February 16, 2019

Dear Parent,

We know that it is a sacrifice for you to help cover the expenses for your child(ren) at St. Michael. We are grateful that you are willing to sacrifice for your child(ren) to be in a faith-filled, Catholic educational environment. It takes a lot to provide for the salaries, books, equipment, repairs, and utilities that we need.

However, this is also a major sacrifice for the parish and would be difficult to sustain in the long run. Just as your sacrifices mean that you cannot afford some things, the sacrifices from the parish mean that we are not doing repairs, upkeep, and the programs we should. It is currently costing $7,000 per year per student to operate the way we are. We cannot spend 70—80% of our collection on the school and effectively maintain both church and school.

We need to be very intentional about our expenses and our income. To keep the school at the level it is and to maintain the parish buildings and programs, we need to:

1. Understand and communicate what it costs to operate at this level,
2. Understand and be selective in methods to raise the needed income,
3. Use our resources as carefully as we can so that we can help those families that need assistance in an objective and fair way.

We cannot simply go on the way we have been, hoping that the necessary funds will appear. We have to identify ways to meet our costs. The plan is to charge more closely what it really costs and provide help through scholarships and other plans. We move more closely to providing the assistance on a needs-based basis.

Through discussions with the Parish Finance Council, the Pastoral Council and the School Board we have concluded that we need to move in a direction where the financial support of the parish St. Michael School is more need-based. We want to be able to help people. But we need to do it on a case-by-case basis. We plan to implement best practices determined through discussions with other parishes and schools and diocesan guidance.

With that in mind, we are setting the tuition rates for the school year 2019-2020 at:

Non-Catholics, non-active Catholics: $5,600 per student
Active Catholic families: 1 student $5,600
- 2 students $10,304
- 3 students $14,112
- 4 students $17,696.

In order to register for next year, all current tuition must be paid in full. Registration is not complete until you receive a letter from Mrs. Baca from the church office.

In addition, in order to support families and reach our goals of covering the actual cost of education we will use the following resources:

1. Choice Vouchers through the State of Indiana (Families must apply and qualify.)
2. S.G.O.’s. These are set up through the diocese and are needs-based scholarships to families meeting federal income standards. We have asked parishioners to donate to this fund. The diocese scholarship organization grants the funds to the school upon the recommendation by St. Michael School.
3. Income tax rules now provide for use of a 529 plan to pay for elementary school tuition. Please consult your tax preparer for more information.
4. Parish financial assistance. This is money set aside by the parish. One must apply through the FACTS program.
5. The Bishop D’Arcy Scholarship for large families.
6. Scrip can be used as a means to obtaining credit towards tuition.

Learning from the experience of many other parochial schools in our diocese, we use the F.A.C.T.S. program as a way to determine which families need financial support and how much. It gives us an objective and fair guideline that is not solely based on family income level but does consider other aspects of family situations.

We encourage families, individuals, and businesses having the resources to consider using the S.G.O. program or a direct donation to St. Michael School to provide assistance for financial aid for those who need it. We are developing a FAQ sheet which explains ways in which families can have to the assistance that they need.

I am aware that these things are not easy, but they are necessary in order to keep the school and the parish at their current levels.

Sincerely,

Rev. John S. Korcsmar, C.S.C.
Pastor