



NORTH HILLS REGIONAL CATHOLIC ELEMENTARY SCHOOLS

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March 28, 2018

Dear Brothers and Sisters in Christ,

One year ago, our Board of Directors was established to oversee the regionalization of 11 Catholic elementary schools in the North Hills.

Preserving Catholic education in this first year has been difficult for all involved and we appreciate your patience and your prayers. Significant progress has been made to realize the economic savings required for the long-term health of our schools.

In our first year, the NHRCES combined the resources of seven of our schools to establish three new regional schools: Blessed Francis Seelos Academy, Holy Cross Academy and Blessed Trinity Academy.

The four remaining schools – Northside Catholic School, Assumption School, Christ the Divine Teacher Academy and St. James School – continued to operate in the same locations and with the same staff under the organizational umbrella of the NHRCES.

As we make plans for the 2018-19 school year, we studied the use of resources and campuses further, which led to a decision to consolidate the resources of Northside Catholic in Brighton Heights with Assumption School in Bellevue. Both schools have been struggling with enrollment and finances. Both would have closed at the end of this school year if not for this consolidation.

One of the challenges we face is economic – how to provide a quality Catholic education in a cost-effective way. Funding for the NHRCES schools' \$9.6 million budget comes from tuition (58%), fundraising (12%), diocesan subsidy from parishes that have historically not had schools (6%), and parishes that historically supported schools (24%).

For the diocesan subsidy, these parishes are required to contribute 10% of their income toward this fund. However, income is decreasing because of fewer people in the pews and, consequently, less money in the offertory baskets. For the 2018-19 school year, school subsidies from the diocese will decrease by approximately 33%.

For fundraising, each school is given a goal that is 12 percent of their operating expenses. Those goals range from \$125,000 to \$300,000 for each school.

Northside Catholic – Assumption: When we analyzed the situation at Northside Catholic School in Brighton Heights and Assumption School in Bellevue, we realized that both are struggling financially.

After receiving input from a task force composed of members representing Assumption and Northside, the board voted unanimously at its Feb. 21 meeting to forward a recommendation to Bishop David A. Zubik calling for one school instead of two.

Noting that the recommendation was based on evangelization as well as economics, the board recommended keeping the Northside facility open to maintain a Catholic school presence in that area of the City of Pittsburgh. The board also noted that Assumption students have the option of attending Northside as well as several NHRCES schools in close proximity to their residences.

On March 17, Bishop Zubik announced his decision to merge the schools. The Northside campus in Brighton Heights will remain open; the Assumption campus in Bellevue will close. The combined task force will spearhead an effort to name the newly merged school.

Tuition: The board's March 15 meeting focused on setting tuition for the 2018-19 academic year and the future of its preschools. Tuition revenue covers about 58% of the cost of running a Catholic elementary school in the North Hills. School families also are expected to support the school's fundraising efforts.

In the past, a significant source of revenue was a \$500 annual fee per family. Diocesan rules prohibit schools from mandating a fundraising fee above and beyond tuition. However, members of our regional schools' advisory council suggested finding a way to reinstate the \$500-per-family fee to offset the constant need to fundraise.

The board voted to include the \$500 "fee" as part of the tuition amount.

To help cover this increase, school families will receive 100% of their rebate credit earned from gift card purchases. These credits will appear in the December and April tuition payments. Gift card rebate credit for the 2018-2019 school year begins April 1 and continues through March 15. Details on our Gift Card Program will be sent to school families in a separate letter.

With that in mind, the board voted to approve the following tuition amounts for the 2018-19 academic year:

	1 Child	2 Children	3+ Children	Non-Catholic
Blessed Francis Seelos	\$5,000	\$8,500	\$10,500	\$6,500
Blessed Trinity	\$4,650	\$7,200	\$8,650	\$6,500
Christ the Divine Teacher	\$4,535	\$7,520	\$10,170	\$6,500
Holy Cross	\$4,650	\$7,200	\$8,650	\$6,500
Northside Catholic/Assumption	\$3,900	\$6,400	\$8,000	N/A
St. James	\$4,650	\$7,200	\$8,650	\$6,500

Although we have adjusted tuition rates to provide more consistency across the board, we are unable at this time to set one rate for all schools because of the wide range of operating costs in our schools. The NHRCES evaluates budgets and sets tuition rates by evaluating each school *individually* regarding income and expenses.

