



Immaculate
Heart of Mary



Catholic Diocese
of Cleveland



Tuition & Scholarships Information Session

August 24th, 2023

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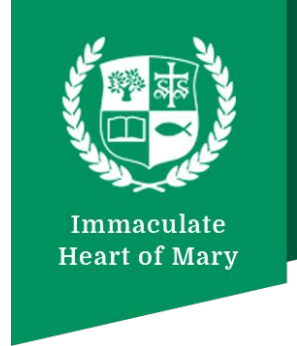
Let Us Pray

Good and gracious God,
We give you thanks for the opportunity to
make You known, loved, and served
through our schools.

We ask that you bless us with humility,
patience, and grace as we serve our parents
through the scholarship process.

May you inspire tenacity and trust within
our parents as they take a leap of faith to
partner with us, as together we
venture into something new.

In Jesus name, Amen.



**A HIGH-QUALITY, CATHOLIC EDUCATION
JUST BECAME MORE AFFORDABLE!**

Today's Purpose

- ◆ What is EdChoice?
- ◆ Why EdChoice?
- ◆ Historical Tuition and Restructuring Model
- ◆ What does this mean for our family?
- ◆ What does this mean for our school?
- ◆ Discuss and answer questions.



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What is EdChoice?



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- ◆ The EdChoice program is a state-funded scholarship granted to every K-12 student in Ohio. There are 2 types:
 1. **EdChoice “Traditional”** – awarded to families who live in a qualifying school district.
 2. **EdChoice “Expansion”** – any family that does not live in qualifying school district is eligible for an expansion scholarship based on a sliding scale.
- ◆ Who is eligible?- **ALL OHIO FAMILIES ARE NOW ELIGIBLE**
- ◆ The Ohio legislature broadened the Expansion program in its recent biennial budget. Families earning up to 450% of the federal poverty level will qualify for the full scholarship. Families earning more will still receive scholarships on a sliding scale based on income.

ALL OHIO FAMILIES ARE NOW ELIGIBLE

We will help you determine which program your family qualifies for.

2023-2024 EdChoice Eligibility & Awards

Household 2022 Adjusted Gross Income (Line 22 of Form 1040)

| Household Size | 450% FPL | 500% FPL | 550% FPL | 600% FPL | 650% FPL | 700% FPL | 750% FPL | Above 750% FPL |
|--|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-------------------------------|-----------------------------|---------------------------|
| 2 | \$88,740 | \$98,600 | \$108,460 | \$118,320 | \$128,180 | \$138,040 | \$147,900 | \$147,900 + |
| 3 | \$111,870 | \$124,300 | \$136,730 | \$149,160 | \$161,590 | \$174,020 | \$186,450 | \$186,450 + |
| 4 | \$135,000 | \$150,000 | \$165,000 | \$180,000 | \$195,000 | \$210,000 | \$225,000 | \$225,000 + |
| 5 | \$158,130 | \$175,700 | \$193,270 | \$210,840 | \$228,410 | \$245,980 | \$263,550 | \$263,550 + |
| 6 | \$181,260 | \$201,400 | \$221,540 | \$241,680 | \$261,820 | \$281,960 | \$302,100 | \$302,100 + |
| 7 | \$204,390 | \$227,100 | \$249,810 | \$272,520 | \$295,230 | \$317,940 | \$340,650 | \$340,650 + |
| 8 | \$227,520 | \$252,800 | \$278,080 | \$303,360 | \$328,640 | \$353,920 | \$379,200 | \$379,200 + |
|  Per Child Award Amount | K-8: \$6,165 9-12: \$8,407 | K-8: \$5,200 9-12: \$7,050 | K-8: \$3,650 9-12: \$5,000 | K-8: \$2,600 9-12: \$3,550 | K-8: \$1,850 9-12: \$2,500 | K-8: \$1,300 9-12: \$1,750 | K-8: \$900 9-12: \$1,250 | K-8: \$650 9-12: \$950 |

**Percentages based on 2023 Federal Poverty Levels (FPL)*

EdChoice Funding?



