

ARCHDIOCESE OF CHICAGO



Tuition Discounting Tool

June 7, 2018

What is the Purpose of this Tool?

- This tool was created as a supplement to The Five Fundamentals of Financial Aid memo distributed by the AoC on May 4, 2018. You may view that memo by clicking on the blue "Five Fundamentals" tab at the bottom of the spreadsheet. The memo discusses the need for schools to offer need-based, means-tested tuition discounts in order to serve families who might not otherwise be able to afford an excellent, Catholic education.
- This tool is meant to augment the tuition recommendation you may receive from the 3rd party assessor, which oftentimes is not sufficient for your needs.
- We hope this tool will enable you to find the right discounted tuition rate for every family that is just, fair, appropriate, and affordable. **Please do not share this tool or any pages herein with any applicant.**
- In particular, this tool should aid with points 4 and 5 in the Financial Aid Memo



Recall

4. Variable Tuition Floor

- Financial Aid Committee's evaluation of each family should identify the minimum floor a family would be allowed to pay, subject to:
 - The tuition rate the (incumbent) family has paid historically
 - Local/demographic benchmarks to help Committee determine what is truly reasonable
 - The School's own (internally defined) minimum tuition floor(s)
- Committee should provide the "opening offer" and "min. floor" tuition rates to Principal.
- OCS will distribute a tool to help determine recommended tuition rates for individual families
- **The Tuition Discounting Tool will greatly simplify this process**

Most schools' Pre-K programs are by far the lowest cost (non public school) option for PreK; We discourage any discounts below list for Pre-K.



Recall

5. Making the Offer

- Direct engagement by the Principal with the family to make the offer is critical. It's a key opportunity to:
 - Build relationship between school and family
 - Promote the value of your school esp. relative to alternatives
 - Demonstrate the commitment the Parish and school are making in their child. (E.g., cost/student is \$6K; list tuition rate is \$5K; actual offer is \$2K. Meaning school by itself is providing a \$4K investment in their child!)
 - Enable Principal to evaluate if and why “offered tuition rate” can and should be dropped to “minimum tuition rate”
 - Definitively measure and track instances where “minimum tuition rate” was not low enough.
- AoC team is ready and available to role-play financial aid scenarios with you and your team.



When Should I Use this Tool?

- The OCS recommends using this Tuition Rate Calculator whenever a family - incumbent or new - requests financial aid.
- It will help you and your financial aid committee measure and track the rationale, the offer and ultimate agreements you do or don't make with family applicants.
- Please understand that the OCS does endorse using this tool to help you and your committee identify the right offer and floor tuition rates. As we stated in the Five Fundamentals of Financial Aid memo:
 - *The vision of our Catholic schools is to provide students in the Archdiocese of Chicago vibrant, high quality Catholic schools that are available, accessible and affordable. We all share this vision and wish to fulfill it. One of our challenges is that the vision of affordability must be balanced with the need to maintain financial viability. We must thread the needle of providing affordable tuition rates to the community being served while also ensuring we generate sufficient revenue to support operations. Based on where we are today, we firmly believe there is an opportunity to do more good (i.e. make our schools affordable to more families) while also strengthening our financial results.*



Tuition Discounting Tool

- Tuition Discounting Tool will be emailed to schools and made available on the OCS Portal
- Created to be used as part of the Five Fundamentals of Financial Aid
- The OCS encourages the use of this tool and endorses the tuition ranges it recommends
- Diligent use of this tool will help increase enrollment and revenue while finding a rate that is just and affordable for every family.

Tuition Rate Calculator

Please do not share this form with applicants. Use this form to determine the most appropriate need-based, discounted tuition rate to offer a family that is either new to your school for the 2018-19 school year or has been attending your school prior to the 2018-19 school year but has not previously applied for financial aid.

1 **Family Information**

Applicant (Parent/Guardian)

Applicant Phone

Applicant Email

K-8 Students

List Tuition (including discounts)

2 **Financial Information**

Family Self Reported Ability to Pay

Household Size

Number of Children/Dependents

Adjusted Gross Income

Total Family Income

Comments:

If working with the applicant(s) more than once, click this button to load into this form the most recent data collected. Make sure you use the EXACT same applicant name.

