



St. Thomas More Catholic School

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Dear St. Thomas More Catholic School Parents,

January 12, 2017

The 2017-18 school budget is now complete thanks to the leadership of the parish and school administration, sound fiscal guidance of the parish Finance Council, and the careful review of the School Advisory Board. This budget was the result of prayer, deliberation, cautious expense budgeting, and conservative enrollment forecasts. Careful management of resources over the past year allowed us to again keep the tuition increase below the five-year average increase, while minimizing impacts on services and support and providing a salary increase for teachers. The 3.5% tuition increase over last year represents a dollar increase of \$270 for parish families and \$360 for non-parish families. We are allocating \$177,000 from parish offertory and school endowment toward tuition assistance to help families cover some of the difference between what they are able to pay and the full cost of attendance.

2017-18 School Budget

St Thomas More Catholic School is one of the largest in the Diocese of Raleigh with a 482 total capacity in 11 grade/age levels and an annual operating budget of just under \$4 million. In our effort to maintain excellent academics within a supportive Catholic environment, we continue to increase support for our greatest assets, our excellent faculty and staff. More than 50% of our teachers have advanced degrees, and the average tenure of our full-time teachers is over 13 years, and half have Master's degrees in their field. Support for our teachers and staff, ongoing maintenance of a large campus, and upgrades to our older elementary classrooms are the foundational elements of our 2017-18 budget.

2017-18 School Income

The 2017-18 overall income outlook is as follows:

- **Tuition income:** 4.7% decrease or \$154,307 lower than 2016-17. The largest source of school funding, tuition represents 80% of the \$3.9M budget in 2017-18. Decreased tuition income results from a conservative enrollment prediction for 2017-18 of 409. Our enrollment today is 411 which is below our ten-year running average of 427.
- **Parish Subsidy:** \$312,000 in 2017-18. The second largest source of school income, the parish subsidy funds tuition assistance and mortgage expense.
- **Aftercare Program:** \$86,000 net in 2017-18. An important element of the budget.
- **Income from Endowment and Sales Tax refund:** \$56,000.
- **Income from grants to help offset expenses in Technology and support staff:** \$22,000

In addition to the above, the Home and School Association (HSA) consistently provides an annual contribution of over \$30,000 to the school through its various fund-raising efforts. Athletic fees and parent volunteerism help support athletic programs, and various employer matching programs provide several thousand dollars of support for computer equipment to cover replacement needs for the school. The Knights of Columbus raise funds for the school at their monthly pancake breakfasts, and countless volunteer hours and donated services provide what would otherwise be unaffordable. We sincerely thank all individuals and organizations who develop and expand these important sources each year.

Finally, an Annual Fund Drive will be established to help raise funds to support the school. This drive will be focused on raising funds from sources other than tuition paying families, the church subsidy or other current programs. The Annual Fund Drive will diversify revenue for the school and minimize future tuition increases.

School Expenses

The operating budget is projected to decrease by 2.6%, or \$106,607, during 2017-18. These expenses are managed closely and minimized to the greatest extent possible. The following comprise our major expense areas:

- **73.5% Teacher/Staff salaries:** We continue progress to our target of matching teacher salaries to the diocesan salary grid. Next year, teacher salaries will be slightly more than 97% of the target 2016-2017 diocesan grid. There is a year-to-year decrease of \$31,510 in this category due to staffing changes and a pledged donation to fund one of our staff positions.
- **4% Mortgage:** We continue to budget for payment of the mortgage on the new facilities at \$150,000. The school portion of this mortgage is subsidized by the parish via the second monthly collection for mortgage.
- **6% Media Center/Technology, Instructional Materials and Office Expenses:** This category is reduced by \$26,850 year-to-year. The budget allocation for textbook and workbook purchases, online services, and supplies is unchanged.
- **9% Plant expenses:** no changes from 2016-17 budget

- **3% Capital Expenses:** decrease by \$30,000 year-to-year, allocated from buildings and Capital Reserves to keep tuition affordable.
- **4% Tuition Assistance from parish:** This contribution increased to \$162,000. The other component is \$15,000 yield from the Endowment Fund.
- **0.5% Contingency:** this item is also reduced by \$20,000 to keep tuition affordable.

Tuition and Registration Fee

- **Tuition:** the projected expenses and non-tuition sources of income for 2017-18 result in a 3.5% tuition increase over 2016-17 rates. The parish tuition rate will be \$7,950, non-parish \$10,340, and \$6,760 for Monday through Friday preschool. There are no additional fees for books or school materials. Factors influencing the tuition rates, aside from those described above, include the projected number of students enrolled (409) which is more conservative than last year’s budget projection, and the proportion of non-parishioner students out of our total students.
- **Registration fee:** There is a \$200 per child re-enrollment fee for currently enrolled children. This fee is non-refundable and will be billed through your FACTS Management account separately from your tuition. Please note, the registration fee is not an automated withdrawal from your bank account and a notification from FACTS will be sent to the email account that is set up in the FACTS system.

Tuition Payment Options:

- Option 1 – FACTS Full Tuition Payment Plan: The entire tuition payment is deducted by FACTS in May 2017. An annual \$20 FACTS fee will be assessed to your account if you select this payment plan. This option entitles families to a \$60 discount per child.
- Option 2 – FACTS Semi-Annual Payment Plan: Half payments will be deducted by FACTS from your account in May 2017 and November 2017. An annual \$20 FACTS fee will be assessed to your account if you select this payment plan. This option entitles families to a \$25 discount per child.
- Option 3 – FACTS Monthly Payment Plan: Payments will be deducted by FACTS over twelve months beginning May 2017. Payments can be made on either the 5th or the 20th of each month. An annual \$44 FACTS fee will be assessed to your account if you select this payment plan.

Tuition Assistance

The cost of delivering a Catholic education rises every year. While every possible effort is made to maintain affordable tuition rates, we recognize that increasing education costs can cause financial hardships. Tuition assistance is available for school families and information regarding this program is listed on the enclosed Tuition Fee Schedule and also available on the school website. This year, 85 students attend school with the help of some amount of tuition assistance; over 20% of our school population. All applications will be processed through FACTS Grant and Aid Assessment, a third-party provider who confidentially analyzes and calculates financial need indexes from information families provide. With over \$177,000 available for Tuition Assistance for 2017-18, we want to make the application process open and accessible. Please do not hesitate to contact Linda Raymond if you have any questions about the financial assistance process. Additionally, please do not hesitate to contact Dr. Michael Ashton if you have any extraordinary financial circumstances. All information and conversations are held in strict confidence. Participation is open to all school families.

Thank You

We would like to express our deep appreciation to the parent volunteers, school faculty, and the school and parish staff for their generous efforts that make St. Thomas More Catholic School such an outstanding educational choice. Whether individually in the classrooms, or as part of the HSA, parental involvement makes a significant impact on our school community. With your continuing support, we believe that the 2017-2018 plan will allow us to achieve the spiritual and educational goals for our children in fulfillment of the school’s mission.

If you have friends, neighbors or colleagues with young children, we encourage you to share the gift of our school and parish community with them as well. Supporting future enrollment is one of the most important ways of ensuring an active, vibrant future for St. Thomas More Catholic School.

If you have questions or comments about next year’s budget, please contact Dr. Ashton or our School Advisory Board members.



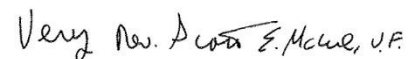
Dan Bruxvoort
Chairman -
School Advisory Board



Greg Lissy
Treasurer -
School Advisory Board



Dr. Michael W. Ashton
Principal



Very Rev. Scott E. McCue, V.F.
Pastor