



DIOCESE OF HARRISBURG

4800 Union Deposit Road • Harrisburg • Pennsylvania 17111-3710
(717) 657-4804 • FAX (717) 657-2453 • www.hbgdiocese.org

Frequently Asked Questions – Updated Closure of Lebanon Catholic

Q1: What information was considered that led to the decision to close Lebanon Catholic?

A Catholic school is much more than a building where learning math, science and reading takes place. Catholic schools are a community, building a strong faith and strong academics. Catholic schools are about far more than money. However, there must be a stable financial foundation so the school can deliver its mission.

As you may be aware, Lebanon Catholic did apply for a Paycheck Protection Program (PPP) loan from the Small Business Administration. Late last week, we received notice that the school did receive a PPP loan. This loan will help Lebanon Catholic in meeting its payroll financial obligations for the remainder of the current school year. However, this one time financial assistance still does not decrease the school's cumulative debt to a point that is sustainable. The cumulative debt is still estimated to be at well over \$2 million.

Additionally, the seven parishes in the Lebanon area have been paying nearly \$1 million total to Lebanon Catholic per year for many years to support its operation.

The seven parishes that support Lebanon Catholic have a significant number of ministries and responsibilities. *One* of the ministries of each parish is the support of Lebanon Catholic. However, due to continually increasing operating costs and declining enrollment, the parishes are devoting a higher percentage of their offertories to the school. This financial commitment is just not sustainable. Even with the PPP loan, Lebanon Catholic still does not have the stable foundation needed for long-term sustainability.

In addition to financial stability, our schools also need enrollment stability. Enrollment at Lebanon Catholic has been steadily declining. Enrollment was at 370 in 2015 and, as of mid-April, there were fewer than 250 confirmed enrollments for the 2020/21 academic year.

Q2: Were any efforts made to prevent the closure of Lebanon Catholic?

Yes, significant efforts were undertaken by the Diocese to work with Lebanon Catholic to provide the necessary stable foundation. In May of 2019, Bishop Gainer and a team from the Diocese met with the Board at Lebanon Catholic and expressed the seriousness and urgency of the financial and enrollment difficulties. A plan was put in place, with the support of the school board and Mrs. Waters. The Diocesan team met via teleconference with the pastors, Mrs. Waters and the school board monthly over the last year. Mrs. Waters and her team worked very hard to address these concerns. In addition, the Diocese hosted sessions on enrollment



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management and best financial practices for all schools over the past year. Though real progress was made, the current pandemic and its impact quickly added to the financial difficulty, leaving no options other than closure.

Q3: Why were parents never told there was a possibility the school might close?

It is very unfortunate that Lebanon Catholic parents were not kept informed of the school's serious financial and enrollment situation. While we do feel for all Lebanon Catholic parents, questions regarding parent communications should be directed to the school.

Q4: What about the financial assistance the Diocese has provided in the past?

In the past, the Diocese has arranged for loans to be made to parishes and schools to assist them in meeting their financial obligations. Bishop Gainer and previous bishops, because of their deep love and support for Catholic education, were very generous in allowing these loans to remain without payment for a significant amount of time. The financial situation within the Diocese has changed during the past several years and we are no longer able to make these loans available.

Q5: Did the Diocese close Lebanon Catholic so they could invest in Saint Joan of Arc's expansion?

No. Saint Joan's has been in need of more space for years. The school has had a waiting list of families wishing to attend for years. The school looked into making renovations to their current building, but the cost of those renovations would have been the same as the cost of purchasing the new school building. The new building provides Saint Joan's the space they need in order to accommodate those families on their waiting list.

Q6: What options are there for Catholic education for Lebanon Catholic students?

Since last week's announcement, many parents have reached out to other Catholic schools in the Diocese, and we pray that will continue. You may learn more about Catholic school options at this website: <https://www.hbgDiocese.org/catholic-schools/find-catholic-school/>

Neighboring Catholic schools have been strongly encouraged to offer transfer scholarships to Lebanon Catholic families and they will work hard to meet all financial needs. Note that each school sets its own tuition and fees.



