



2018-19 Tuition Reduction Frequently Asked Questions

Providence Academy (PA) will reduce tuition for fall 2018, representing a significant decrease from 2017-18 in most grades. The 2018-19 prices will be analogous to tuitions from *nearly five years ago*. The significant reduction of tuition puts Providence Academy in the category of bold leader in Pre-K through 12 education by providing quality education, affordability, and value.

What are the new tuition rates for the 2018-19 school year and how do they compare to the 2017-18 rates?

	<u>2017-18</u>	<u>2018-19</u>
Grades 9-12	\$20,100	\$16,495
Grades 6-8	\$18,300	\$14,495
Grades 4-5	\$15,100	\$13,950
Grades 1-3	\$12,950	\$12,950
Kindergarten-Full Day	\$10,800	\$10,800
Pre-K Full Day	\$10,800	\$10,800
Pre-K AM	\$ 8,250	\$ 8,250

Who is affected by the tuition changes for 2018-19?

Both students currently enrolled and those yet to be enrolled will benefit from the new tuition structure. Students in grades 4-12 will experience a tuition reduction. The “special pricing” discount that has been in effect for three years for students in grades Pre-K through 3 will remain, and there will be a tuition freeze for the 2018-19 school year for these students.

What will happen to the tuition price beyond 2018-19?

Any future annual tuition increases will be kept as low as possible, consistent with historical tuition increases. However, any potential percentage increase will be applied to a lower base than before the reduction. Therefore, overall dollar amounts of future percentage increases will also be lower.

Why is Providence Academy lowering its tuition?

The tuition reduction is a strategic initiative to increase access and affordability for more families who seek our extraordinary independent-school opportunities and unique Catholic and civic mission.

Families are seeking quality, distinction, and results from an independent school education. Providence Academy delivers all three, in the context of faith, and we have always sought to provide them at a comparative value. Now, we want to make this excellence still more affordable for as many families as possible who seek it.

PA’s experience with a tuition reduction pilot program, beginning in 2015 in the Lower School, shows that expanding access while maintaining—even building upon—quality is achievable.





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Are there other components to the new vision of access at Providence Academy for the 2018-19 school year?

Yes. Providence is introducing a new monthly tuition payment plan, enabling families to pay tuition over a ten month period, without interest or penalty. Details of this new approach will be forthcoming in advance of re-enrollment. Additionally, the school is re-instituting multiple-student discounts: 25 percent discount for a third and fourth child simultaneously enrolled, and 50 percent discount for a fifth or more child simultaneously enrolled.

How is Providence Academy able to make such a substantial decrease from the current tuition rates?

Careful financial planning and extensive research have guided the tuition reduction. In addition, Providence benefitted in the process by partnering with the [Lawlor Group](#), an education consulting firm that has been a leading national consultant on successful higher-education tuition reductions.

The year 2017 marks the fulfillment of our long-planned campus build-out. Now with unsurpassed facilities for academics, athletics, and the arts--and student successes to match them--Providence Academy is built for the ages and ready to enter its next phase.

A combination of community generosity, financial stewardship, and long-range vision have brought us to the current position of strength. Virtually unique among schools, Providence has invested in fully funding anticipated repairs and maintenance of its facilities since day one. In early years of a new institution, this fund served as a de facto endowment to assure stability, excellence, and continuity. With our new pricing, portions of that annual investment will be repurposed to underwrite the new initiative. In addition, our launch of "special pricing" in the Lower School three years ago coincided with enhanced emphasis on our Annual Fund. Annual giving has increased dramatically since that launch. And last year, Providence Academy began a formal endowment, funded by major gifts and planned giving, to assure long-term institutional flourishing. The new endowment has already received major gifts, last year and this, totaling over \$3 million.

Are there other factors that influenced the decision to reduce the tuition?

Yes. We want to keep our tuition price from reaching a level that discourages students and families from discovering the value and worth of a Providence Academy experience. Providence Academy is in a healthy financial position, and we believe that using this financial strength to keep our tuition as low as possible is simply the right thing to do.

Further, after the financial crisis of 2008-2009 Providence Academy and other premium private schools have made significant efforts to help more families achieve and maintain the ability to attend, with combinations of aid, scholarships, and discounts. Providence has a special desire to serve families who seek our distinct mission and





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benefits, and so we have made every effort to assist them. Net tuition revenues have, unsurprisingly, dropped. As was the case for many schools during this period, even though Providence's enrollment numbers remained strong, our tuition prices rose to offset the impact of decreased net tuition revenue. This steady rise has proven prohibitive for potential new families who should attend Providence Academy, but who assume that Providence is unattainable. It is also a growing burden on our currently enrolled families, especially families of our older students who often face notoriously inflated college tuition prices simultaneously.

The price of higher education is not incidental to our consideration. Pricing in private higher education has become a serious concern, and should be a caution for private schools. Educational "sticker prices," long taken to correlate with quality, often no longer do so as they may have in the past. While colleges and universities offer substantial financial assistance, advertised price is increasingly an impediment to perceived accessibility at many colleges, and also raises questions among families about the relationship of costs to perceived benefits.

Does the lower price affect the quality of the Providence Academy education?

No. The Providence Academy experience will be at the same high-quality level. The implementation of the tuition reduction will not limit our educational offerings or services, or compromise our approach to class size or teacher excellence. Lowering our tuition is part of Providence Academy's commitment to delivering value to more families—not only in terms of price, but also in the high overall quality of our distinctive educational experience and its results. Ultimately, our goal in reducing tuition is to ensure that more students have access to the life-changing experience Providence Academy offers.

What impact will the tuition reduction have on a diploma from Providence Academy?

The reduced tuition can only have an added positive impact on the Providence Academy diploma. The value of a PA diploma is well known by colleges and universities, and by our graduates pursuing careers and vocations. The high standard of the diploma, which represents academic, athletic, artistic, and formational experiences and achievements, will remain. Improved access to the Providence experience will mean still more graduates bringing that experience to college and life, broadening the impact and influence of a PA diploma.

Will financial assistance, beyond the tuition reduction, still be available?

Yes. To begin, the price change offers every high school student, for example, a \$3,650 benefit in 2018-19 compared to 2017-18. Currently enrolled recipients of financial *aid that exceeds* the difference between old and new tuition prices may reasonably anticipate continuation of financial assistance if their circumstances are similar year to year. Beyond





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the benefits of the discount, any family's individual situation will still be able to be taken into account in determining any additional need-based aid.

Will scholarships be available?

Any existing scholarship will be honored according to its terms. The Board of Directors has not determined any new scholarship program at this time in conjunction with the tuition reduction.

What will tuition be for returning and new students in Fall 2018?

Grades 9-12	\$16,495
Grades 6-8	\$14,495
Grades 4-5	\$13,950
Grades 1-3	\$12,950
Kindergarten-Full Day	\$10,800
Pre-K Full Day	\$10,800
Pre-K AM	\$ 8,250

How can I get additional questions answered?

Please feel free or send questions to Mrs. Debra Spears, Admissions and Marketing Director, at debra.spears@providenceacademy.org, or call at 763-258-2504.

