined by the enrollment during the first full week in October. Schools are notified by the Office of Catholic Schools of the amount of this fee in January of the preceding year so that budgets reflect the necessary amount.

This per-student fee is for services provided to schools by the Office of Catholic Schools and the other offices of the Diocese of Columbus. In addition, the schools are called on to contribute to the funding of fees charged to the Diocese that are then allocated to schools, such as OCSAA dues.

## Policy 3200

### Tuition Rate

Effective: August 2004 as Policy 3240.05

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

Students attending parochial and diocesan schools will be charged a tuition fee generally commensurate with the per pupil cost of education in the school. Tuition is determined at the local level and shall consist of one tuition rate that is directly related to the cost to educate as established through the preliminary budget process. To arrive at a cost to educate, the following calculation should be utilized:

$$\text{Total School Operating Expenditures} / \# \text{ of Students} = \text{Per Pupil Cost of Education}$$

Families should be billed the cost to educate, and then scholarships and grants are subsequently applied.

Total school operating expenditures should include shared personnel with the parish. Business managers and maintenance staff are two examples of shared personnel between the school and parish. Any shared personnel should have their salaries and benefits allocated in the school and parish budgets based on their duties and time spent. Shared facility costs, such as, utility bills, internet, maintenance supplies, also should be allocated between school and parish. Allocation of depreciation expense between school and parish buildings should be considered where appropriate. All of these expenditures should be reviewed annually and adjusted accordingly.

Realizing that parish and school communities vary, schools not in compliance with this policy are to show progress toward meeting it. Moving to a full cost of education, needs-based tuition model may be accomplished over the course of a year, or it may take several years of incremental changes. It is suggested that each location consult with its finance committee to determine the best path forward. Annual reviews will be held by the Office of Catholic Schools until all schools are fully in compliance with this policy.

## Policy 3210

### Tuition Assistance

Effective: October 2000 as Policy 3130.0

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

In order to make Catholic education affordable and accessible for all families, each school shall consider all financial sources that are potentially available, consisting of but not limited to, state scholarships, Emmaus Road Scholarships, Diocesan Annual Tuition Assistance, Catholic Foundation scholarships and grants, and local parish and/or school endowments, scholarships, and grants.

All of these financial sources require an application and formal process to be considered and all awarding is based on the financial need of the family as well as by the guiding parameters of the particular scholarship or grant.

EdChoice and JPSN Scholarships are administered by the Ohio Department of Education and Workforce (ODEW). This process is completed by both the parent and the school via the ODEW Scholarship Portal. After the initial award process each spring, the application operates on a rolling basis throughout the year with tiered and prorated award amounts.

Emmaus Road Scholarships and Diocesan Annual Tuition Assistance are administered by the Office of Catholic Schools. This process is completed via the FACTS Grant and Aid portal. The application deadline to be considered for these scholarships is March 15 of each year.

Catholic Foundation scholarships and grants are administered by the Catholic Foundation. Please visit their website for more information on the scholarships and grants available and application requirements.

Local parish and/or school endowments, scholarships, and grants are administered by the local pastor and/or principal. It is recommended that this process be completed via the FACTS Grant and Aid portal along with a consultation meeting between the family and the pastor and/or principal. It is also recommended that this application deadline be March 15 of each year.

#### Applying Scholarships and Discounts

Section 3317.022 of the Ohio Revised Code states the following:

For purposes of division (A)(11)(a) of this section, the net tuition and fees charged to a student shall be the tuition amount specified by the alternative school minus all other financial aid, discounts, and adjustments received for the student. In cases where discounts are offered for multiple students from the same family, and not all students in the same family are scholarship recipients, the net tuition amount attributable to the scholarship recipient shall be the lowest net tuition to which the family is entitled.

If an EdChoice student is eligible, meets the criteria, and receives any scholarship or grant, the tuition billed to EdChoice must be reduced by the amount of the scholarship or grant. Therefore, the tuition assistance process



at each school should review and consider all sources of potential scholarships and grants at the same time, ideally, aligned with the March 15 deadline for the FACTS Grant and Aid process.

For example, Sample Student was awarded an EdChoice Scholarship with a maximum value of \$6,166. Her parents are active in the parish and applied for and met the awarding criteria for a parish grant. The family also qualified for \$500 from the Emmaus Road Scholarship Fund.

<b>SAMPLE: 2024-25 Tuition Statement for One Student</b>	
2024-25 Total School Tuition	\$6,000
Emmaus Road Scholarship	\$1,000
Parish Grant	\$500
EdChoice Scholarship	\$4,500
<b>Remaining Balance</b>	<b>\$0</b>

#### Multiple Children Discounts

Multiple child discounts vary by location, but can generally be defined as a model in which the tuition rate is reduced after the second child and often times the fourth child is free. As schools transition towards a needs-based model that is based on the full cost to educate, the necessity of continued multiple child discounts should be determined. The Ohio Revised Code specifically states, “In cases where discounts are offered for multiple students from the same family, and not all students in the same family are scholarship recipients, the net tuition amount attributable to the scholarship recipient shall be the lowest net tuition to which the family is entitled.”