This tuition increase only minimally helps offset the increased costs involved with operating our schools (i.e. salaries, benefits, insurance, building maintenance). Family and community participation in fundraising events that support our parishes and schools is absolutely paramount. Family participation in the life of their parish -- beginning with attending Mass to celebrate Eucharist -- must be a priority in the lives of the faithful and critical for the future of the Church and Catholic education.

Preschools: Our preschools at Holy Cross, Blessed Trinity and Blessed Francis Seelos Academies present another challenge. All three preschools are losing money. By the end of the 2017-18 school year, we anticipate a loss of nearly \$347,000. With no changes, the deficit is projected to increase to \$419,748 for next year.

At the March meeting, board members stated their belief that the preschools must pay for themselves and lamented that these preschools are not feeder systems for the Catholic elementary schools, as many had hoped.

After the March meeting, NHRCES Regional Administrator Mike Killmeyer and Business Manager Andrea Vescio solicited feedback from the three schools' principals, who strongly recommended keeping the preschools open. To do this in a cost-effective way, the board agreed that enrollment limits need to be set to ensure staffing is cost-effective. For instance, 1 teacher for 20 full-time students is cost-effective; 2 teachers for 21 students is not.

After considering recommendations from Mr. Killmeyer and Ms. Vescio, the board decided through e-mail voting to do the following:

Holy Cross Academy – Move the preschool from the St. Teresa of Avila site to St. Sebastian so that all grades are under one roof, which decreases operational costs. Preschool for 3-year-olds will be offered for half-days only on Tuesdays and Thursdays. Holy Cross will offer 3-day and 5-day options for 4-year-olds. The tuition remains the same.

Blessed Francis Seelos Academy – The preschool will stay at the St. Alexis campus; the K-8 campus at St. Alphonsus does not have room to add preschool classes. BFSA will continue to offer classes for 3-year-olds and 4-year-olds as it has in 2017-18, but enrollment limits will be set. Tuition remains the same.

Blessed Trinity Academy – Move the preschool from the St. Bonaventure site to St. Mary's so that all grades are under one roof, which decreases operational costs. Preschool for 3-year-olds will be offered for half days only on Tuesdays and Thursdays. Preschool for 4-year-olds will be offered for half days only on Mondays, Wednesdays & Fridays. Tuition remains the same.

Preschool tuition rates for Holy Cross, Blessed Trinity, and Blessed Francis Seelos Academies:

3-year-olds: half day for Tues & Thurs	\$1,600	4-year-olds: half day for MWF	\$1,800
* 3-year-olds: half day for Mon-Fri	\$2,200	** 4-year-olds: half day for Mon-Fri	\$2,200
* 3-year-olds: full day for Tues & Thurs	\$4,000	** 4-year-olds: full day for MWF	\$4,500
* 3-year-olds: full day for Mon-Fri	\$5,500	** 4-year-olds: full day for Mon-Fri	\$5,500

*These options for 3-year-olds are not offered at Blessed Trinity or Holy Cross

**These options for 4-year-olds are not offered at Blessed Trinity

Preschool tuition rates for	Northside	CTDTA	St. James
3-year-olds: Half day for Tues & Thurs	\$1,000	\$2,050	\$1,440
3-year-olds: Full day for Tues & Thursday			
4-year-olds: Half day for Mon, Wed, Fri		\$2,275	\$1,785
4-year-olds: Half day for Tues, Wed, Thurs	\$1,450		
4-year-olds: Full day for Mon, Wed, Fri			\$3,200
4-year-olds: Half day for Monday-Friday		\$2,725	

As we continue with regionalization of our North Hills Catholic elementary schools, we are realizing the tough financial challenge of providing a quality Catholic education in a cost-effective way. Please know that we are diligently working on this challenge.

We thank you for your prayerful support of Catholic education.

May you have a blessed Easter!

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