

**PARISH SUBSIDY**

It is a basic principle that all members of the Catholic community share the responsibility for the financial support of Catholic schools. The parish subsidy, therefore, remains an essential element in the financing of Catholic schools in the Diocese of Harrisburg. In order to balance all ministerial needs of the parish, the total subsidy that a parish provides for schools is targeted not to exceed 39% of parish ordinary income.

- (1) For parish elementary schools, the subsidy provided by the parish is targeted to a maximum of 27% of the parish ordinary income. The ordinary income figure is determined by the data from the last completed fiscal year. The percentage is adjusted based on the number of grades in the parish school. The computation is calculated using the figure of 3% per grade. The grades subsidized are Kindergarten (K-5) through 12. (For example, a K-6 program would have a maximum of 21% of parish ordinary income.)
- (2) Parish elementary schools using one of the fair share tuition programs would allocate subsidy as needed, not to exceed the designated percentage of ordinary income for their school.
- (3) For elementary and secondary inter-parochial schools parish subsidies will be calculated using a base of 3% of ordinary income per grade in the interparochial school. The ordinary incomes of all cooperating parishes will be totaled and the designated percentage applied to determine the base subsidy for the school.

The base subsidy will be apportioned to each parish using the following formula:

The percentage of ordinary income for each parish and the percentage of population for each parish divided by two.

The calculations will be computed annually by Harrisburg Catholic Administrative Services Corporation and forwarded to each interparochial school for budget purposes.

- (4) A parish that does not have a school or does not participate as a cooperating parish in an interparochial school (applicable to both elementary and secondary schools) shall provide a subsidy for each student that attends a Catholic school in the diocese.
  - (a) The subsidy is determined by the actual subsidy per student given by the host parish (or cooperating parishes in an interparochial school) for the school. This is calculated by dividing the actual parish subsidy to the school by the total number of students in grades K to 8, or 9 to 12 (depending on local configuration).
  - (b) The parish would observe as their maximum of elementary subsidies to all the schools they may possibly have students attending the usual target of 27% of ordinary income

that would apply to a K to 8 school (with figures adjusted for local configurations). Should they reach this limit and have additional bills for students, the diocesan education office will compute a per student subsidy within the maximum amounts.

- (5) A transition formula will apply to any increase or decrease in subsidies for inter-parochial schools. The maximum increase for any year will be limited to 5% of the subsidy amount. The maximum decrease for any year will be 2% of the subsidy amount.
- (6) When a parent/guardian makes the decision to send a child to a school which is not the one that the parent/guardian's parish supports, the parish is not to be requested and is not obligated to send a subsidy to the other school. The parish subsidizes only the elementary and/or secondary school for which it has an existing obligation. If a parish does not have its own parochial elementary school or is not a part of an interparochial school, then the payment follows the student to whichever parochial or interparochial school the student attends.
- (7) Pre-School programs are not funded by a parish subsidy.

Policy revised:  
July 1, 2016

RWG/Bishop of Harrisburg