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- ◆ What is the impact on Ohio's public school funding?
 - Ohio's new budget provides the largest-ever increases to **ALL K-12 education including: public, charter & parental choice scholarships.**
 - All state scholarships (i.e. **EdChoice**) are **funded directly by the state.**
 - All **local taxes remain with the traditional district**, regardless of enrollment changes, and the education funding formula, which provides per-pupil funding to districts, was updated to adjust for inflation.
 - Reflecting the "Fair School Funding Plan," Ohio's budget increases the state support of all pupils, including those eligible for EdChoice on a graduated scale, and delivers on the objective of funding students where they are educated.

Why EdChoice?



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- ◆ **Reduces the cost** of your tuition.

which helps strengthen the family

- ◆ **Increases revenue** & investment back into IHM

which helps strengthen the school's foundation and Catholic identity

- ◆ **Supports School Choice** in Ohio

which can lead to more robust scholarship programming in Ohio

- ◆ **Ultimately, it is for the greater good!**

we encourage every family to apply!

Admission Policy



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- ◆ www.ihmgradeschool.org/hand-book (under resources)
- ◆ **The following individuals will be given priority** considered for admission to IHM Parish School in the order set forth below:
 1. Current Immaculate Heart of Mary Students and siblings
 2. Registered, active members of IHM Parish.
 3. Registered, active parishioners from neighboring parishes in our cluster that do not have a school (St. Joes, OLV)
 4. Registered, active parishioners from neighboring parishes that do have a school.
 5. Children of Immaculate Heart of Mary School Alumni

Note: A registered, active family/parishioner is one who regularly participates in the life of the Parish at the sole discretion of the pastor.

Tuition History



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- ◆ Historically, Catholic school tuition has been set **lower** than the actual cost to educate to make it affordable for parents.
- ◆ On average in our diocese, the amount of tuition is **less than 70%** of the actual cost to educate a child.
- ◆ The additional funding comes from parish subsidy, fundraising, endowments, other charitable giving (i.e. Angel Scholarship Fund, DTA).

| | |
|--|----------------|
| IHM True Cost to Educate per Student 23-24 | \$7,311 |
| IHM Discount Tuition Cost (First Child) | \$5,020 |



Calculating IHM's Per Pupil Cost



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\$2,193,455

Total Budgeted Operating Expenses 23-24

÷

300

K-8 Students

\$7,311 / pupil ←

Operating Expenses do NOT include self-sustaining Food Programs, Pre-K, LINX, JP, or CAPEX

Old Discount Tuition Formula



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| | |
|---|-------------------|
| Cost to Educate Per Child 23-24 | \$7,311 |
| Operational Fundraising (Car Raffle) / Other Per Pupil Income | (\$600) |
| Parish Subsidy (approx 23%) | (\$1,691) |
| Tuition Rate for Parishioners (First Child) 23-24 | \$5,020 |
| <i>Tuition Rate for Non-Parishioners (First Child) 23-24</i> | \$5,796 |
| Multi-Child Discounts (2nd thru 4th child) | (\$502 - \$3,012) |

- ◆ Tuition revenue = **70%** of what it takes to operate the school. The rest is made up by donations, fundraising and parish subsidy.
- ◆ Our parish subsidizes the school on average **(\$223,000) per year**
- ◆ Multi-Child Discounts alone lowers potential revenue by **(\$55,000)**
- ◆ For every dollar our parish receives, **23 cents** goes to support the school.

