

Grace Lutheran School's Change to Variable Tuition Frequently Asked Questions

What is Variable Tuition? Variable Tuition is a model that allows families to pay what they can reasonably afford to attend Grace. With Variable Tuition, each family pays a rate of tuition that fits their unique financial situation. This is available for students in SK-8th grade, and the morning program only for PK and JK.

How does Variable Tuition work? Any family may apply for Variable Tuition if they feel they may not be able to afford the full tuition rate at Grace. The main factors considered when determining the tuition amount a family is able to pay include income and number of dependents. The goal is that each family is asked to pay what they can reasonably afford.

Applications are submitted directly to FACTS Management, a third party. FACTS evaluates the application and makes a recommendation to the school's Variable Tuition Committee. Using that recommendation, the committee determines the variable tuition amount for each family. Families will be notified of the tuition level for which they qualify through an email from FACTS.

Should every new or returning Grace family submit an application for Variable Tuition? No. Only families who feel that they may not be able to pay the full tuition amount should submit an application.

What kind of economic situation is typical of a family who qualifies for Variable Tuition? A wide range of families with a variety of circumstances qualify for the program, from those who are able to pay close to the full tuition to those who are able to pay a smaller percentage of the full tuition amount. Many factors are evaluated, including income, expenses, and the size of the family.

When do I need to complete the Variable Tuition Application by? Is there a fee to apply? Families can apply at any time. There is a \$35 fee per family (not per student) to apply, but any family that completes their application by Feb 15 will receive a \$35 credit on their Enrollment Fee.

Do I need to complete my 2019 taxes before applying? No. You will need your 2018 tax return.

How soon will I know the tuition amount for my family? You will get notice in as little as 3 weeks after completing the application process. The first notices will be available in early March.

What if I can't afford the determined amount? If you have a unique or special circumstance that affects your ability to pay the Variable Tuition amount awarded, you may appeal the decision. A committee established by Grace will hear appeals and work with families to make final decisions.

Do I need to apply for Variable Tuition every year? Yes. A new application must be submitted each year.

If I do not receive Variable Tuition this year, can I apply next year? Yes. A family that chooses to not apply, or does not receive a reduction this year, is welcome to apply the following year.

Are some families awarded full tuition? No. Every family is required to make a financial investment in their child's education. Our commitment to providing Variable Tuition means that we are sharing in that investment with you.

Does Variable Tuition factor in multiple students attending Grace? Multiple students are one of the key factors in determining Variable Tuition. One of the important questions asked on the confidential Variable Tuition application relates to family size and number of students enrolled at Grace.

What is the tuition amount? For 2020-21, the tuition for a family with 1 child can vary from \$2500-\$7500. The minimum amount for families with 2 children will be \$4500, 3+ children will be \$6000.

I thought the cost of education was over \$8300. Why is the tuition maximum only \$7500? Money raised through fundraising (Annual Fund, A Graceful Evening, & Walk with Grace) as well as support from Grace Lutheran Church will be used to keep tuition at a competitive level.

Why is Grace making this change? In 2014 a special School Funding Committee was formed to explore options for funding Grace Lutheran School. In its report to the Church Council it recommended that ...

- Grace continue its commitment to being a school financially available to all families that desire a Christian education.
- the school move to a tuition and financial aid model with a 3rd party company used to determine financial need for each family, establishing transparency to the process of determining how much each family pays.
- the school establish an endowment to support financial assistance.

So why make the change now? Grace Lutheran Church has been subsidizing the school at over \$500,000 annually the last couple of years. While Grace Lutheran Church has been able to absorb these subsidies and will continue to financially support the school in a substantial way, this is not a sustainable model. The best practice model for school funding is tuition supported by fundraising, church subsidy, and an endowment fund. We actually do NOT anticipate variable tuition will bring in a lot more revenue from families. We instead recognize the need to establish a major endowment to help fund the school and are taking steps to get this started. Conversations with potential donors indicate that they will be more willing to give to a school endowment when there is full transparency in the process of determining the amount families can afford.

Bottom Line: Moving to variable tuition should not change your ability to afford a Grace Lutheran School education. Give the process a chance. We want you here and will work with you to determine an appropriate tuition level.

VARIABLE TUITION PROCESS for Returning Families

1. Complete Application through FACTS. Contact the school office if you need the link.
2. Wait to receive a confirmation email from FACTS of your Variable Tuition rate.
3. Accept the Variable Tuition rate or contact the school office with questions or concerns.