#### Parish Grants and Scholarships

Parish grants and scholarships are generally given for students of active parish families. In order for a family to be considered an active member, it is necessary that they:

- Are registered in the parish,
- Are recognized by the pastor as an active family in the sacramental life of the parish,
- Contribute time and talent to the ministries of the parish,
- And, in agreement with the pastor, they regularly contribute an appropriate portion of their annual income to the financial support of the parish.

#### Fees

The EdChoice Scholarship is designated to cover tuition for a student in a non-public school, but not fees. Any fees that are a regular part of your school tuition and fees policy must still be paid for by the family.

Both the Traditional EdChoice and EdChoice Expansion programs have a provision by which schools are not permitted to charge the tuition balance to any family below 200% of the Federal Poverty Level. These students are flagged as “Low Income Status”. While these families may not be charged a tuition balance, they are still required to pay any applicable fees.

It is advised that each school evaluate its fee structure and policy to determine what amount these should be. This should be reviewed on an annual basis and adjustments made accordingly.

Revision History: 05/24, 08/04, 10/00

## Policy 3220

### Ohio EdChoice Scholarships

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

The Ohio EdChoice Traditional Scholarship program was enacted in 2005 to serve families residing in underperforming school districts. The program has been expanded multiple times since its inception to assist additional families; in particular, those with lower incomes are assisted by the EdChoice Expansion Scholarship. In 2023, the State of Ohio expanded eligibility for EdChoice Expansion Scholarships to all Ohioans, creating a universal scholarship program. Families with an adjusted gross income (AGI) that is at 450% or below the Federal Poverty Guideline (FPG) are eligible for a full scholarship, with a tiered reduction for those above. Every Ohio student is eligible for a minimum amount.

EdChoice will either pay the maximum scholarship amount or the non-public school's stated tuition (minus grants, scholarships, or other forms of aid), whichever is less. Please see "sample tuition statement" in Policy 3210 for example of this. The scholarship amount may vary from year to year, as it will increase when the funding formula for public schools increases.

**Schools may not require any family to participate in EdChoice.** Ohio Administrative Code 3301-11-11 (A) (7) states, "(7) The school will abide by its admission policy fairly and without discrimination with regard to students applying for or having been awarded scholarships pursuant to this chapter." As EdChoice is a parent-driven school choice program, families cannot be required to participate or be asked about their eligibility or scholarship amount. While checks are sent to the school, they must either be endorsed by the parent or on behalf of the parent. **Schools and/or parishes should not punish or coerce parents into participating by refusing financial aid unless they apply for EdChoice.**

#### Management and Confidentiality of EdChoice

Each school should designate an employee(s) to manage the EdChoice scholarship program for their school. This employee(s) must request access and permission rights from the Office of Catholic Schools. No other person should access the EdChoice portal using this employee's credentials. Ideally, this employee(s) would not be a parent of a child in the school. In addition, only a paid employee(s) will be granted access and permission rights into the EdChoice portal. Volunteers will not be allowed this privilege.

Due to the sensitive nature of the EdChoice program, as it relates to personal finances of families, the school employee(s) designated to manage the scholarship program shall exercise extreme confidentiality, privacy, and ethical practices in the handling of individual family information.

Any sensitive information obtained through the EdChoice program shall not be used to discriminate, punish, or coerce the family in any capacity. Failure to abide by the management, confidentiality, and ethical practices of this policy, will be grounds for the employee's access and permission rights to be removed by OCS.

### Budgeting and Accounting for EdChoice

EdChoice is a state-funded scholarship, and funds are restricted for school related purposes only. Payments from the State of Ohio are made to parents as 10 monthly installments beginning in the early Fall and/or once a student has been awarded a Scholarship. Currently, payment is mailed in the form of a check. Schools may utilize a form, provided by the Office of Catholic Schools, to obtain permission to sign the checks in place of the parent. Otherwise, parents must endorse checks each month. Schools should cash checks promptly and record receipt of each check to verify that payment was received.

Once the EdChoice payment has been deposited, funds should be accounted for by utilizing the EdChoice revenue line item in QuickBooks. Funds should be clearly recorded against a student's tuition liability by utilizing FACTS Tuition Management to track tuition collection. The accounting system should be periodically compared against the school record keeping for accuracy. Any EdChoice refunds to the state of Ohio should be made in a timely manner.

## Policy 3230

### Scholarship Granting Organization

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

Beginning in tax year 2021, individual taxpayers and pass-through entities can claim a credit for monetary donations made to a certified scholarship granting organization (SGO). The maximum credit equals \$750 per individual tax filer or \$1,500 if married filing jointly.

The Diocese of Columbus established the first SGO in the State of Ohio as the Diocesan Education Corporation, dba the Emmaus Road Scholarship Fund. The Emmaus Road Scholarship Fund is registered to the Diocesan Education Corporation and managed by the Office of Catholic Schools. The Office of Catholic Schools provides administrative services inclusive of, but not limited to, the collection and distribution of funds, donor management, branding, and the annual recertification process with the State of Ohio. As permitted by Ohio law, administrative service fees are compensated to the Diocesan Education Corporation.

