

February 12, 2018

Dear Parents,

I am writing to explain the purpose and movement toward Cost Based Tuition in the Catholic Diocese of Salt Lake City for full time students in Kindergarten to 8th grade.

Rationale: The administrators in the diocese are aware of the teacher shortage in Utah and the critical need to retain our excellent teachers. Over the last ten years, the salary scale for teachers has not kept up with public schools. In fact, our salary scale is approximately 70% of the public school districts such as Salt Lake City and Granite. The Catholic schools have increased teacher salaries at a lower percentage each year than the public school districts, and this gap in salaries is widening each year.

(Example: 2017-18 school year--The starting salary for a first year teacher with a Bachelor's degree in Education in the Catholic Diocese was \$29,000 compared to the starting salary in Granite School District, \$40,000, and the starting salary in Park City School District, \$50,000.)

Catholic Schools in Utah and across the country have historically operated and remained open under the "Traditional Funding Model", which is a combination of tuition, subsidies and fundraising. This model helps keep tuition affordable for most families. However, under this model all families are subsidized. The cost per pupil is not well defined and school funding is inadequate. Unfortunately, this has resulted in the closure of many Catholic schools in the United States.

After gathering financial data from each Catholic School, a diocesan administrative committee concluded that the average cost to educate one full time K – 8 student in our Catholic Schools is **\$7,750 per year**. A logical step toward a balanced budget and moving our teacher salaries to at least 80% of the public schools is to adopt a "Cost Based Tuition/Needs Based Assistance Model" in our Catholic Schools. Under this model, tuition will be based on actual cost per pupil, and tuition assistance can be provided to families with documented need. Cost Based Tuition will provide a stronger financial foundation for our Catholic schools with tuition based on what a family is able to pay.

This year, we have the following tuition scale:

2017-2018 Current School Year

Tier 1 - \$6,924 Regular Rate

Tier 2 - \$5,540 Catholic Rate

Tier 3 - FACTS Application Based on Need

Starting the 2018-19 school year and through 2020-21, the tuition structure will be as follows: Families are asked to pay Tier 1, if possible, with a tuition choice of Tiers 2, 3 or 4.

These tuition rates only pertain to Kindergarten – 8th grade full time students.

2018-19 School Year Tuition Rates

Tier 1 - \$7,750 Average cost to educate one full time student

Tier 2 - \$7,478 Formerly Tier 1 - Regular Rate (\$46.16 monthly increase over 12 months)

Tier 3 - \$5,983 Formerly Tier 2 - Catholic Rate (\$36.91 monthly increase over 12 months)

Tier 4 - FACTS Application Based on Need

2019-2020 School Year Tuition Rates

Tier 1 - \$7,750 (+ any Diocesan mandated increase) Average cost to educate one student

Tier 2 - \$7,478 (+ any Diocesan mandated increase) Formerly the Regular Rate

Tier 3 – \$ TBD with a FACTS Application

Tier 4 - FACTS Application Based on Need

2020-2021 School Year Tuition Rates

Tier 1 - \$7,750 (+ any Diocesan mandated increase)

Tier 2 - \$ TBD with a FACTS Application

Tier 3 - \$ TBD with a FACTS Application

Tier 4 - FACTS Application for Needs Based Assistance

For the next two school years Tiers 2 and 3 reflect the Regular and Catholic rate, which may increase slightly. Tier 4 remains the same with FACTS needs based tuition. In 2020-2021 the **Cost Based Tuition/Needs Based Assistance Model** will go into full effect. All families will be asked to pay Tier 1, the average cost to educate your full time student. If this is **not** possible, Tier 2,3,4 will allow a family to apply for FACTS, where tuition will be adjusted based on a family's income and need. The Cost Based tuition plan will be gradually phased in over three years. It will help move J.E.Cosgriff School toward a more solid financial foundation.

We realize that providing a Catholic education for your child is a tremendous sacrifice. With the present administration, the goal remains the same, **“No family will be asked to leave because of the inability to pay tuition; there is always a way!”** The primary purpose for the tuition increase is to pay for the actual cost of your child's tuition. Families are not being asked to pay for the cost of scholarship or financial aid for other students. Those costs are paid through fundraising, grants and endowment distributions.

