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FEASIBILITY STUDY

CHRIST THE KING PARISH FOR
CHRIST THE KING SCHOOL
MADISONVILLE, KENTUCKY

MARCH 13, 2018

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***Christ the King Parish
Feasibility Study – Specific for
Christ the King School***

Christ the King Parish is located in Madisonville, Kentucky, a home rural-class city in the county seat of Hopkins County, Kentucky. The population was 19,591 at the 2010 census.

Madisonville calls itself the *Best Town on Earth*. It was shared by several individuals I met with that the *Best Town on Earth* took great pride in being the smallest town with a Rizpah Shrine, but also the largest in not having a Catholic Church.

The Catholic population of Madisonville at one time was virtually non-existent. Today the Catholic population is approximately 6% of the population. A Google search showed more than 70 churches in Madisonville with one Catholic Church – Christ the King.

The median family income in Madisonville is \$41,038 with a median age of 38.1 years. The median family income in Kentucky is \$46,659, which is \$10,958 lower than the national average. While Madisonville is not a depressed area, clearly the average family's ability to give to the church or attend Catholic and/or private education is limited.

Christ the King Parish began with a pioneering spirit to worship and praise Jesus Christ as a Catholic in Madisonville – a town that may not have initially been friendly or inviting to the Catholic Community. One parishioner I interviewed quoted Bishop McRaith when he said “if he could only keep one school in the Diocese, it would be Christ the King as a testament to the Catholic Community in a non-Catholic Community”.

As an outsider, to me observing the zeal that must have been present when Christ the King Parish and school started has diminished. Has it diminished due to local economics or a variety of other issues is open for debate. I have provided Father Vaughan and, in turn, Kevin Kauffeld, Chancellor of the Diocese of Owensboro, with all written comments on the surveys and from my personal and telephone interviews. The list of reasons why the zeal for the school has diminished is a rather lengthy list. Personally, I believe chief among the reasons is the total number of students (86) of which 20 are Catholic. The school will have a deficit for 2017–2018 of \$24,832 in spite of the parish subsidizing the school for \$150,000 per year. The Learning and Growth Center is also a responsibility of the parish and has a current deficit of \$33,545.

The current course of action is not supportable. Given the economic situation in the community and the number of available Catholic students there is little likelihood of any immediate major change. To further complicate the viability of this school, there are now three competing Christian schools in the immediate area. To a person of those interviewed, the assessment of the area public school was positive.

This report is written by Charles Eugene Musser, President and owner of Kirby-Smith Associates, a company founded in 1938 to assist churches and schools.

Scope of Work

I was contacted by Kevin Kauffeld to assess the ministries of Christ the King Parish with a particular focus on Christ the King School. This request was due to the funds owed the Diocese by Christ the King Parish and the fact that the largest external expense to the parish is the school.

Additionally, Christ the King was the beneficiary of a nearly \$1 million estate gift of which the remaining funds at \$300,000 were deposited in the Diocese's Foundation. The parish has requested some of the endowment be returned to the parish to fund school operations and other parish debts.

As I am the writer of this report, I would be remiss if I did not express my own personal bias that I do not like to see any Catholic school close.

Outcome

In line with the scope of work requested; would I recommend the school be closed at this time? No, which will be explained later in this report, but without substantial change and/or commitment by parishioners it will eventually close for lack of students and funds.

Should foundation funds be returned to the school for operations? My recommendation is no. Without fundamental change, the funds will be spent in the very near future and nothing will have changed beyond the loss of funds in the Foundation, which currently generates \$20,000 annually for Christ the King Parish.

Overview

As stated previously, all surveys and comments have been furnished to Father Vaughan and Kevin Kauffeld. The overall response was excellent. We have a total of 81 written surveys, 68 online surveys, and completed 40 personal and phone interviews. To have a valid study, we needed a 20% response. Currently Christ the King has 242 families and our response rate is 78% (we assume one survey per family). The interviews allowed for more detailed questions and responses. A key objective was to ensure that everyone was heard and this was accomplished. We received four phone calls from individuals not on our list who wished to also express their views.

I believe that in spite of my best efforts to ensure 1) I was not in a position to close or not close the school that the decision is the Bishop's and 2) that no decision had been made, some believed the school will be closed. I think whatever the decision or course of action the Bishop may decide must be shared soon as the school is in a survival mode and decisions are being made at the school that are strongly disliked by most of those I spoke with, i.e.:

- 1) Accepting students with learning disabilities.
- 2) Reducing tuition for non-Catholic students.
- 3) Changing from a school providing a Catholic foundation to one (as advertised on signage and webpage) that is providing a Christian foundation.
- 4) Losing its Catholic identity.
- 5) School management.
- 6) Religious instruction.