All Catholic schools and parishes in the Diocese of Columbus are strongly encouraged to participate in and to promote the Emmaus Road Scholarship Fund, particularly in the months of November and December and again during income tax season from February through April 15.

Donations made to the Emmaus Road Scholarship Fund may be directed to any of the Catholic Schools recognized by the Diocese recognized by the Office of Catholic Schools. These restricted donations reside in a school-specific fund managed by the Diocese of Columbus and the Office of Catholic Schools.

The distribution of SGO funds for tuition assistance is determined based on the FACTS Grant and Aid application during the spring. SGO dollars raised in a calendar year are distributed as scholarships for the following school year. For example, 2023 SGO donations are distributed as Emmaus Road Scholarships for the 2024-25 school year.

## Policy 3240

### Diocesan Tuition Assistance Fund

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

The Diocese of Columbus and the Catholic Foundation provide annual tuition assistance funds to the Office of Catholic Schools for distribution to families with demonstrated need. Schools may ask families to apply for Diocesan Assistance through the FACTS Grant and Aid portal by the annual deadline of March 15. Distribution of Diocesan Assistance Funds will be determined each spring and will be made in order of greatest need, while adhering to any stipulations specific to the various sources of funding. The Office of Catholic Schools will manage the distribution process.

## Policy 3250

### Parish Grant From a Sending Parish to a Receiving Parochial School

Effective: March 2009 as Policy 3240.0

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

All parishes are responsible for providing access to a Catholic school education to those who desire it. Cooperation is needed to implement the following process to determine the amount of a parish grant from a sending parish.

1. The pastor and business manager from each sending parish is to be invited to meet with the pastor, principal, and business manager of the receiving school regarding school finances. This meeting is to include information on both current and projected operating costs, per pupil cost to educate, and the projected tuition rate for the upcoming school year.
2. Each sending parish is encouraged to come up with their own parish grant application process, criteria, and formula for awarding.
3. It may be necessary to adjust the sending parish's grant model in order to meet the needs of the receiving parishes.
4. Any potential parish grant may vary based on the individual student/family (see policy 3210).
5. Agreement is then to be reached that is acceptable to both the sending and receiving parishes regarding any potential student parish grant.
6. In the event an agreement cannot be reached, a meeting shall be scheduled with the Office of Catholic Schools to act as mediator in finalizing an agreement.

Sending parishes are encouraged to market and promote the Scholarship Granting Organization (SGO) to their parishioners, and in doing so, should encourage that the donations be earmarked to the receiving parishes and elementary schools in which their parishioners attend. This arrangement should be considered in the parish grant agreement, and combined with the other potential scholarships and grants that exist, could eliminate future need for the sending parish grant. The Office of Catholic Schools will assist both the sending and receiving parishes in this process so that all parties are in agreement.

Please see the recommended forms to guide this process on the following pages.

**St. XXX's Catholic Church**  
**Qualifications for Receiving Catholic School**  
**Parish Tuition Grant**  
**20XX-20XX**

St. XXX's Church is committed to assisting parents with the financial responsibility of providing a Catholic school education (K-12) for their children. The parish will provide this assistance by way of a parish tuition grant for all registered and participating parishioners upon request.

This commitment requires active membership and financial support to St. XXX's from the parents who receive this assistance. The Diocese of Columbus defines active parish membership and parish financial support with the following statement:

In order for a family to be acknowledged by the parish as a “participating member,” it is necessary that they be registered in the parish, that they are recognized by the pastor as a family participating in the sacramental life of the parish; that they contribute time and talent to the ministries of the parish; and in agreement with the pastor, that they regularly contribute an appropriate portion of their annual income to the financial support of the parish.

The criteria to be eligible for the parish tuition grant are as follows:

1. Families are strongly encouraged to apply for FACTS Grant & Aid and EdChoice through the school.
2. Families must be registered for one full year before applying for the grant.
3. Families attend Mass at St. XXX Church on a regular basis.
4. Parents contribute consistently to the parish.
5. Parents must follow the required two (2) step application process.
6. Parents are required to contribute time and talent to organizations and ministries of the parish.
7. Only one grant can be paid to one school per year.
8. In the event the family leaves St. XXX Church during the subsidized school year, the grant will be prorated for the time spent as parishioners.
9. Only parents or legal guardians/custodians may apply.
10. Tuition Grant Applications must be completed and returned to the Parish Office no later than March 15, 20XX. Return by hand, US mail or email a PDF to [businessmanager@stxxx.org](mailto:businessmanager@stxxx.org). (Note: jpeg or other photo formats will not be accepted.)
11. Tuition Grant Agreements must be completed by parents and the enrolling school and returned to St. XXX's by April 15, 20XX; finally, the Agreement must be approved and signed by the Pastor no later than April 30, 20XX for the next, upcoming academic year.

Thank you for all that you do by way of sacrifice to provide for a Catholic school education for your children, one of the best investments you can give them. With your active contribution of time, talent and treasure, you will be able to receive assistance with the considerable financial burden that comes with the choice of a Catholic school education.