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Q7: Will transportation be available to other Catholic schools?

We are working with the public school districts to determine what public transportation options may be available. We will communicate this information as soon as it has been finalized.

Additionally, based on the number of inquiries, Lancaster Catholic and Bishop McDevitt are both open to providing private bus transportation from the Lebanon County area to their schools, and Catholic elementary schools will explore that option as well, if there is demand.

Q8: What about the Neumann scholarship that we applied for through FACTS?

If you applied for the Neumann scholarship through FACTS, Lebanon Catholic staff will receive the results and will be able to apply Neumann funds to qualifying families, just as in the past. Those funds will go with the student to a new Catholic school, if a family chooses to enroll, for the first year in the new school. After that time, Neumann funds are available through that new school's program. Note that a family may be asked to adjust their FACTS application if the tuition in the new school is different from Lebanon Catholic's tuition.

Q9: Are there refunds due to me?

Questions about refunds should be directed to Lebanon Catholic. Please understand that since Lebanon Catholic students continue to learn from a distance, generally speaking, there would be no refunds on current year tuition or fees. Also, the fee paid for the Neumann scholarship application is paid to the third-party vendor, FACTS.

Original FAQs

Q10: How are decisions made regarding the closure of a school? Every decision regarding the closure of a school is taken very seriously by the involved pastors and the Diocese. Closing a school is not a reaction to isolated factors. The process is lengthy and is prayerful. The pastor(s) of the impacted parish(es), after considering all the available options, make a determination on what course of action is best for the overall health of the parish. If the decision is to recommend closing, the pastor will officially request permission to close from the Bishop as the episcopal member of the charitable trust.



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Q11: Why is Lebanon Catholic closing? Lebanon Catholic has been struggling financially for years. Ever increasing expenses, decreasing enrollment and economic challenges have led to significant debt accumulation. At the end of the 2019/20 school year, we estimate Lebanon Catholic's cumulative debt will be nearly \$3 million. As a ministry of the area parishes, this debt is the responsibility of the parishes. The debt burden at Lebanon Catholic has reached a point that the area parishes can no longer sustain. It is important to understand that the problems facing Lebanon Catholic are long-term realities that can't be resolved with short-term fundraising.

Q12: Is the Diocese closing our school? The role of the Diocese is to assist the pastors in meeting their obligation to provide Catholic education to the children of the parish. The Diocese does not have the authority to close a school without the recommendation from the pastor, as every school and parish is a separate legal entity. The pastors ultimately make the decision. However, the school cannot be closed without the permission of the Bishop as the episcopal member of the charitable trust.

Q13: What resources has the school received during these challenging times? The school has received a substantial investment of time, talent, and treasure for many years from the area parishes and the Diocese. However, due to consistent serious budget shortfalls that are jeopardizing the future of the parishes, and the inability of the Diocese to offer any additional financial support, we are faced with no other option than to close the school.

Q14: Did poor academic performance contribute to the closing? No. Students at Lebanon Catholic generally score at grade level or above on standardized tests.

Q15: Are there plans to reopen the school at some point? No, but the legacy of Lebanon Catholic will be alive in the students, parents, teachers, and alumni who have been the life-blood of the school and Catholic education in the Lebanon area for more than 150 years. Despite this wonderful legacy, it is clear that Lebanon Catholic is not sustainable for the future.

Q16: What steps are being taken to facilitate the transition of students and teachers into other Catholic schools? The Diocesan Education Office will work closely with families who wish



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to continue their child(ren)'s education at nearby Catholic schools. This office is also working closely with the parishes and school to address the needs of teachers and staff.

Q17: What has been the enrollment trend for the school? Enrollment was at 370 in 2015 and is at 317 this year (2019/20) and is expected to be less than 300 next year (as of April 7, enrollment was less than 250). That is a loss of over 100 students in five years.

Q18: What will happen to the Lebanon Catholic school building? That decision will be made by the area pastors.