Feb 2023 Tuition Cost Summary K-8



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| IHM PARISHIONER FAMILY RATE & DISCOUNT | | TRUE COST |
|---|-----------------|------------------------|
| 1 student = 0%  | \$5,020 | <i>\$7,311</i> |
| 2 students = 0%, -10% | \$9,538 | <i>\$14,622</i> |
| 3 students = 0%, -10%, -20% | \$13,554 | <i>\$21,933</i> |
| 4 students = 0%, -10%, -20%, -30% | \$17,068 | <i>\$29,244</i> |
| 5 students = 0%, -10%, -20%, -30%, -100% | \$17,068 | <i>\$36,555</i> |

Old Discount Tuition Formula

First Child



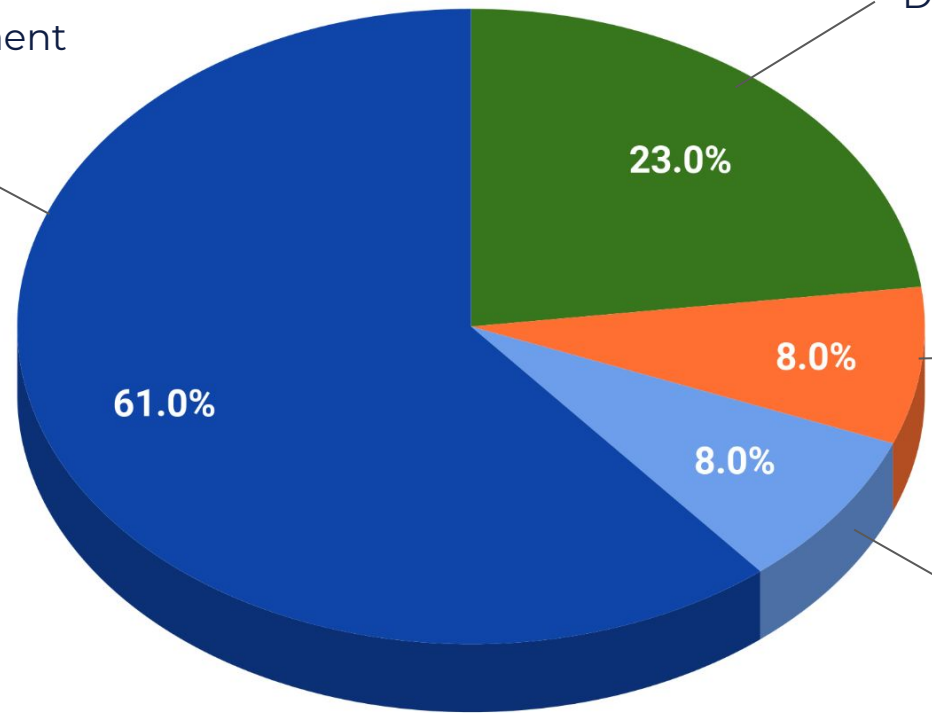
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Parent Commitment
\$5,020+

Parish Subsidy /
Discounts

Financial Aid /
Scholarships

Fundraising



New Scholarship Model



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- ◆ Transitioning to a new **Scholarship Model** results in more potential revenue for IHM, as opposed to a discount model.
- ◆ These various scholarship sources will help our parents **afford a quality, Catholic education**:
 - EdChoice, Angel Scholarship, DTA, Parish Subsidy etc.
- ◆ By **raising the tuition rate** from **\$5,020** to a more appropriate rate of **\$6,300** it allows us to access those additional resources.
 - Tuition assistance / scholarships can ONLY be applied towards the posted tuition rate, not the cost to educate.

Did You Say Tuition Increase??



- ◆ **No family will owe more tuition than they do today** at IHM after this process. Everyone will benefit!
- ◆ **Your Tuition commitment will not increase.** Our goal is for every family to pay LESS than their current commitment (FACTS).
- ◆ We are optimistic a large % of our school families qualify for the maximum award amount based on income
- ◆ Once your EdChoice scholarship award level is finalized, and upon further review of all available scholarships, we plan to present each family with a “before/after” of their tuition commitment.
- ◆ We hope to do this as quickly as possible to avoid any additional FACTS overpayments.

Why Change? Why Now?



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- ◆ It will add valuable resources to enhance the quality of our school and **sustainably provide improved compensation to our dedicated teachers.**
- ◆ The **law explicitly invites us** to update our tuition rate
 - one-time deadline of **Sep. 30th, 2023**
 - By restructuring now, we give our families the chance to utilize these valuable resources without waiting a year.
- ◆ EdChoice Expansion is newly available to **every** student in Ohio
- ◆ Tuition assistance / scholarships can **ONLY** be applied towards the **posted tuition rate**, not our cost to educate.

