

Waldorf School of the Peninsula Tuition Protection Program Policy

For the 2006/2007 academic year, Waldorf School of the Peninsula instituted an effective business practice common to many private schools involving the assessment of a tuition protection fee. In essence this fee helped the school establish a tuition insurance program which increased the school's ability to count on the tuition revenue from enrolled students for any given academic year. As tuition revenue accounts for X% of all revenues received, it is critical to protect that significant base from unanticipated fluctuations due to student withdrawals. In this program families pay into a self-insurance pool which will then be available, as needed, to draw from when a student withdraws from the school.

The elements of the program are as follows:

- All families are required to pay a \$200 tuition protection fee (per family, not per student), payable annually as part of the enrollment contract.
- Should a student withdraw from WSP before June 30th of the calendar year in which the academic year starts, a full refund less the non-refundable \$600 deposit will be given.
- When a student withdraws on or after July 1st, the tuition protection program is activated and the family is refunded 60% of the unused school days less the non-refundable \$600 deposit, the \$200 tuition protection fee and the applicable activity fee. The 40% balance of the pro-rated tuition revenue is payable by the family to WSP.

Calculating the Costs:

The best way to show how it works is to use an example, so let's say a student leaves WSP on day 117. There are 167 days in the school year so there are 50 un-used days. We would calculate like this:

1. Annual tuition is \$13,350
2. Divide by the 167 days for a daily "rate" of \$79.94
3. Multiply the daily rate by the number of unused days: $\$79.94 \times 50 = \$3,997.00$
4. The tuition protection pool * will be drawn down by 60% of \$3,997.00 or \$2,398.20
5. The family will be assessed 40% of the anticipated tuition amount of \$3,997.00 or \$1,598.80

*The tuition protection pool is \$200 X number of enrolled families for any given year.