



Beaumont School
Bridge The Gap Parent Meeting
October 28th, 2009

Good Evening and welcome. On behalf of the entire Board of Directors, Thank you for joining us this evening.

My name is Joe Gambatese, current Board Chair, but more importantly, like you, the proud parent of 3 Beaumont alums and a current freshman.

I would also like to introduce my fellow Board members that will also be presenting this evening: Peter Miller (Marketing Committee Chair), Rich Bongorno (Finance Committee Chair) and Dana Rose (Development Committee Chair). They as well, have a long history and connection with Beaumont.

We apologize for taking you away from family-time and I hope we didn't cause any undue anxiety by calling a mandatory meeting, especially in light of the recent and unfortunate news about Regina.

Our intent for this meeting was purely pro-active in nature to provide honest and open discussion with a sense of transparency.

So, first and foremost, I want to assure you that Beaumont School is **very well-managed** and **financially sound** and I hope you will agree that **we all have a vested interest** in remaining financially stable, not only today, but for long-term sustainability of the school for the benefit of our "girls", now and in the future.

I can't say enough about the Leadership Team here at Beaumont, from our President, Sr. Gretchen to our Principal, Peggy Connell, and the dedicated Faculty and support Staff. We all work together to encourage our young women:

- to take on the challenge to strive for academic excellence,
- to exercise leadership potential, and
- to live out their Catholic/Christian Faith through Service, building self-confidence.

I know this is the best place for my daughter, and I'm sure you feel the same way about yours.

The Beaumont Board, all 32 members strong, is legally and financially responsible for the School. We work hard to maintain a balanced budget and are always seeking ways to grow the Endowment, which currently is at \$7.6 million.

We are guided by our Strategic Plan and have recently updated our Master Campus Plan. Some of you may not be aware that we have just completed the purchase of all of the land that the school occupies in addition to the adjacent property, including the Mansion that was formerly owned by the Ursuline Congregation and served as the school until 1964.

Please note that the cost of acquiring such property is not factored into tuition rates. This is being funded with outside bank financing, partially offset by a generous lump-sum gift.

So, as you can see, we have a lot of exciting things currently happening at Beaumont in addition to unlimited possibilities for the future, always focused however, on the Mission of providing our young women with a Catholic education, in the Ursuline tradition, for Life, Leadership and Service.

For some time now, the Board has been discussing how we might better address the challenge we face every year on how best to fund the difference between the full cost to educate a Beaumont student and the annual tuition rate. The actual or full cost to educate each student is \$11,850, and the annual tuition is \$10,250.

Therefore, today, every student receives a Subsidy of \$1,600.

I am not sure if “bridging the gap” has been an issue for all 159 years of the schools history? But it certainly has been a topic of discussion in the years that I have been involved here at Beaumont.

Like most religious orders in the past, the Ursulines contributed their services at little or no cost to their sponsored institutions. However, times have changed and many religious orders, including the Ursulines, face financial challenges of their own.

Beaumont takes pride in the fact that we are the first Ursuline Sponsored Institution to compensate our religious at the same level as our lay faculty and staff. This is not only fair and just, it’s the right thing to do.

The Board of Directors is responsible for setting tuition rates every year and this decision must be made in early January for the following school year, hence, one of the reasons for calling this meeting at this time.

I will now turn the presentation over to Peter Miller who will further explain why “Bridging the Gap” is so important.

Why Bridge The Gap?

Good evening.

My name is Peter Miller and this is my third year serving on the Beaumont Board of Directors. It has been my pleasure to donate my time, expertise and money to support Beaumont School in meeting its mission to educate young women for life, leadership and service.

My wife Beth Kavran attended Beaumont School in the 80’s, my mother-in-law attended Beaumont in the 50’s and my daughter Madeleine is currently a student in 6th grade at Gesu School.

At Gesu we have a similar gap between the full cost of tuition and the amount charged parents. The “gap” at Gesu is made up by the parish and voluntary contributions from parents who understand that their contributions will provide more resources and opportunities for their children.

Families that pay back a portion, or all, of the subsidy that they are receiving from Beaumont help the school to:

- maintain a high level of academic excellence by giving us the resources to hire more teachers which decreases the class size and expands the breadth of courses available to students;
- acquire the latest technology and equipment like the Naviance program used in the college application process or the security system installed last year;
- upgrade and improve athletic facilities and equipment;
- attract the best and brightest students regardless of their ability to pay the full cost of a Beaumont education; and
- preserve our long-standing presence in the community dating back to 1850.

As Joe Gambatese explained to you, Beaumont has and will continue to manage its budget in a responsible fashion that will ensure that your daughters receive an education in a safe and stimulating environment.