New Scholarship Model Formula



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| | |
|--|-----------------------------|
| Cost to Educate Per Child (23-24) | \$7,311 |
| New Tuition Rate (per student) | \$6,300 |
| EdChoice Scholarship (available to all) | (\$650 - \$6,165 per child) |
| Operational Fundraising | (Variable) |
| Angel Scholarship Fund / Donations | (Variable) |
| Tuition Assistance (Fr. McIntyre, DTA, Fund A Dream) | (Variable) |
| Parish Investment (Subsidy) | (Variable) |
| Parent Commitment | As low as \$0 |

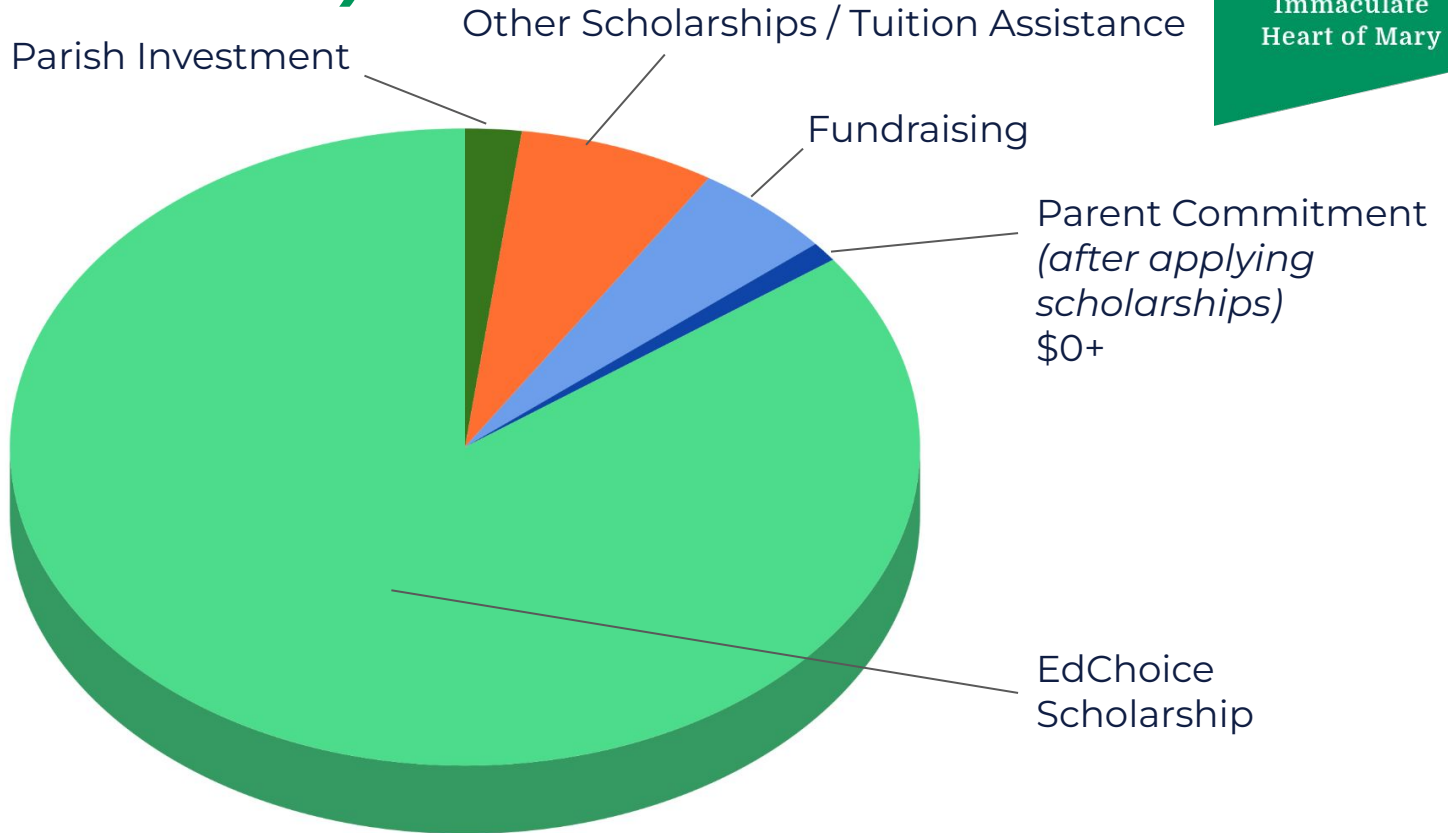
*No matter what your family's scholarship package will look like, each family will **NOT** pay more than their current tuition rate as charged through FACTS at re-enrollment (February 2023).*

