CCES 2019-2020 Budget Information & Financial Statistics

FINANCIAL

Budget Fiscal Year 2019-2020 Income: $23.4 million (reflects financial assistance reductions)
Budget Fiscal Year 2019-2020 Expenses: $23.4 million (includes maintenance & gala reserve transfers)
Budget Fiscal Year 2019-2020 Net Tuition Income: $19.3 million (total tuition & fees – net of financial assistance and discounts)

Reductions:

- Financial Assistance: $2,312,935 (includes Needs Based Financial Aid, Headmaster Scholarships, Cavalier Scholarships, and Endowed Scholarships)
- Pre-payment discount: $327,978 (includes Christ Church tuition discounts)

Net Tuition covers approximately 84% of operating expenses (excluding reserves). INDEX average is 78% as of 2018-2019 school year (most recent data available).

INDEX was established in 1993 to serve selected research, planning, and information needs of its member institutions. The Large School Group is comprised of 50 independent day schools located throughout the nation that enroll 750 or more students from K through Grade 12.

- Average 2019-2020 budgeted CCES operating expense per student: $20,754; INDEX: $24,255 as of 2018-2019 school year.
- CCES’ 2018-2019 actual operating expense per student was the fourth lowest of the 50 INDEX schools that reported on a nominal basis and the sixth lowest when cost is standardized to a median cost of living for purposes of comparison.
Income from philanthropy helps make up difference between tuition and expenses: (about 6% of expenses)

- Cavalier Fund $900,000
- Endowment & Trusts $513,510

Student Activities and Auxiliary Income: *

- Yearbook and Music/Drama $28,250
- Summer & Afternoon Encounters $941,000
- Bookstore $113,000
- After-School Care: $80,400
- BMW Manufacturing Reimbursement $367,000

* Expenses incurred to generate income
2019-2020 budgeted Financial Assistance (including Needs Based Financial Aid, Headmaster Scholarships, Cavalier Scholarships, and Endowed Scholarships) has increased by approximately $63,501 from previous year to $2,312,935. This budgeted Financial Assistance amount equates to 10.5% of gross tuition income (prior to financial aid and discount reductions) vs. INDEX 12.4% of gross tuition income (prior to financial aid and discount reductions) for the 2018-2019 school year.

For students receiving 2019-2020 Needs Based Financial Aid, the average award as a percentage of tuition is 48% as compared to 61.9% as reported by INDEX for the 2018-2019 school year.

- All awards begin with outsourced need analysis by School and Student Services (SSS), an agency owned by the National Association of Independent Schools and operated by Educational Testing Service.
- 225, or 20.2% of the student body, receives ‘needs based’ financial assistance as compared to 214, or 19.5% last year.
- The investment of ‘needs based’ financial assistance produces 225 tuition paying students, who return 107 cents on every dollar invested; therefore $2,247,336 comes back as income.
- Furthermore, with the average tuition of $19,707 the average ‘needs based’ financial assistance recipient receives $9,370 of ‘needs based’ financial assistance and pays $10,337 tuition.
Based on a budgeted 1115 students attending opening day

- If we operated on a full-cost tuition basis, we would have to charge an additional $3,122 per student (the equivalent of a 16% tuition increase).
- In a sense, philanthropy is a tax-deductible way to defray tuition cost.
- Tuition increase for 2019-2020 school year = 2.98%.
- 1% of net tuition increase per year yields about $193,320 tuition income (net of financial assistance and discounts).
- Thus, 2.98% = $576,094 gross income.
- Each percentage of salary increase = $128,950.
- Average cost per hour of a CCES education (min hours 1100, rises to 1500) is about $15.16 an hour.
- Average full-time teacher salary = $55,809 (does not include staff or administration; does not include benefits – see below). Average Experience of our teachers = 18 years vs. 18 years per INDEX.
- Average salary = $36.52 an hour, absent time for preparation, grading, and required attendance at events.

Salaries and Benefits

- Salaries and benefits represent 76.8% of CCES expense (including Tuition Remission benefits provided to employees).
- Faculty and administration salaries increased by 3.0% in the 2019-2020 school year.
- Benefits average about 31% of salaries.
- CCES covers full premium on medical insurance for employees who are at least .75-fulltime.
- Spouse, children, or full family can be covered, however, employee pays full amount of premium for dependents.
- Health Savings Account is available and approximately 73% of eligible employees enroll.
- 5% non-contributory retirement contribution with up to a 4% match.
- Tuition Remission: $875,828 (faculty and staff professional courtesy discount).
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CAVALIER FUND

- The Cavalier Fund represents 3.9% of school operating budgeted expenses (INDEX average: 5.7% of expenses as of 2018-2019 school year).
- 3.9% of a student’s education that did not need to be curtailed, cut, or added to tuition cost.
- 3.9% of operating budget funded by tax-deductible contributions.

Examples of what 3.9% of $23.4 million, or $900,000 means to CCES:
- Athletics – new banners for athletic fields, new team uniforms and sports equipment for athletic teams.
- Arts – additional Fall musical production, materials and equipment for Visual Arts and Music departments.
- Facilities – Welcome Center gates, wireless fire monitoring, LED lighting upgrades, new lunchroom tables.
- Other – new mini-bus, new Diversity Coordinator.

ENDOWMENT

- $15.8 million as of June 30, 2019 including letter of intent pledges ($10.2 million controlled by the school or church for the benefit of the school; $5.6 million controlled externally). This balance excludes the Operating Reserve Fund balance and planned giving pledges.
- CCES Endowment per student minus debt: $14,171 (school has no long-term debt as of June 30, 2019); INDEX Endowment per student minus debt: $23,661 as of 2018-2019 school year.
- Endowment as a multiple of operating expense (excluding financial aid): 0.70; INDEX: 1.30 as of 2018-2019 school year.