God bless,  
Pastor

**TUITION GRANT AGREEMENT 2025-26  
BETWEEN ENROLLING SCHOOL AND ST. XXX PARISH**

*Parents: Please complete the top section of this agreement and take to the enrolling school to complete the bottom section. Once the enrolling school has completed the required information and signed at the bottom left, return this to St. XXX Church no later than April 15, 20XX.*

Parent/Guardian Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

City: \_\_\_\_\_ Zip: \_\_\_\_\_

Email: \_\_\_\_\_ Phone # \_\_\_\_\_

Registered Parishioner at: St. XXX Church.

Enrolling School: \_\_\_\_\_ Phone # \_\_\_\_\_

School Address: \_\_\_\_\_

City: \_\_\_\_\_ Zip: \_\_\_\_\_

Contact Name: \_\_\_\_\_ Contact's Email \_\_\_\_\_

**To be completed by enrolling school:**

Student Name	Grade	Tuition Rate	Ed Choice	SGO	Other Assistance	Remaining Balance	St. XXX Grant
		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$
		\$	\$	\$	\$	\$	\$

**Total:** \$ \_\_\_\_\_

**Note: The amount of the St. XXX grant will largely be determined after the various other grants and scholarships are applied, and a discussion with the school on their minimum out of pocket policy that each parent is required to pay.**

Enrolling school agrees to invoice St. XXX's at the start of the 20XX/XX school year. St. XXX Parish agrees to pay the subsidy listed above to the enrolling school by March 31, 20XX.

**Enrolling School:**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**St. XXX Church:**

\_\_\_\_\_

Fr. XXX

Pastor



## Policy 3251

### Parish Grant From a Sending Parish to a Receiving Diocesan High School

Effective: March 2009 as Policy 3240.0

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

All parishes are responsible for providing access to a Catholic school education to those who desire it. Cooperation is needed to implement the following process to determine the amount of a parish grant from a sending parish.

1. The pastor and business manager from each sending parish is to be invited to meet with the principal and business manager of the receiving diocesan secondary school regarding school finances. This meeting is to include information on both current and projected operating costs, per pupil cost to educate, and the projected tuition rate for the upcoming school year.
2. Each sending parish is encouraged to come up with their own parish grant application process, criteria, and formula for awarding.
3. It may be necessary to adjust the sending parish's grant model in order to meet the needs of the receiving diocesan secondary school.
4. Any potential parish grant may vary based on the individual student/family (see policy 3210).
5. Agreement is then to be reached that is acceptable to both the sending and receiving parishes regarding any potential student parish grant.
6. In the event an agreement cannot be reached, a meeting shall be scheduled with the Office of Catholic Schools to act as mediator in finalizing an agreement.

Sending parishes are encouraged to market and promote the Scholarship Granting Organization (SGO) to their parishioners, and in doing so, should encourage that the donations be earmarked to the receiving diocesan secondary school in which their parishioners attend. This arrangement should be considered in the parish grant agreement and combined with the other potential scholarships and grants that exist, could eliminate the future for the sending parish grant. The Office of Catholic Schools will assist both the sending parish and receiving diocesan secondary school in this process so that all parties are in agreement.

## Policy 3300

### Tuition Collection

Effective: January 1992 as Policy 3240.3

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

All policies governed by the Diocesan Financial Policy Manual shall be followed.

In addition, each school will have a written explanation of financial requirements of parents, including, but not limited to, tuition, any fundraising obligations, and the procedures for financial delinquency, including continuation at school and participation in graduation/continuation ceremonies. This policy shall be given to parents at the time of registration, included in the parent/student handbook, and as part of the tuition contract.

All schools are to utilize FACTS Tuition Management for tuition contracts and tuition collection. The tuition contract must be signed and in effect in order for a student to be enrolled at a school and prior to the student's attendance at the school.

All tuition contracts should, first, present the full cost to educate, followed by any and all potential scholarships and/or grants received, culminating in the remaining balance owed by the family. See below for one example of how this should be presented.

SAMPLE: 2024-25 Tuition Statement for One Student	
2024-25 Total School Tuition	\$6,000
Parish Grant	\$1,000
Emmaus Road Scholarship	\$500
EdChoice Scholarship	\$1,800
<b>Remaining Balance</b>	<b>\$2,700</b>

## Policy 3400

### Management of School Accounts

Effective: May 1983 as Policy 3610.0

Revised: May 2024

☐ Elementary

☐ Secondary

☒ Both

All policies governed by the Diocesan Financial Policy Manual shall be followed.

In addition, all money raised in the name of the school or its auxiliary organizations must be deposited in school-controlled accounts. The principal's signature must be included among the authorized signatures for all school-related accounts. Such accounts are subject to supervision by the principal (and/or at the elementary level, the pastor) and by Diocesan audit. Any school-sponsored organization whose records are kept by someone other than the school's bookkeeper (or, at the elementary level, the parish's bookkeeper) shall be required to submit financial reports to the school on a monthly basis.