Re-Load Most Recent Decision

3 **Recommended Tuition Offer**

\$0.00

# Payments	Payment Amount
1	\$0.00

Recommended Tuition Range

Low Median High

5 **Initial Tuition Offer**

# Payments	Payment Amount
1	\$0.00

7 **Final Agreed Tuition Amount**

# Payments	Payment Amount
1	\$0.00

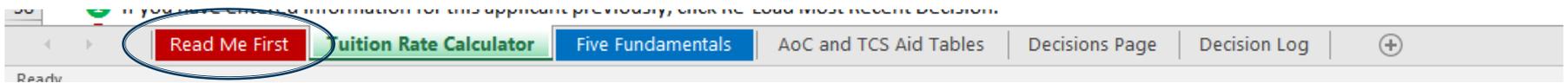
10 Following each meeting with the applicant(s) click this button to save the most recent data collected in this form.

Save Decisions



What Does this Tool Contain?

The Tabs

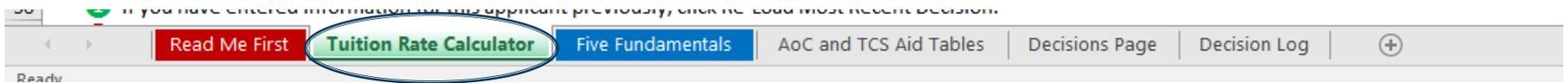


Read Me First: You must read the information in this tab first. It contains a great deal of information on how to use the tool, what to do in certain circumstances, and contact information in case you run into any issues.



What Does this Tool Contain?

The Tabs



Tuition Rate Calculator: This is the tab in which you will enter a family's financial information and receive a recommended tuition offer. You will also use this tab to enter the actual offer you extend to the applicant, the final agreed tuition amount, and any notes about the negotiation process.



What Does this Tool Contain?

The Tabs



Five Fundamentals: This tab contains the memo distributed by the OCS regarding the Five Fundamentals of Financial Aid. That memo may also be downloaded on the OCS Resource Portal.



What Does this Tool Contain?

The Tabs

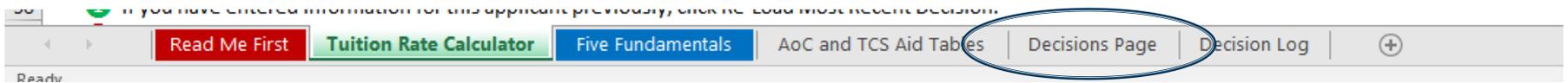


AoC and TCS Aid Tables: This tab contains two reference tables which may be useful for you and your financial aid committee. The first is the AoC Net tuition Ranges by Poverty Level. It highlights where in the table a particular applicant falls, while seeing the Median, Low & High ranges for all other AGI levels. The Invest in Kids Scholarship Guidelines tables shows where the specific applicant would fall if they were awarded a Tax Credit Scholarship.



What Does this Tool Contain?

The Tabs



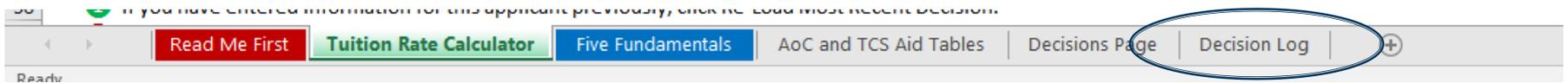
Decisions Page: Every time you work with an applicant using this tool, be sure to click “Save Decisions” at the end of the session. The latest or final decision you save will be displayed on the Decisions Page so that you can in one place see all financial aid information entered for each family. This page will contain only one entry per family.

When you setup annual invoicing, this is your invoicing setup source. It is also a the source document for the content in the tuition agreements that every family needs to sign upon admission.



What Does this Tool Contain?

The Tabs



Decision Log: Every time you work with an applicant using this tool, be sure to click “Save Decisions” at the end of the session. Every new iteration you save for a family will be logged here so that you can look back on the entire negotiation process.

How Does the Tool Work?