All of our contributions to Bridge the Gap will reduce the need to increase tuition to a level where it is unmanageable for more parents.

In the interest of being transparent, Rich Bongorno will now give you information on Beaumont's balance sheet.

What is the Difference Between the Annual Fund and the Gap?

- Nothing. Any contributions made to the annual fund or the Bridge the Gap fund are considered part of the same pool.
- If you are already making an annual fund donation (at less than the gap), we are asking you to consider increasing it to the gap amount (\$1,600) while your daughter(s) are at Beaumont.
- The annual fund is supported by alumnae, friends, the board, faculty and staff. The Bridge the Gap fund is a specific request of the parents/families who are benefitting from the gap subsidy.
- Specifically, we are asking each family to consider a voluntary (tax-deductible) contribution to the Bridge the Gap fund of the amount of the gap/subsidy (\$1,600) while your daughter(s) are at Beaumont.
- We ask each family to consider if their financial situation allows them the wherewithal to provide the voluntary donation. If you are able, we ask that you consider a full gap donation.
- If you feel you cannot make the full Bridge the Gap donation of \$1,600, we ask that you consider an amount less than the full amount. Any amount is appreciated and will be helpful toward our mission.
- If you cannot make the full Bridge the Gap donation, we ask for your help in talking to other potential Bridge the Gap donors (like grandparents) who might be financially able to cover the subsidy for your daughter.

- All amounts paid in under the Bridge the Gap fund are voluntary and, as such, are tax deductible. If the Board chose to increase tuition, the amounts would not be tax deductible.
- Finally, whether you can contribute to the Bridge the Gap fund or not, we ask for your support by promoting (where possible) the Bridge the Gap fund with others in the parent community.

Revenue Sources

- Annual Tuition & Fees are 83% of our total revenue sources.
- Fundraising is just 4% of our revenue sources and includes the annual fund as well as fund raising events (primarily the Mad Hatter).
- The Endowment Fund is the annual harvest taken from our endowment funds. It's now slightly above 5% of its current value (\$400,000 vs. \$7.5MM).
- Other revenue (4%) includes Government funds/mandated services, cafeteria income, etc.

Again, tuition is by far our major source of income.

Tuition is set by the Finance Committee and the Board in large part as the amount that is needed to balance the annual budget.

An increase in Bridge the Gap donations will allow us to keep tuition down for everyone and to permit us to do more of what makes Beaumont great.

Annual Expenditures

- Salaries and Benefits are by far our major cost at 75% of our annual budget. Our goal here is to stay competitive. Our teachers are willing to work at Beaumont for much less than they could make at public or non-catholic private schools. We do pay a competitive wage vs. most other Catholic schools.
- Instructional expenses are at only 10%, but a small dollar increase from the Bridge the Gap fund could make a significant impact on the education experience at Beaumont.
- Plant Operations expenditures are 7% of our budget. Mostly fixed and out of our control (utilities, R&M).
- Financial Assistance is only 6% of the budget. We would like to be able to do more to allow Beaumont to be affordable for all who belong here.
- Capital Expenses are 2% of our budget. Major outlays here are funded by separate capital campaigns. The Bridge the Gap fund would allow for more things like computers and peripherals, security system, athletic equipment, etc.

I will now turn the presentation over to Dana Rose who will talk about the benefit of a Beaumont education to a family.

Thank you, Rich.

First of all, I want to thank you for coming out on a Wednesday night to listen to our presentation. More importantly, I want to thank all of you who have already contributed to the Annual Fund which benefits all the daughters of Beaumont, including yours. I want to make a couple of comments and then talk about a couple of Beaumont graduates that I know.

Of course, today, the elephant in the room is the apparent closing of Regina High School after its more than a half century of providing Catholic faith based education.

Like you, I've read some of the articles including comments left by readers of the online Plan Dealer stories a couple of which really caught my attention.

Like Beaumont, Regina has a funding gap between what it charges for tuition and its actual cost to educate a student. One newspaper story indicated that the cost to educate a Regina student was \$12,700 per year.

Here is one reader comment to that story:

\$12,700 for a high school education is outrageous for the average income family, whether it is Regina or other Catholic schools. Education is important. However, someone needs to start letting the people who charge these enormous fees know that it's high school, not college.