Segregation of duties is a key internal control intended to minimize the occurrence of clerical errors as well as fraud, both intentional and unintentional, by attempting to ensure that no person, employee or volunteer, has the ability to both perpetrate and conceal those errors and/or fraudulent occurrences within the normal course of their duties.

Generally, segregation of duties would consist of, authorization or approval, custody of assets, recording of transactions, and reconciliation activities. Ideally, separate employees and/or volunteers would perform each of these four major duties. An example of proper segregation of duties would consist of one person depositing cash at the bank and a second person reconciling the bank statements.

When these duties cannot be sufficiently segregated due to the small size of staff and/or volunteers, it is important that mitigating controls, such as a detailed supervisory review, be put in place to reduce risks. In addition, consider rotating staff and/or volunteers among different duties periodically. This is another control measure that a small size staff can utilize in mitigation of errors and fraud.

## Policy 3500

### Fundraising

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

The Catholic Schools are nonprofit entities that rely on fundraising revenue to supplement tuition in order to fulfill the mission of Catholic education in the Diocese of Columbus.

As diocesan bodies, we must ensure that, by undertaking fundraising activities, our appeals are truthful and forthright, theologically sound, and strive to motivate the faithful to a greater love of God and the greater community. Furthermore, all fundraising activities must uphold the legal, statutory or regulatory requirements set forth by the State of Ohio and the United States Government.

This policy provides guidance on how fundraising at Our Catholic Schools should be managed to ensure that all schools maintain these standards, while providing assurance and transparency to donors with regard to the use of funds raised. It shall be disseminated to the appropriate officers, associations and activity groups.

#### Definitions

**Donation:** A donation is a gift for which no direct benefit is sought. It may take the form of cash, services or goods and can be given from an individual or organization.

**Sponsorship:** A sponsorship is where a business (or individual) provides money in order to secure the marketing of its business name, products, services or image.

**Grant:** A grant is cash given to an organization for a specific purpose. By accepting a grant, there is an obligation to fulfill any criteria the grantor may place contingent on funding, i.e., submission of a report to ensure the project funded satisfies the objectives outlined during the application process.

**Appreciated Securities:** Appreciated securities are those assets that are worth more today than when they were acquired. Stock is one of the most common forms of appreciated security and may be donated in lieu of cash to support some fundraising efforts.

**Planned Giving:** Planned gifts include charitable gift annuities, bequests, charitable remainder trusts, and life insurance policies, among other vehicles. Planned gifts provide significant tax benefits for the donor while providing future support for nonprofits.

#### General Conditions

1. Fundraising efforts are to be for defined needs.
2. No organization may promote a fundraising project in the school's name without prior approval of the school principal and/or pastor. Capital fundraising projects require the

approval of the superintendent and, ultimately, the Bishop of the Diocese of Columbus.

3. All funds collected are to be used for the intended purpose stated in the fundraising communication.
4. Administrative or overhead costs associated with a fundraiser should not exceed 10% of the total funds collected.
5. Donors are to be informed regarding the use of donated funds and provided assurance that any allowable restrictions on the use of the funds by the donor will be honored.

#### Gift Acceptance

All gifts accepted by Our Catholic Schools, including each of the gift types outlined above, must be consistent with the mission of Our Catholic Schools and the virtues of our Catholic faith. Schools, school organizations and/or activity groups must refuse any gift from a source that is contrary to the teachings of the Catholic Church. Generally speaking, the following factors are to be considered when accepting gifts:

The gift must primarily benefit Our Catholic Schools, whether it is for operations, programs, or other special projects.

1. The gift must not compromise Our Catholic Schools' values and/or the teachings of the Catholic Church.
2. Are the donor's intent and Our Catholic Schools' use of the gift compatible?
3. What impact does this gift have on the reputation of Our Catholic Schools?
4. Is the gift readily available for use by Our Catholic Schools without the need to incur significant financial expense or administrative burden?
5. Will the gift encourage (or discourage) future gifts?

For gifts that are not donations of cash or check, additional policies and handling restrictions apply. See Diocesan Financial Policy Series 450.0: Other Forms of Donations for guidance.

#### Accountability

1. All funds collected by school organizations and/or activity groups should be deposited in an authorized school/parish account (See Diocesan Financial Policy 302.1: Opening/Closing Bank Accounts) and disbursed in the approved manner set forth by the school/parish.
2. School organizations or activity groups are to provide regular reports to the school principal and/or pastor on the status of fundraising efforts, including financial details. At minimum, the reports should include the amount of money collected, any administrative costs, and the amount/use of funds dispersed.
3. When warranted, similar reports should be provided to donors and benefactors to detail the impact of the funds raised on advancing the mission of the school.

It is the responsibility of the principal to ensure that all fundraising activities follow the aforementioned policies.

## Policy 3505

### Fundraising for Field Trips

Effective: September 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

When schools conduct fundraising for field trips, the funds raised must be distributed equitably among all students who benefit from the event, rather than being allocated solely to those who participated in the fundraising efforts. Failure to do so may be considered a private benefit, which is not permissible under IRS regulations. Courts have consistently ruled that when fundraising proceeds are designated primarily for the benefit of the individuals who participated in the effort, it constitutes a substantial and improper benefit.

