

# IMMANUEL / PEACE AGREEMENT

## School Funding and Operation

### **Rationale**

Immanuel and Peace Lutheran churches have entered in to this agreement to fund and govern Immanuel Lutheran School. This document is a revision of similar agreements that began with the 2008-2009 school year.

The goals of this agreement are to

- Continue to provide quality Christian education for our members and the Columbus community.
- Keep tuition costs affordable to school families.
- Keep operational costs to Immanuel and Peace churches affordable.
- Share governance responsibilities of the school between Immanuel and Peace churches.
- Foster positive relationships between Immanuel and Peace congregations.

### **Agreement**

This agreement represents a three year commitment by both churches. The term of this agreement is for the 2020-21, 2021-22, and 2022-23 school years. The school's fiscal year begins August 1<sup>st</sup> and ends July 31<sup>st</sup>. During the term of this agreement each church will pay a portion of the operational costs of the school based on the number of students enrolled from each church. Should extenuating circumstances occur, either Immanuel or Peace may dissolve this agreement but only at the end of a fiscal year. Notice of dissolution must be given by April 1<sup>st</sup> of the effective year.

### **Board of Christian Education (BCE)**

The Board of Christian Education is the governing body of Immanuel Lutheran School. The BCE will have 9 members: 4 from Peace and 5 from Immanuel. The chairperson must be an Immanuel member. A member can serve no more that two consecutive terms. Each church will decide how their members are elected to the Board. The Immanuel and Peace BCE members will report regularly to the appropriate boards at their respective churches.

## **Budget**

Currently, there are three boards that have input into the Immanuel School budget:

- Board of Property Management (Facilities)
- Executive Board (Salaries and Benefits)
- Board of Christian Education (School Related Items)

The BCE will monitor and review budget expenditures and income. The BCE will prepare an annual school budget to be approved by the voters of both churches. Capitol use fees will not be charged to school families. In the event of a budget shortfall, the loss will be divided between Immanuel and Peace proportionally by enrollment. Peace's portion of any shortfall will be capped at 4% of Peace's annual commitment for that year. The annual budget responsibilities for each church is proportionate to the total member enrollment as determined on the last Friday of September. Member tuition from enrollment after the last Friday of September will be included with community tuition for the remainder of that school year.

## **Business Plan**

The Board of Christian Education will assume the fiscal responsibility of balancing any increases in the cost of education with the financial interests of our school families and both Immanuel and Peach Lutheran Churches. Every attempt will be made to keep the cost to attend Immanuel Lutheran School as affordable as possible, all the while taking into consideration rising costs of education, as well as income from such sources as the rental of the Day Care, Community Members Tuition, and Fundraising efforts.

Tuition will increase a maximum of 5% over the previous year for each of the three years of this agreement.

The Immanuel Lutheran School budget should not depend on fundraisers like the Extravaganza.

Money received from community students will reduce the following year's budget.

Formula:  $\text{Net Tuition Cost} = \text{Budget} - (\text{Day Care Rental } \$ + \text{Community } \$) / \text{Total number of Immanuel and Peace Students}$

The churches will be responsible for the (Net Tuition Cost – Parents' share) multiplied by the number of students from each church.

The BCE will maintain a three year operating plan.

The BCE will utilize advertising and marketing to ensure continued student enrollment.

## **Immanuel School Fund (ISF)**

The ISF is controlled by the BCE. It uses fundraising proceeds from the Extravaganza and possibly other fundraisers for the following purposes:

- Help offset tuition for school families.
- Marketing and advertising
- Emergency fund. A reasonable amount of the ISF is held in reserve to provide emergency funds for the operation of the school after all other funds have been exhausted.
- Tuition assistance for special circumstances.