- The Office of Catholic Schools paired up FACTS financial aid and FACTS tuition payments records across thousands of students and families across the Archdiocese of Chicago.
- These data tell all of us how schools actually made tuition discounting decisions (directly or indirectly) for families who overtly requested financial aid support and stayed at the school.
- So when you evaluate an applicant's financial aid profile, the tool shows you – across all families in the same adjusted gross income band -- what median financial aid amount paid was. This is the middle point between the maximum and minimum actually collected across the diocese in FY17.
- We also provide what the amount paid was at the 25th percentile and the 75th percentile.
- The tool defaults to the Median amount of tuition paid in this AGI band. For each school and applicant, the financial aid committee may find reasons to make a higher or lower offer, and set a higher or lower minimum floor.



What's the immediate opportunity?

- Currently, there are thousands of students on the waiting list for the Illinois Tax Credit Scholarship. It is vital that you reach out to these families as soon as possible. It is important to tell them that your school offers financial aid and that tuition is likely much more affordable than they may think.
- Once you have received a small amount of financial information from a prospective family, you may enter it into the green "Tuition Rate Calculator" tab and receive our recommendation for a tuition rate for that family. It is only a recommendation, though, so it will still be important for your Financial Aid Committee to make a final tuition determination in partnership with every family.



Test Driving the Tuition Discounting Tool

- Before working with a family, please try out the tool with your Financial Aid Committee to ensure it is understood and that all are in agreement.
- Colleagues from OCS and Parish Finance teams are ready to test drive it with you at your school.
- Let's take a look at the Tool...

And the OCS is OK with this?

- YES.

What About Incumbent Families?

- Your financial aid evaluation process should always include prior years' invoiced and paid tuition amounts for any incumbent applicant.
- By request, the OCS can provide a version of the Tuition Discounting Tool that is pre-populated with actual tuition payment information out of the FACTS or SMART tuition management systems from your school.



When Should I Begin Using this Tool?

- As soon as you desire and are able.
- TCS families who are new and who did not receive a scholarship (or complete the application) need to hear from you that financial aid is available and that they may be able to afford the excellent education your school provides.

What Should I Say to a Prospective Family?

Essentially cold-calling a prospective parent can be difficult. Here is a sample script you might use when contacting families who were not awarded TCS scholarships:

- *“Hi, this is [Kurt] from [St. Anonymous]. I wanted to chat with you because I see that you completed an application for the Illinois Tax Credit Scholarship but did not receive it. Funds are still coming in to the program, so it is still possible that you might still receive a scholarship, but I wanted to let you know that we would love to have your family join our school and that even if you don’t get a scholarship, we can still help to make tuition more affordable. If you have time, I would love to show you around our school and talk to you about our financial aid program. I just know your kids would love it here, so I want to do whatever I can to help make that happen.”*



What Should I Say to a Prospective Family?

Remember: You have **nothing to lose** by reaching out to a TCS family, and potentially much to gain. This is a family which is not currently planning to attend your school next year, so you really cannot lose. By applying for TCS, they indicated that they have a very big interest in your school (applying was not easy!) and that the cost of tuition is the only thing stopping them from enrolling. By contacting them and working with them to establish a tuition rate that is just and affordable, you are offering a massive blessing to this family.

More students receiving an excellent, faith-filled education.

More revenue to continue the vital mission of your school.

As always, you are in our prayers. Have a wonderful summer!



Thank you!

- **Tom McGrath**
Chief Operating Officer
tmcgrath@archchicago.org
- **Clare Sullivan**
Director of Scholarships
csullivan@archchicago.org
- **Sean Murdock**
Finance & Analytics Director
smurdock@archchicago.org
- **Bob Hudzik**
Finance Consultant
rohudzik@archchicago.org
- **Kurt Lewis**
Director of Enrollment Marketing
klewis@archchicago.org
- **Jason Yoshimura**
School Finance Manager, Vic. I and II
jyoshimura@archchicago.org
- **Brian Collins**
School Finance Manager, Vic. III and IV
bricollins@archchicago.org
- **Carl Forney**
School Finance Manager, Vic. V and VI
cforney@archchicago.org
- **Patricia Bruhn**
Director of Turnaround Operations, Team 1
pbruhn@archchicago.org
- **Steven Munoz**
Director of Turnaround Operations, Team 2
smunoz@archchicago.org
- **Christina Tomaso**
Director of Turnaround Operations, Team 3
ctomaso@archchicago.org