For example, students cannot fundraise specifically for their 8th-grade Washington, D.C. trip in a way that benefits only those who participated in the fundraising. Schools may not utilize individual fundraising accounts that track and allocate funds based on each student's participation. Instead, fundraising proceeds must be evenly distributed among all students in the class to ensure compliance with IRS regulations and to avoid private benefit concerns. A 501(c)(3) organization must not be organized or operated for the private benefit of specific individuals.

To illustrate, if 40 students in a 60-student class participate in a fundraising event and collectively raise \$600, the funds must be distributed equally among all 60 students, providing each with a \$10 share. This method ensures compliance with IRS guidelines.

Conversely, an improper fundraising practice would involve students selling donuts after Mass, with small groups stationed at various church entrances. If all proceeds are pooled and later allocated only to students based on their level of participation—such as crediting students who worked more shifts with a greater reduction in trip costs—this would constitute an impermissible private benefit. Students who did not participate in the fundraising would receive no benefit, making this type of practice noncompliant with IRS regulations.

This policy has been established by the Office of Catholic Schools in collaboration with the Diocesan Finance Department and an independent accounting firm to ensure compliance with applicable regulations and best practices.

Revision History:

## Policy 3510

### Fundraising and School Volunteer Hours

Effective: May 2024

Revised: June 2025

☐ Elementary

☐ Secondary

☒ Both

At all times, schools will comply with the Internal Revenue Service (IRS) guidelines that address fundraising and volunteer hours.

1. Schools may not impose fines for volunteer hours not completed by parents, however, schools can accept donations in lieu of volunteering for those families that may have time constraints impacting their ability to be present and volunteer.
2. Schools may neither require nor allow parents to work in lieu of tuition.
3. Schools may not impose fines for fundraising obligations not met by parents.
4. Schools may not require that parents purchase Scrip Certificates.

## Policy 3515

### Digital Money Service

Effective: June 2025

Revised:

☐ Elementary

☐ Secondary

☒ Both

The use of mobile payment services, such as Venmo, Square, and Paypal, for processing transactions with donors, customers, and vendors has been on the rise over the last several years in an industry that is continually changing and evolving. A point-of-sale (POS) device, such as Clover Go, is the preferred method for these electronic transactions as it is designed for organizational use, does not allow outbound payments, offers bank grade security protections, transfers all funds within the next business day, has a comparatively low fee, and offers sufficient reporting capabilities.

However, the desire of a school to want to use a mobile payment service may still exist, and in order to facilitate that option, the Office of Catholic Schools, in collaboration with the Diocesan IT and Finance departments, created the following rules and guidelines for implementation and execution:

1. Any digital money service should be used for **collecting funds** only.
2. Any digital money service should NEVER make outgoing payments.
3. The account CANNOT be linked to any current parish or school bank account.
4. Funds MUST be swept from the digital money service on a daily basis to a newly-created, separate account that is untouchable from the digital money service.
5. This separate account MUST be in the name of the parish or school, not an individual.
6. The digital money service provider also needs to be added to the parish/school balance sheet, as it is an asset holding the entity's funds and is needed to record activity including transfers.
7. If the digital money service attempts to delay transfers, such as holding funds for a number of days before sending them to a real bank account, then that particular vendor CANNOT be used, and the school would have to find a different digital money service that allows for daily sweeping of funds.
8. If there needs to be a transaction reversal - of any sort and for any purpose – that was originally processed through the digital money service that would result in an outbound transaction, it MUST go through the normal check-writing process in the accounting system of the parish or school. This ensures that full control of cash flow and security measures are kept in place. No digital money service must ever be allowed to circumvent this.
9. Only parish or school employees can have access to the digital money service, but these employees first must be on an approved list. Absolutely NO volunteers can have access. This list must be updated on an annual basis at the start of the academic year.

The preceding rules and guidelines are put in place to help safeguard parish and school funds, as well as, safeguard against social engineering, as these digital money services are easy targets for scams. Schools that would like to utilize digital money services are asked to complete the form on the next page.

Revision History:



## Digital Money Service Application

Any school that wishes to use a digital money service must complete the digital money service application form and submit it to the Office of Catholic Schools. This application is for requesting approval to use a digital money service. The purpose of this application is to gather all the necessary information needed to ensure proper procedures and guidelines are being put into place and are followed at all times (see Policy 3515).

Completed forms should be emailed to the Office of Catholic Schools, which will then work with the Diocesan IT and Finance departments to ensure all measures are in place. Once all verifications have been identified, then an official approval will be sent to the school. No school is to utilize a digital money service until they have official approval from the Office of Catholic Schools. This application will be reviewed on an annual basis at the start of the school year to ensure the list of approved users is current.

School Year

Name of School

\_\_\_\_\_

\_\_\_\_\_

Principal Signature

Date

\_\_\_\_\_

\_\_\_\_\_

Please describe the purpose and event(s) that you need to use this digital money service for.