As indicated previously, the current annual cost to educate a Beaumont student is \$11,850. Out of curiosity, I gathered some information on what the annual per pupil expenditure is for various local school districts and here are some figures for districts of particular interest:

Beachwood	\$20,500 per pupil
Shaker Heights	\$16,700 per pupil
Cleveland Heights	\$16,200 per pupil
Orange	\$19,000 per pupil

Now we understand that it's tax dollars that pay for these public school students and that you sacrifice to send your daughters to Beaumont, but I think it does show that Beaumont is being fiscally responsible with an annual pupil expense of \$11,850.

Here is another comment from a woman who apparently graduated from Regina about 25 years ago:

It's a shame that other young women will not get to experience a Regina education. I will pray for a miracle because I know what God can do and how powerful prayer is. Regina High is in my heart forever.

We know that prayer is a powerful thing. Girls learn quite a bit about that around here. However, in addition to our prayers we need to be pro active to ensure that a Beaumont education is afforded to more young ladies now and well into the future.

And now a few words about a couple of Beaumont graduates that I know.

The first is my wife of 25 years, Chris Churchill Rose. Enough said.

The second is my daughter, Emily Rose, who graduated a few years ago. She wouldn't be happy with me for talking about her.

Em is your average bright young lady. Not a national merit finalist or semi-finalist. She graduated from Beaumont and was offered some wonderful academic scholarships to a number of universities.

Em loves Beaumont, however, she is not a rah-rah sort of person.

Once in her college sophomore year, my wife asked her whether she felt Beaumont had prepared her. Emily responded, "Yes, Mom, it really did. Many of my college friends don't really even know how to write a paper." Then Em went on to tell a story about her friend who we'll call Susie. Emily and Susie were in a class together. One night Emily was at the library studying for the next day's test in that class. Susie was hanging around Emily's cubicle sort of curling her hair with her fingers saying things like "I really don't think the test is going to be that hard. Do you think it's going to be difficult? I don't think it's going to be that hard." Finally, Em turned to her and said, "You know, Susie, I know this test will be less difficult if you study for it." I love common sense.

Here's another quote from Emily while I was talking to her on the telephone during her freshman year of college. "I have a paper due in two weeks and I want to finish my second draft today." I love preparation.

My mom asked her, "Are you working hard at college?" The answer, "I have to, Grandma. I need to hold onto my academic scholarship."

One recent Friday when Em was home on break, I arrived home from work about 7:00 p.m. and she was getting into the car with her youngest brother, our son Jake, who has Down syndrome. I asked her where they were going. She replied, "I'm taking Jake to the new 3D Toy Story movie."

A couple of weeks ago I was sitting at my desk at 8:15 a.m. when the phone rang. The caller ID showed it was Emily, who is not generally up at 8:15 unless she has a class. I asked her what she was doing. She told me she had just gone to 7:30 mass with a friend who was having a bad week.

If you give to the annual fund, I won't guarantee that your daughter will be popping up every morning for 7:30 mass.

There is nothing exceptional about Emily Rose. She is just another Beaumont graduate from its 160 year history and we want to assure that Beaumont produces many more over the next 160 years.

What can you do today? First, give. Your donation is tax deductible. We really are asking for contributions of the full gap amount of \$1,600, but no gift is too small. On the other hand, of course, no gift is too large either.

Remember, your gift is tax deductible – your tuition is not.

We are passing out a form for you to complete and ask for all families to consider making a donation to Beaumont today. All donations to the Bridging the Gap campaign can be paid throughout the current school year until June 30, 2009. This is the same time frame as the Annual Fund Campaign, and many people use this extended time to honor pledges made.

Our goal this evening is to have 100% parent participation in Bridging the Gap.

Finally, educate others about the gap and about Beaumont School. Help recruit other young ladies to attend Beaumont School.

Thank you.

And now I'd like to ask Sister Gretchen to conclude our meeting.

Good Evening!

First, we would like to thank the gentlemen responsible for this evening's presentation. We appreciate the time and effort they put into their remarks. Honestly, we are blessed to have such dedicated men and women on our Board, committed to our mission and all that Beaumont stands for.

And special thanks to all of you

Thanks for coming this evening

Thanks for sending your daughter to Beaumont

And thank you for anything you can do to help us Bridge the Gap

We would ask that the commitment sheet that has been distributed this evening, if possible, be returned as you leave this evening. You can place it in the container on the stage. If you need to discuss the information on the form with your spouse, please return the form to the school office no later than Friday, November 6. You will receive an additional copy electronically later this week as a reminder.

You may have some questions about tonight's presentation. Know that we will be happy to stay and answer them. Feel to speak with any of these gentlemen, or Peggy Connell, our principal; Lisa Andreani, our Director of Finance, Barb DiTurno, our Development Director or myself.

Again, we offer you our thanks for supporting our efforts to Bridge the Gap!