



Voluntary Equitable Tuition Tax Deductible 2017-18 Contract Addendum

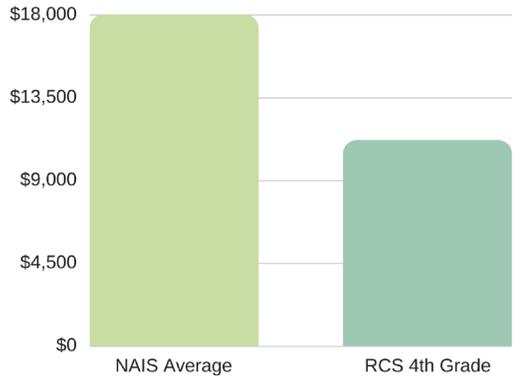
Equity in a compassionate community = Give as you are able, receive as needed.

Purpose of the new Voluntary Equitable Tuition (VET): Rainbow Community School seeks to be an equitable institution, with as much diversity as possible. Currently, tuition assistance at Rainbow is a critical component in increasing socio-economic diversity because it provides a discount to families who otherwise may not be able to afford the required tuition.

We also seek to keep tuition moderate so that RCS remains accessible to middle income families. By giving families the opportunity to pay more than the required tuition with a **VET, tax-deductible donation**, we hope to keep tuition and annual increases at moderate levels while increasing the pool of funds available for members of our community during times of need.

\$18,000	*Suggested Value of an RCS Education
-\$11,180	4th Grade Tuition
\$6,820	Difference

RCS Tuition vs. NAIS National Average



If RCS charged the full suggested value, tuition would be significantly higher, making it especially difficult for middle income families.

*Value based on National Association of Independent Schools (NAIS) national average private school tuition.

How the VET works: Fill out the lower portion of this form, indicating if you are participating in the VET program. If you choose to participate, you decide how much you'd like to contribute. The business office will bill both your required tuition amount and your VET amount each month (or annually, if you prefer to prepay for the year). **The VET portion of your tuition, considered a donation, is tax deductible.**

How much should my VET be? If you choose to participate, any amount between \$1/month and \$700/month would benefit the program. Your contribution is based on your family's economics, the value you place on RCS, and your commitment to an equitable, diverse school.

No thanks. Our family _____ will not be participating in the VET program this year.

Yes! Our family _____ will be participating in the VET program.
 Our monthly VET commitment for the 2017-18 school year will be: \$ _____
 We realize that our VET will be billed monthly, along with our required tuition amount.

Important: Your VET is a year-long commitment that is attached to your tuition contract. Once you commit, you will be billed for your VET monthly (unless you pay your annual tuition upfront).

Thank you for helping to make Rainbow Community School a more socially just organization!

Voluntary Equitable Tuition Program FAQ

What is the difference between the Voluntary Equitable Tuition program and the annual campaign?

1. As a community and a private school, we expect 100% participation in the annual campaign. There is no expectation or implied obligation to participate in the VET program.
2. The annual campaign goes toward many operating costs at Rainbow, including funds for tuition assistance. If the VET program is highly successful, annual campaign funds can go toward other projects at RCS.
3. VET funds are committed when you sign your contract and help to create a predictable resource for tuition assistance. This allows RCS the ability to promise aid to more families than otherwise possible. In contrast, annual campaign contributions are unpredictable, since we cannot foresee how much will be donated for any given year.

If I participate in the VET program, would that count as my annual campaign contribution?

Our hope is that giving to the VET program will not impact the annual campaign. We ask families who donate to VET to think of the contribution as part of their tuition and continue to make their typical annual campaign donation.

What about teacher salaries? Isn't raising them important, too?

Yes, in fact, fair and equitable teacher salaries are perhaps the most important goal we have. Therefore, teacher salary increases are included in tuition and tuition increases. They are not dependent on the VET. However, ultimately a successful Voluntary Equitable Tuition program will positively impact teacher salaries because we won't be funding tuition assistance with the general operating budget.

Why not pay tuition on a sliding fee scale?

1. Having a minimum, required tuition guarantees the funds necessary to pay annual salaries and expenses.
2. VET makes a portion of tuition **tax deductible**. This is one of its greatest advantages.
3. A sliding fee scale tuition system would require every family to submit their financial information. Whereas, VET participation is a private decision. Each family decides whether to participate and how much to contribute.

The VET program is a partial sliding scale tuition model.



How will the VET program help retain current families?

The VET program also makes more tuition assistance available for families who just need a small amount, perhaps to help with tuition increases as their child gets older. Finally, if the program is very successful, it would create a “bridge” fund for families who ordinarily pay the required tuition, but have unexpected health or economic challenges during the school year. The fund could help current families weather traumatic circumstances, so they don’t have to withdraw from RCS.

How could Voluntary Equitable Tuition impact tuition assistance?

Imagine if...

20 families give \$10/month; 20 families give \$100/month; 5 families give \$500/month.

That’s enough tuition assistance to pay for almost 3 full tuitions, 5 partial tuitions, and more for families who need a little extra help.



NOTE: This is a pilot program we are trying for the 2017-18 school year. We welcome your feedback!