Purpose/Event(s) \_\_\_\_\_

### Additional Questions

1. What is the name of the digital money service you wish to use?

\_\_\_\_\_

2. Please provide the names of the school employees who will have access to this.

\_\_\_\_\_

3. Please provide the bank where this new account will be held.

\_\_\_\_\_

## Policy 3520

### Capital Campaigns

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

Capital campaigns in the Diocese of Columbus require the direct, written permission of the Bishop prior to soliciting funds or advertising a campaign. The Office of Catholic Schools should be contacted when a school wishes to consider a major fundraising campaign. OCS will guide the leadership of the parish and/or school through a process of discernment and planning that ultimately will form the campaign plan to be submitted to the Bishop for approval.

After or in conjunction with completing this discernment and planning process, schools must develop support documentation to submit for campaign approval. This documentation must include:

1. A letter to the Bishop detailing the project, the rationale for undertaking the project, the contribution of the project to the mission of the school and to the mission of Catholic education in the Diocese.
2. A financial feasibility study that outlines the structure of the campaign and the likelihood of success.
3. Design work. A master plan for the project along with professional estimates of the costs of the project must be submitted.
4. Endowment. All building projects up to \$10 million also must include at least 10% of the project total to be raised in an endowment fund. For projects over \$10 million, a consultation with the Office of Catholic Schools is required, but a minimum endowment of \$1 million must be raised.
5. A complete campaign plan. The Office of Catholic Schools will provide guidance on the campaign plan to ready it for submission.

Once the above documents are gathered, the Diocese of Columbus will review the proposal, provide feedback, and then submit to the Bishop for consideration.

No project or campaign may launch or in any way become public without the written approval of the Bishop of Columbus.

## Policy 3600

☐ Elementary

## Administration of Federal and State Government Programs

☐ Secondary

☒ Both

Effective: May 2024

Revised:

All Federal government programs are administered to students at schools in the Diocese of Columbus primarily through the school's local public district of residence. Public schools are required by law to notify schools of the services available to them and to consult on these services with the nonpublic school. The Office of Catholic Schools do not administer any Federal programs, but can aid schools in navigating funds available to them.

Likewise, all state government programs are administered with the intention of benefitting students directly. Schools in the Diocese of Columbus currently receive their Auxiliary Services Funds indirectly through the public district. Schools whose districts do not have an adequate requisition system must use the Diocesan System, AQUINAS.

It is the administrator's responsibility to be knowledgeable about each government program and its requirements. Administrators should know their allocations, plan their spending so that funds are used in the year they are allocated, and consult with their public districts on a regular basis. Administrators should take advantage of all federal and state programs that will benefit their students and not place an undue burden on a school's religious freedom. Schools also should be collecting data to be used in federal and state programs, regardless if they plan to opt in to a program that year.

The Office of Catholic Schools will assist administrators with this responsibility. Administrators will be required to collect and submit relevant government programs data as requested by the Office of Catholic Schools.

## Policy 3700

### School Vehicles

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

#### School Vehicles, Inspection and Maintenance

1. The pastor and/or principal of any Diocesan school, which operates school vehicles for transporting students, shall insure that an annual vehicle safety inspection is completed for each such vehicle by a certified Department of Transportation inspector before the beginning of each school year. Records of such inspections must be maintained.
2. The pastor and/or principal also shall make certain that a mandatory pre-trip inspection is performed every time the bus is used and that records of these inspections are maintained.

#### School Vehicle Drivers

1. Pastors and principals of Diocesan schools, which operate school bus vehicles for student transportation, are responsible for verifying the qualifications of the vehicle drivers.
2. Prior to hiring a bus driver, the pastor and principal should call the Diocesan Human Resource Department for specific instructions.
3. All such drivers must possess a valid Ohio CDL license, have an excellent driving record, and exhibit the ability to maintain student order while driving.
4. All bus drivers must attend a minimum of six hours of safety training annually. Such drivers are under the supervision of the school principal.

#### Contracted School Vehicle Services

1. A pastor and/or principal of a school which contracts with a student transportation company operated by an outside agency shall insure that such a company provides high standards of safety for its drivers, and \$5,000,000.00 minimum insurance coverage.
2. A certificate of insurance should be obtained for the school records.
3. The company must also provide verification of their own workers compensation policy and a statement that all bus drivers have been approved (i.e., drug test and background check) to drive for the company.
4. It is the responsibility of the pastor and/or principal to observe all pertinent state laws in the operation of a Diocesan school transportation program.

Please note, as of April 2024, passenger vans holding 11-15 passengers are no longer insurable by Catholic Mutual. Schools should not purchase new vans and should phase out the use of any existing vans. Please contact the Diocesan Insurance Office for more information.

## Policy 3800

### Diocesan High School Capital Repair Grant

Effective: May 2024

Revised: July 2024

☐ Elementary

☒ Secondary

☐ Both

The annual Diocesan High School Capital Repair Grant will be awarded each year to one diocesan owned and operated high school in Franklin County and one diocesan owned and operated high school outside of Franklin County. The grants are intended to address major capital needs, such as roof repairs, boiler repairs, and other similar projects. Schools should work with the Director of Facilities to identify the projects that would qualify for the grant. The Office of Catholic Schools will manage the application process (see following page) and the distribution of the funds.