At least four related issues must be addressed at the Diocesan level:

- 1) What are the requirements or at least minimum requirements to be considered a Catholic School?
Who can teach Catholic Religious Instruction and what is to be taught?
- 2) Various personnel issues.
- 3) No checks and balances on receipt and expenses of funds at the school.
- 4) Acceptance of students with special needs.

The issues identified are substantial and varied; however, without a plan of action tied to an accountability plan, there is all likelihood the school will close sooner than later.

Synopsis

I thoroughly enjoyed speaking with Father Vaughan, staff, the leadership of parish and school, along with parents, teachers, and parishioners. Father Vaughan did an excellent job in preparing a list of individuals to interview that represented a cross section of school and non-school parishioners and staff.

Those interviewed were passionate and at times emotional. I spent more than 40 hours talking with parishioners (and a few non-parishioners) about the school and parish.

When you have this type of interest and passion, my previous management experience tells me that you have something to work with to solve the school's problems. ***I believe they are solvable.***

First, let me discuss the parish apart from the school. Parishioners greatly appreciate and love Father Vaughan. He is praised for his spirituality; his dedication in providing the sacraments to his congregants is admired, along with his care and compassion for his parishioners.

Parishioners enjoy Christ the King Parish and the Catholic presence in the Madisonville Community. Often cited as strengths are a sense of family and the caring spirit for one another. Christ the King has a strong and dynamic Formation Program numbering more than 50 Catholic public school students. These 50 young people could possibly be students at Christ the King School. Christ the King also has a dynamic St. Vincent de Paul Society and assists monthly with a community meal.

When asked what ministry they would like to see added or strengthened at Christ the King Parish, the most often cited was adult education formation especially for seniors.

Parishioners love the Catholic faith and are hungry to continue in their spiritual journey at Christ the King Parish.

The school is seen as an important ministry of the parish and a witness of the Catholic faith to the Madisonville Community. No one I spoke with wants the school to close; quite the opposite. Parishioners expressed affection for the school and view its presence in the community with pride.

The issues and concerns expressed are centered on one essential issue – money or lack thereof. Is the lack of money due to the number of students, number of Catholic students, school administration, parish subsidizing, or a combination of all of the aforementioned? It is my observation that it is all of them and none of them. They are but symptoms of the larger issues:

- 1) Lack of a buy-in by parishioners for a plan of action.
- 2) The lack of buy-in understood since there is no plan.

If parishioners want a school that is supported by the parish (even if most students are non-Catholic) and assuming the Bishop agrees, they can spend their money accordingly. However, parishioners have not made such a decision. The subsidy for the school is growing and the number of Catholic students is shrinking. The lack of Catholic students is likely due as much to cost of tuition as any other single issue. However, you mix in all the other issues and parents have to question why am I paying for this?

The best that I can determine is the plan of action is hope and prayer. For reference purposes, I have attached two addendums provided to me by Father Vaughan and the school regarding the number of students, the budget, and tuition.

There is no plan for the number of students needed, tuition minimums or contingency plans beyond running deficits and expecting the parish to pay the bill.

Recommendations

1. Provide parishioners with potential options and hold a series of discussion meetings monitored by Diocesan personnel. Options are as follows:
 - A. Continue business as is with the knowledge that the parish will eventually be unable to afford to subsidize the school and the school will close (not really an option).
 - B. Close school and transport students to Henderson.
 - C. Close preschool and focus all attention on Elementary School.
 - D. Change the school to Elementary only, K – 5th grades (public schools start at 6th grade) and 6th grade students could go to Henderson for Catholic education.

The number of middle school students is minimal. The immediate savings to the school is also minimal if the middle school is closed due to team teaching. However, this would allow one teacher per grade, along with smaller class size than public schools (strong selling point) to focus on academic excellence. The Learning and Growth Center, if not profitable, should close immediately.

2. Upon Diocesan recommendation, a clear plan of action can be implemented if the school is to continue which addresses the following:
 - A. Accounting practices,
 - B. Accepting students with learning disabilities,
 - C. Catholic teaching, and
 - D. Staff issues.
3. There are outstanding professionals who are parishioners of Christ the King and who are willing to help if they see that help is wanted and will be implemented. The following must be addressed:
 - A. Require a performance plan for staff that is reviewed annually.
 - B. Require a strategic plan for the school with appropriate budget projections based on student enrollment and tuition payments – proper accounting practice must be followed.
 - C. Require a marketing plan on how students will be recruited for the school. Additionally:

- 1) Marketing material for prospective students needs developed that focuses on academic excellence.
 - 2) A process of welcoming parents and potential students to the school to include meeting with the principal, teacher, and tour of the facilities.
 - D. Require board and committee descriptions and how they will assist the school utilize volunteers.
 - E. Require a plan for repairs and maintenance.
4. Father must be more visible at the school to reinforce its Catholic identity and the importance the school has as the most expensive ministry of the parish. A standard for Catholic Education and teaching must be established.
 5. The funding model for the school must be reworked. The non-Catholic students will likely always outnumber Catholic students. Currently the parish subsidizes the school at a cost of \$150,000. With only 20 Catholic students, if the parish would fund 100% of tuition for Catholic students, it would cost less than the current subsidy. There is more than \$50,000 available for scholarships that are not being applied for by families. Parishioners need to decide the maximum they will subsidize the school and how they will award scholarships. This is not a school decision but a parish decision. With a potential pool of 50 Catholic students in Religious Formation, scholarships to Catholic students through parish subsidies may increase enrollment. Consider the following:
 - A. Cap Catholic school subsidies by the parish – direct payment not to exceed \$70,000.
 - B. The other \$80,000 currently provided as a subsidy for the school could be given to each Catholic student regardless of need, as long as they are in good standing in the parish. Currently that would be \$4,000 or you could cap the number at \$2,000 per student allowing you to double the number of Catholic students in which you provide a reduction in the tuition cost. This change may well increase Catholic student enrollment.
 - C. Additional scholarship money could be awarded based on need to Catholic and non-Catholic students.
 - D. School will be required to conduct an annual appeal for at least \$50,000 from parishioners, non-parishioners, parents, grandparents, and the community-at-large.
 6. There is currently no repair and maintenance plan. To the casual observer, there appears to be substantial deferred maintenance. There is also an eyesore in the lawn of a prefab building that was bought. There is virtually zero prospect there are funds to build the building or a need given for changes that must be implemented at the school. The building should be sold immediately. If a sale is not possible – scrap the building for the price of the material – take the loss and move forward. Currently the rusting “lawn art” is a testament to failure instead of a positive statement about the future of the school. Use whatever funds you can from the sale of the building to pay for a comprehensive repair and maintenance plan with a schedule of when items need done. Conduct a quiet Capital Campaign, i.e., list all the repairs and maintenance in a flyer/brochure entitled *School Wish List*, and invite people to sponsor the repair and maintenance items.

Conclusion

The problems at the school are solvable. A step-by-step process must be followed:

- 1) Diocesan guidance
- 2) Parishioners buy-in
- 3) Plan of action
- 4) Staff accountability
- 5) Volunteer oversight
- 6) Priest presence at school on a periodic basis

If these steps are followed, it is my recommendation to Bishop Medley to consider keeping the school open. Absent the plan I have outlined or something similar, the school will close for lack of students and funds sooner than later.

Without a plan there is no reason to give the funds in the Foundation to the school – it will solve the problem for 1 to 2 years maximum and the school will still close. If a good plan of action is implemented, it is likely Foundation funds will not be needed.

Thank you

A personal thank you to Father Vaughan for the initiative and insight to allow for this study. Father Vaughan agreed to the process of the Feasibility Study, wrote the Vision Statement and survey questionnaire, and provided a comprehensive list of parishioners to be interviewed. Father also spoke about the study to parish leaders and staff, and communicated at Mass the need for everyone's input. Father Vaughan's efforts to seek solutions and save the school are a testament to his leadership, spiritual focus on Catholic education, and his caring and compassion for all parishioners at Christ the King.

Thank you to Bishop Medley for his leadership in allowing the study. Bishop Medley's commitment to Catholic education and the Madisonville Community is to be commended. With virtually unlimited needs, the Bishop is doing all he can to allocate scarce resources to assisting Christ the King.

Thank you to Kevin Kauffeld, Chancellor of the Diocese of Owensboro, Kentucky. Kevin's love and dedication to the Catholic faith, church, and the Diocese of Owensboro is remarkable. From my initial conversation and throughout this entire process, Kevin often communicated his desire to help Christ the King Parish and keep the school open. Kevin was directly involved in the Feasibility Study.

At no time were my efforts impeded or directed by Bishop Medley, Father Vaughan, or Kevin Kauffeld. This report, its recommendations and conclusions are solely mine as author. I have provided what I believe to be a fair representation of the surveys and personal interviews conducted. I have already expressed my personal bias that I do not like to see any Catholic School closed and have attempted to provide workable solutions to the problems at Christ the King School. I wish you all the very best and join with you in prayer for the continuation and growth of Christ the King Parish and School in Madisonville, Kentucky. It was my pleasure to be of service.