



HELPING MAKE CATHOLIC EDUCATION MORE AFFORDABLE

## TAX CREDITS INTACT

Grass roots efforts proved successful against formidable odds. First, the Governor's task force recommended a reduction in the tax credits from 65% to 40%. A second recommendation was to reduce the total tax credits available from \$7.5M to \$5M. The actual legislation that passed the Senate simply lumped our tuition program in with several others which were all cut 10%. However, the House removed the 10% cut and that amendment subsequently passed in the Senate.

The net result: No change!

We are extremely grateful to all who contacted their legislators in support of the current school tuition tax credit program.

Jim Berens, CTO board president, was pleased with the outcome, "Our purpose is to help families educate their children in a Catholic school and we have been blessed with such a strong showing of support by the legislators in retaining the status quo."

A tax credit review program by the state is being implemented and the school tuition organizations around Iowa will be reviewed in 2011 or 2012. We welcome the review.

## 2009 YEAR IN REVIEW

**Contributions: \$ 1,828,197**

90% of funds raised and interest income earned will be distributed as tuition assistance for the 2010-2011 school year

**32% increase over 2008!**

**101 New Donors!**

**\$ 1,186,822 tax credits issued!**

## 2010 A Look Ahead

**Goal: \$1,987,072\***

\* Our share of the \$7.5M available tax credits is determined by the total number of students in all tuition organization schools in the state. Since the other schools had lower enrollment in the previous year and our Catholic schools did not, our share of the total tax credits increased.

**Donate Online:**

**[www.CTOdsmdiocese.org](http://www.CTOdsmdiocese.org)**

**Catholic Tuition Organization**

Jeanne Wells, Executive Director

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# CTO Students Thrive

STUDENTS + FAMILIES + SCHOOLS

THE **WIN** —

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**“For me to be able to come to Dowling Catholic has been a blessing because I’ve met so many people that love and care about me.**

**Dowling has changed the way I am.”**

Diana Garay

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The importance of education is not lost **STUDENTS**. They recognize how they flourish when in a caring environment and flourish at their Catholic schools. *“My mom is a single mother with four kids, and I’m so grateful for all her efforts to be able to send me to Dowling. For me to be able to come to Dowling Catholic has been a blessing because I’ve met so many people that love and care about me. Dowling has changed the way I am. Thank you very much for helping us financially because without your help, I probably wouldn’t be studying here.”* Diana Garay, senior.

**FAMILIES** want their children in an environment where Catholic values are both taught and experienced in school. Rosemary Mahoney of Council Bluffs spoke practically about the benefits of her boys attending St. Albert, *“When somebody’s sick, they pray for them at school. There would be something huge missing if they had to leave.”* Richard Galvan, Des Moines, agreed, *“The more one hears about God, the more it helps in getting through life.”* And he added, *“If it wasn’t for (CTO), I wouldn’t be able to afford sending the boys to Catholic school. It’s been a great help.”*

Msgr. Frank Bognanno knows firsthand the impact on a **SCHOOLS’** budget when tuition becomes a stumbling block for families. *“Keeping our classroom size smaller is important to us, but also creates a balancing act to have enough revenue to fully operate our school. Increasing classroom size, thereby increasing total tuition received, would help our bottom line...but not the kids. Losing even one child because they can’t afford tuition is just not an option when CTO is available for them. The CTO has helped us better manage the overall process of tuition collections, allowing us to focus our energies on what’s important for the kids, teaching them the fundamentals of our Catholic faith.”*



# in Catholic Schools

**+ STATE OF IOWA + DONORS = CTO**

## **W / N FORMULA**

The **STATE** of Iowa and **TAXPAYERS** spend approximately \$5,800 per student for every child in public school. The cost of education is much higher than that, of course, with the balance paid by local school districts through local property taxes, etc. The estimated 1,250 students who will receive financial assistance this coming school year (and they are the most financially vulnerable) would have cost the state \$7,250,000 in additional school aid. Instead, it cost the state only \$1,187,000 in tax credits.

**DONORS** tell us they want to support Catholic education and they can do so with much higher contributions because of the CTO. Before CTO, a donation to a school may be \$1,000. With CTO, and the generous tax credits, their contribution can be 10 times that. Mike Downey, a donor since 2006, said, *"Catholic schools are high on my list of priorities for the Catholic church. Giving to the schools, through CTO, allows me to keep kids in our schools and to bring more students to our schools who could otherwise not afford to attend. With both the 65% tax credit and federal deductibility because I itemize, the donation actually costs me very little and I've been able to increase my contribution each year."*

Contributing to the **CTO** satisfies the donors savvy use of 65% tax credits to lower tax liability as well as allows them to be a greater avenue of support to help others in need, improve Catholic education, and create a positive impact on their local community. Contributions can be accepted until December 31, 2010, or until all tax credits have been allocated.

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**Instead, it cost the state only \$1,187,000 in tax credits.**

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To reserve your tax credits, **pledge today.** A contribution form is enclosed and is available online at **[www.CTOdsmdiocese.org](http://www.CTOdsmdiocese.org)**.

Diocese of Des Moines  
601 Grand Avenue  
Des Moines, IA 50309



## CATHOLIC TUITION ORGANIZATION HELPS NEEDIEST

The Catholic Tuition Organization is charged with awarding tuition assistance to families who desire to send their children to Catholic schools in the Diocese of Des Moines.

To qualify, the families income must not exceed three times the published federal poverty level. Families apply to the CTO and provide copies of their income tax return and supporting documents to justify their income.

On average, the families eligible for Catholic Tuition Organization assistance are at 66% of the federal poverty guidelines.

The chart at the right shows the average family income of all eligible families over the 4 year history of the program. The average family size is 4.6 and the poverty guidelines shown are for a family of four.

Each year, more and more families apply and are eligible for tuition assistance. For the 2010-2011 school year, qualified applications are up 17% over last year with an application deadline of July 31, 2010.

CTO Family Income