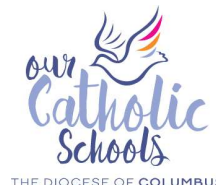
The distribution of the grants will follow the rotating schedule below. Grant projects will be identified in the winter of each school year at the schools designated to receive funds that year. Actual payment of the grant will be made on July 1 following the project approval. For example, in the 2023-24 school year, projects will be planning in February 2024 at Bishop Ready and Fisher Catholic and funds will be disbursed on July 1, 2024.

The schools were ordered based on an assessment of upcoming maintenance needs conducted by the Facilities Office.

School Year	Inside Franklin County	Outside Franklin County
2023-24	Bishop Ready	Fisher Catholic
2024-25	Bishop Watterson	Notre Dame
2025-26	Bishop Hartley	Bishop Rosecrans
2026-27	St Francis DeSales	TCC HS
2027-28	St Charles	Newark Catholic



## Diocese of Columbus Capital Repair Grant Application



This application is for capital repair needs at all Diocesan high schools. This endowment was generously bestowed upon us for the repair, maintenance, and general upkeep of the Diocesan High School buildings, particularly for projects that most directly relate/address the needs of older buildings and grounds that tend not to be thought of in the normal course of running a school.

Beginning in 2024, the full amount of the annual disbursement from the endowment will be awarded to one school inside Franklin County and one school outside Franklin County on a rotating basis. For administrative purposes, this application still must be completed by the schools receiving the funding and all projects must be submitted for approval. Please submit a separate page 2 for each project needing funding.

The deadline for submitting this request is **January 30** of each year. Completed forms should be emailed to the Office of Catholic Schools, who will submit them to the Director of Facilities.

School Year

Name of School

Principal Signature

Date

	Category	Total Cost	Grant Request
<b>Project 1</b>			
<b>Project 2</b>			
<b>Project 3</b>			
<b>Project 4</b>			
<b>Project 5</b>			

Please describe these projects in the space below.

Project # \_\_\_\_\_

### Additional Questions

4. Will the project(s) be pursued if no funds are provided?

---

5. What would the method of payment be for this project?

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6. Do you have completed bids for this project?

---

## Attach all proposals to this application

### Approval Signatures

**Projects \$10,000 or more**

Facilities Office Signature

Date

Superintendent's Signature

Date

Chief Financial Officer's Signature

Date

Vicar General's Signature

Date

## Policy 3900

### E-Rate Discount Program

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

The E-Rate Program provides discounts to assist most schools in the United States to obtain affordable Internet access and telecommunications services. This program has provided more than \$1 billion to Ohio schools through four service types: Data Transmissions Services and Internet Access, Internal Connections, Managed Internal Broadband Services, and Basic Maintenance of Internal Connections.

All schools are required to participate in this program and the E-Rate process for our diocese is managed by the Office of Catholic Schools in collaboration with the Diocesan IT and Finance Departments. The application and request are completed by the Diocese's E-Rate consultant, who assists with the calculation of internet costs and discounts.

The discount process involves an application and request to the Universal Service Administrative Company (USAC) for competitive bids to various vendors. Discounts range from 20-90 percent of the costs of eligible services and are based on the level of poverty as well as the urban/rural status of each school.

E-Rate funding follows a fiscal year of July 1 through June 30 with the application window opening in January of each year.



## Policy 3910

### Grants

Effective: May 2024

Revised:

☐ Elementary

☐ Secondary

☒ Both

A grant is a fund given by a person or organization to an individual or another organization for a specific purpose linked to the common good of the public. Grants are widely available and schools are encouraged to seek these out and apply for any that are appropriate. The Office of Catholic Schools would like to draw attention to two of the many grants that exist, one grant through The Catholic Foundation and a second through the Ohio Facilities Construction Commission.

Through the generosity of their donors, The Catholic Foundation is able to award responsive grants annually to organizations in the Diocese of Columbus that fall within one of their four giving pillars. These pillars consist of parishes, education, vocations, and ministries. Our schools are able to apply for these responsive grants to support pre-schools, elementary and high schools. These grants have the potential to cover educational programs, equipment, maintenance and repair needs, as well as new staff positions.

The application process opens September 1 of each year with a deadline of September 30. The awards are then granted by October 31 of each year. For more information and to apply, please visit their website: <https://catholic-foundation.org/grants/>

In 2021, the state of Ohio launched the K-12 School Safety Grant Program to help schools pay for new security cameras, public address systems, automatic door locks, visitor badging systems, and exterior lighting. Eligible schools may be awarded up to \$100,000. For more information and to apply, please visit their website: <https://ofcc.ohio.gov/grants/ohios-k-12-school-safety-grant-program/ohios-k-12-school-safety-grant-program>

The Office of Catholic Schools is available to assist all of our schools in the grant writing process.