New Scholarship Formula

One Child (450% FPL)



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Example - Old Discount Model

| Tuition for Parish Family <u>3 Children</u> | |
|--|-----------------|
| Cost To Educate (\$7,311/child) | \$21,933 |
| Charged Tuition (Discounts -10%, -20%, -30%) | \$13,554 |
| EdChoice | \$0 |
| Angel Scholarship Fund / Other Donations | (\$500) |
| Tuition Assistance (DTA & McIntyre Fund) | (\$1,200) |
| Parish Investment (Subsidy) | (\$8,379) |
| PARENT COMMITMENT: | \$11,854 |

← *old discount rate*

← *N/A*

← *facts grant & aid*

← *facts tuition bill*

- ◆ The cost to educate is **\$21,993**
- ◆ The school can only collect up to **\$13,554** due to discounts
- ◆ Incurred a loss of **(\$8,379)** resulting in subsidy

Example - New Scholarship Model 450%

| Tuition for Parish Family 3 Children (450% FPL) | | |
|---|-----------------|----------------------------------|
| Cost To Educate (\$7,311/child) | \$21,933 | ← <i>No change</i> |
| Charged Tuition (\$6,300/child) | \$18,900 | ← <i>+\$5,349 receivable</i> |
| EdChoice (450% FPL \$6,165/student) | (\$18,495) | ← <i>\$405 gap</i> |
| Angel Scholarship Fund / Other Donations | (\$405) | |
| Tuition Assistance (DTA & McIntyre Fund) | (\$0) | ← <i>\$1,200 redistributed</i> |
| Parish Investment (Subsidy) | (\$0) | ← <i>\$8,379 reinvested</i> |
| PARENT COMMITMENT: | \$0 | ← <i>(\$11,854) reduced bill</i> |

- ◆ The cost to educate remains **\$21,993**
- ◆ The school can now collect up to **\$18,900** by increasing our posted tuition rate
- ◆ In this example, the parish does not need to subsidize this family saving **\$8,379**

What If My Family Only Qualifies For The Minimum Award?



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- ◆ Applying will **still help IHM and your family!**
- ◆ We recognize those who do not qualify for the full award amount should not be unjustly burdened by a large gap between their award amount and their remaining balance. We will continue to use all available resources in order to **keep parent commitment at an affordable rate** for every family (like we have historically) through our parish subsidy, fundraising, donations & Angel Scholarship Fund.
- ◆ These amounts will be determined at the time of the approved EdChoice scholarship award and prior to updating FACTS tuition balances.

Example - New Scholarship Model 750%+

| Tuition for Parish Family <u>3 Children</u> (750%+ FPL) | |
|---|-----------------|
| Cost To Educate (\$7,311/child) | \$21,933 |
| Charged Tuition (No discounts) | \$18,900 |
| EdChoice (750%+ FPL \$650/student) | (\$1,950) |
| Angel Scholarship Fund / Other Donations | (\$600) |
| Tuition Assistance (DTA & McIntyre Fund) | (\$300) |
| Parish Investment (approximate) | (\$3,750) |
| PARENT COMMITMENT: | \$12,300 |

← *No change*

← *+\$5,349 receivable*

← *\$16,950 gap*

← *\$4,629 reinvested*

← *(\$1,254) reduced bill*

- ◆ The cost to educate remains **\$21,993**
- ◆ The school can now collect up to **\$18,900** by increasing our posted tuition rate
- ◆ The parish subsidizes **\$3,750 (instead of \$8,379)** & parent commitment is **\$1,254 lower** than their prior commitment.

