Presidio Hill School
Since 1918

Determining Flexible Tuition at PHS

Family and school finances are complicated matters, and even families who receive Flexible Tuition may not fully understand how the school determines grants. Communicating this process clearly so that more people understand it is a challenge faced by all tuition-charging schools, from preschool to college. Presidio Hill School seeks to make the process as user-friendly as possible.

PHS sets aside a significant percentage of its tuition revenues for Flexible Tuition offsets for families whose household economics so warrant. The qualification criteria for Flexible Tuition is calculated using, a third-party service (Clarity) in order to provide objective and consistent analysis to the Flexible Tuition committee.

Here's how we do it at PHS:

1. Review the analysis from the Clarity application.

Every family that applies for Flexible Tuition completes a questionnaire through Clarity. This information is used to compute a recommended family contribution. Clarity figures an *effective income* - gross income minus allowances (for taxes, medical expenses, and some asset protection) plus net worth (assets such as real estate, bank accounts, and investments minus qualified indebtedness) from which to determine a family's recommended tuition level.

2. Review parent/guardian's stated affordability level.

PHS asks each family to think deeply about what they can afford to pay toward tuition, including possible help from grandparents or extended family and share that figure with us in the Clarity application.

Armed with the data from both the Clarity calculation and the parental affordability figure, we then make offset decisions according to our school policies until we reach our budget allotment.

Examples of school-specific policies are as follows:

Stay-at Home Parents - Non-working Parents

All parents must work full-time and receive an income to be eligible for Flexible Tuition. We have this policy in fairness to others who work full-time and pay the full tuition without an offset from the school. We make an exception if a family has a child or children who are not yet school-aged or who care for a disabled or aging family member full time.

Multiple households, separation, divorce

The addition or removal of other adults into or from a household generally changes its financial picture substantially. We ask other parent(s) or guardians to complete a financial statement to provide a realistic picture of family resources and request mailing information if it does not appear

on the application for admission. We are also aware that family circumstances differ widely and urge parents to contact the office if such information cannot be provided, or if there are questions.

Domestic Partners

Domestic partners are treated as married couples by the Flexible Tuition committee. Ex-partners will be treated as divorced parents of the child. We will adjust family reports by adjusting the figures for family size, taxes, and income as necessary.

Cost of Living (COLA)

PHS recognizes that the Bay Area is one of the most expensive metropolitan areas in the country. When the Flexible Tuition budget allows, we take cost of living into consideration and try to adjust for this. However, as the need for Flexible Tuition grows, we may not always be able to apply the cost-of-living calculation in our final offsets.

Emergencies

PHS understands that circumstances beyond a family's control sometimes make it difficult to meet financial obligations. *We strongly urge families to first pursue emergency funding options such as loans from relatives or financial institutions*. When families are compelled to seek Flexible Tuition from PHS, we will do our best to help in these situations. However, with a limited Flexible Tuition budget, we may not be able to grant any increased flexibility if a family's situation has changed. If a returning family's need rises dramatically, the school may not be able to increase its commitment to the family, as this can restrict enrollment of new families who need Flexible Tuition rates.

Through this detailed review process by a small Flexible Tuition committee, PHS determines a family's appropriate contribution amount.

3. Balance each family's appropriate contribution within the school's budget for Flexible Tuition.

The Flexible Tuition committee reviews all applications at once to determine the total amount necessary to appropriately adjust tuition (for returning students and newly admitted students). When the total adjustment amount exceeds the budgeted amount, as is often the case at many schools, we must allocate appropriately to both meet the enrollment needs of the school and support its mission. In recent years we have had seen a need for more Flexible Tuition funds than we can afford and therefore, have had to make difficult decisions regarding funding priorities.

The following priorities were determined by an ad hoc committee under the purview of the Board's Finance Committee, and was comprised of board members, parents, staff, and administrators:

Returning students: PHS students who have received a Flexible Tuition rate have priority over returning students who have not. Sibling applicants receive the same funding priority as returning students. Newly qualified Flexible Tuition applicants for whom funds are unavailable will be placed on a Flexible Tuition waiting list.

New students: The school will set aside a percentage of its Flexible Tuition budget for new families to help maintain our socioeconomic diversity throughout the school.

The school prioritizes granting to families in grades that most need the enrollment.

Confidentiality

As the Flexible Tuition committee is committed to confidentiality, we also ask that families receiving Flexible Tuition offsets to keep this information private and not share specific information about their tuition amount with other families.

As most applications for Flexible Tuition will involve many of the factors listed above, we recognize the imperative to allocate Flexible Tuition with fairness, empathy, collaboration, and in support of the school's mission and enrollment needs.

Finally, as a member of the National Association of Independent Schools, PHS adheres to the NAIS Principles of Good Practice for Financial Aid Administration, reprinted below for your convenience:

Financial Aid Administration

Recognizing that each family bears the primary responsibility for financing a student's education costs, NAIS's Principles of Good Practice for Financial Aid Administration are designed to serve as guideposts in developing professional policies and orderly procedures among schools. Through these principles, NAIS affirms its belief that the purpose of a financial aid program is to provide monetary assistance to those students who cannot afford the cost of attending or actively participating in the life of an independent school. Furthermore, these principles reflect the standards of equity and fairness NAIS embraces and reassert NAIS's ongoing commitment to access, diversity, inclusion, and especially belonging.

Principles of Good Practice:

1. The school adheres to all applicable local, state, and federal laws and regulations, including antitrust laws and those that require nondiscriminatory practice in administering its financial aid policies.
2. The school operates within the context of both short- and long-range financial aid budget and policy goals, measures its progress toward its goals, and communicates the outcomes to its constituents as appropriate.
3. The school provides clear and transparent information to families through outreach, education, and guidance on its financial aid process and the factors that influence aid eligibility.
4. The school determines eligibility for admission without regard to a student's application for financial aid.
5. The school commits to providing financial aid dollars to applicants who demonstrate that their family resources are insufficient to meet all or part of the total cost of attendance, to enable the student's active participation in the life of the school.
6. The school continues to provide support to students for as long as they demonstrate financial need.
7. The school maintains the same standards of behavior and academic performance for recipients of financial aid as it does for nonrecipients.
8. The school enacts documented procedures that ensure a fair, consistent, and equitable assessment of each family's ability to contribute toward educational expenses.
9. The school makes and communicates financial aid decisions in a manner that allows families to make timely, careful, and fully informed enrollment decisions.

10. The school establishes administrative and accounting procedures that distinguish the school's need-based financial aid program from tuition assistance programs that are not based on financial need.
11. The school safeguards the confidentiality of financial aid applications, records, and decisions while respecting the right of each family to discuss its own financial aid outcomes in an appropriate manner.
12. The school supports collaboration between the financial aid office and other offices within the school and treats issues related to students' and families' financial barriers with sensitivity and discretion.
13. The school takes full ownership of final financial aid decisions when working with third-party consultants, vendors, and/or service providers.
14. The school supports collegial relationships that further practitioners' professional development and exchange of best practices, as appropriate and consistent with applicable antitrust laws.