With your help, we will be able to move our teacher salary scale from 70% to 80% of public school salaries by Fall 2018. Teaching in our Catholic Schools has long been considered a ministry. Teachers now and in the past have made substantial monetary sacrifices to work at J.E.Cosgriff School. We are very grateful for their commitment and dedication to Catholic education. Moving forward we must make sure all faculty and staff are paid a fair and just wage to live in our world today.

Attached to this letter you will find a list of question and answers which may be of interest to you.

It is our intent to answer all of your questions at a few open parent meetings. The first parent meeting will take place Tuesday, February 27, at 7:00 p.m. in the social center. (parents only)

Thank you for your commitment to Catholic Education.

Sincerely,

Father Andrzej Skrzypiec, Pastor

Mrs. Betsy Hunt, Principal

(see below for frequently asked questions)

Frequently Asked Financial Questions By Parents

1. How is tuition determined for our schools? A diocesan committee comprised of principals, the superintendent and the associate superintendent of schools, and staff with financial expertise, propose tuition levels for the schools. The Proposal is then given to the bishop for his approval.
2. How are teacher salaries determined? Prior to 2008, teachers were on a traditional teachers pay scale. Since the financial crisis in 2008, teachers in our system were given minimal raises because tuition levels were not increased proportionally. These minimal increases did not keep up with the cost of living. Recently, teachers in the diocese have been placed back on a scale.
3. I have heard that Catholic school teachers make more money than public school teachers, because they work in a private school. Is this true? No. Most teachers and principals in our system make less than their public school and private school counterparts. This is because we are a tuition driven system and teacher salaries are determined by the amount of tuition we can charge.
4. Why did the tuition scale add an additional tier for the 2018-2019 school year? The cost tier, or tier 1, was added to the scale this year to show the real cost a school incurs to educate a student in our school. This average amount has not been calculated since 2008. Therefore, no family has been required to pay the cost to educate a student in our system since 2008. Thus, this tier was calculated so that the tuition scale could reflect the true cost to educate a student.
5. Why are parents now being asked to pay the cost when the system has gotten by for so many years charging parent less than it costs to educate their children? Many of you have read or heard media reports that there is a teacher shortage in Utah and that public schools have recently increased teacher pay by as much as 10%. For example, this year a starting teacher in the diocese received \$30,152 while a starting teacher in the

public system received approximately \$41,000 on average. This low rate of pay for Catholic school teachers has kept tuition lower. If we continue this way, the wage gap between public/private and Catholic teachers will grow even greater. More importantly, we need to be able to pay our teachers a just and livable wage so that our talented teachers stay with us for many years.

6. Why can't the fundraising we do go towards paying teachers more? Our school does not make enough in fundraisers each year to pay for this needed increase in teacher salaries. Additionally, fundraising is not a reliable source of income. If we fell short in any given year, we could not pay our teachers. In reality, fundraising efforts are needed to help with the upkeep of the school such as repairing roofs, heating systems, etc., and to purchase educational materials and equipment. Most of our schools rely on fundraising to meet their operational budget.

7. What if I cannot pay afford to pay any of the tiers listed or what if we were already receiving a reduction in tuition? If you feel that you cannot afford any of the tiers or you already receive a tuition reduction, you may have your tuition level evaluated by filling out a FACTS form. FACTS is a company our school uses to help the administration determine the tuition level that you can afford.

8. Does this FACTS Company provide the school with money to help with tuition reduction? No. FACTS is only a tool that the school uses to determine your tuition level based on your income and size of family.

9. Tuition just goes up every year; I may have to remove my child from the school. Our school will work with you to keep your children in the school. Tuition has gone up every year. It must, in order for us to pay our teachers and staff and for us to be able to hire new teachers in a competitive environment. We have always worked with families to pay what they can afford. This is still the case.

10. Why doesn't the Diocese give the schools money for teachers' salaries, or fund

scholarships for students? Currently, the Diocese annually assesses most Catholic parishes a portion of their income. This assessment goes into a fund for Catholic schools. All schools may write grants for emergency funding should a special need arise. Additional money is distributed to schools based on their financial need. The Skaggs Tuition Assistance Program also provides some financial assistance to schools for families that are below the poverty level. In order to receive this assistance, families must be referred by a principal or pastor.