What Does This Mean For My Family?



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- ◆ While the posted tuition amount is increasing, **parent commitment is being lowered.**
- ◆ ALL FAMILIES are now eligible and highly encouraged to **apply for EdChoice by Aug. 31st, 2023** to begin receiving the benefits so that we can accomplish our goals as outlined today.
- ◆ A new scholarship package will be drafted for each family to reflect the updated rate and your new financial aid / scholarship awards will be adjusted/posted to FACTS.
- ◆ **This all depends on how soon you complete the EdChoice application process. PLEASE, NO LATER THAN LABOR DAY!**

Should I Keep Paying My Tuition Bill?

- ◆ **Yes, please continue to pay your tuition as scheduled.** Once your EdChoice scholarship has been approved and finalized, your FACTS tuition agreement will be adjusted accordingly.
- ◆ **Any overpayments will be refunded** as quickly as possible. We hope to issue refunds within 90 days of your approved award(s)/adjusted tuition amount.



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What Does This Mean For IHM School?



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- ◆ This allows our school to access increased funding to **support our cost to educate per student.** We are carefully and faithfully trying to review all the scholarship funds and donations that are available to our families.
- ◆ IHM is able to strategize a more **competitive payscale for our teachers** while improving the long-term sustainability of our school.
- ◆ IHM will continue to provide a large investment in Catholic education by keeping our **Catholic identity** and **small classroom sizes** while keeping parent **tuition commitment low.**
- ◆ Increased number of families who apply for EdChoice will let the State know this is an important program for our school and others.

NEXT STEPS

◆ Apply for EdChoice by **AUGUST 31ST!**

1) Scholarship Request From

- *w/ birth certificate & proof of residence)*

2) Income Verification

- *between the parent and the state*

◆ Complete **EdChoice scholarship survey** on our website

◆ Complete **Angel Fund Scholarship Form**, if applicable

◆ All of this information can be found online at:

www.ihmgradeschool.org/edchoice



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APPLICATION TIPS

◆ Don't Forget:

- Utility bill that shows both the service address AND the mailing address
- Last 4 of your child's social
- Middle names (including your own)
- Clear pictures or scans
- Public school building
 - Realtor.com
- Complete Income verification on a laptop or desktop and refer to the video on our website instructions



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Traditional vs. Expansion?



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- ◆ **EVERY** student is eligible for **EdChoice expansion**
- ◆ However, your child is eligible for **Traditional EdChoice** if
 - Your child is assigned to attend a public school that is on the EdChoice designated list (low performing school)
 - AND your child is entering K-6th
- ◆ If you qualify for traditional, you receive the max award regardless of income.
- ◆ These tips and further details are available at www.ihmgradeschool.org/edchoice

JON PETERSON FAMILIES

- ◆ Lisa Masello has already begun reaching out to each JP family. Details forthcoming.
- ◆ Those who currently receive a JPSN scholarship cannot also apply for EdChoice. One or the other.



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TIMELINE



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- ◆ You can expect “**scholarship packages**” presented to your family with itemized adjustments to your FACTS account after the State of Ohio confirms your EdChoice Award.
- ◆ We are hearing, as of August, EdChoice applications and awards may not be finalized with funds received until **NOVEMBER**.
- ◆ After state approval, EdChoice scholarship checks will be mailed to the school on a **MONTHLY** basis.
- ◆ **Acceptance forms** will need to be signed and returned to IHM.
- ◆ **Checks** are made out to the parents and sent to the school.
- ◆ Parents will need to **sign the first check**. An authorization form allowing IHM to make future deposits on your behalf is available.



Q & A

Contact Information:

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