

Dear Sacred Heart Families,

On Wednesday January 5, 2011, the Sacred Heart Finance Council met with Father DiMaria to review the tuition for the 2011/2012 school year. It should come as no surprise, based on the financial information presented both at the November 8th Home and School General Assembly and in the Parish bulletin, a tuition increase is forthcoming. In discussing the tuition rates for the upcoming school year the Council was mindful of numerous factors involved in making the decision. This includes but is not limited to: (1) a parish subsidy to the school which was approximately \$166,000 for the 2006/2007 school year to a now projected subsidy of approximately \$227,000 for the 2010/2011 school year, (2) the Archdiocese of Philadelphia audit which cited the increasing subsidy and the need to reduce this amount and (3) a school enrollment which has decreased 38 students since 2005 to a current enrollment of 176 students.

Based on the current enrollment and projected 2011/2012 school expenses of \$777,000 or \$4,415 per student, the Council reviewed tuition increase scenarios ranging from \$200 per student up to \$475 per student. The decision was made to raise the tuition \$300 per student for the 2011/2012 school year. In addition, as discussed at the November 8th Home and School General Assembly, the \$650 per family plate contribution requirement will be removed and added to the annual tuition so as to not create a situation that violates Internal Revenue Service rules regarding the deductibility of charitable contributions. Please also note the annual activity fee of \$100 per student due at the beginning of the school year will now be added to the annual tuition.

The following chart below shows a comparison of the 2010/2011 versus the 2011/2012 tuition rates for 1 child in grades 1 thru 8 (Please refer to the enclosed 2011/2012 tuition schedule for the kindergarten, multiple child and non-parishioner rates):

	Base Amount	Activity Fee	Plate Contribution (Required on the first child only)	Increase	Total Annual Cost	Cost Per Month (Based on 10 months)
2010/2011	\$2,350	\$100	\$650	-	\$3,100	\$310
2011/2012	\$3,100	-	-	\$300	\$3,400	\$340

With the combination of shifting the plate contribution to tuition and the \$300 per student increase, the Parish is estimated to cut the subsidy almost in half based on the current enrollment (\$73,450 plate contribution plus \$83,705 rate increase). We wish to reiterate, the \$650 plate contribution was already a requirement for enrollment by Sacred Heart parishioners. However, now instead of giving the \$650 to the Sunday collection it will be included in the tuition. Many of you may now be saying “so what do I do about giving to the church on Sundays?” As stated by Father DiMaria during the Tithing presentations, no one will be knocking on your door asking for money. “That is between you and God.” Also, keep in mind school tuition is a component of the Tithing program.

Although the Parish Finance Council, in advising the pastor, must keep in mind the best interest of not only the school but the entire parish we are also mindful that any increase in tuition may be financially difficult for some families. Our intent is not to drive away students and their families from gaining the benefits of a Catholic education. Therefore, we ask those who find this increase to be a financial strain to please review and complete the enclosed *Business Leadership Organized for Catholic Schools* application for tuition assistance. If this assistance is denied or not sufficient please contact us as soon as possible, either through the school or parish offices, and we will review your situation on a case by case basis. Our goals are to maintain the high quality standard of Catholic education already associated with Sacred Heart School, continue to grow the services offered and the number of children enrolled and at the same time be financially responsible to the Parish community as a whole.

As members of the Council we are here to serve you and are available to answer any questions or concerns you may have.

May God Bless Sacred Heart School and the entire Parish community!

Sincerely,

Sacred Heart Finance Council