



De La Salle Santiago Zobel School

Ayala Alabang Village, Muntinlupa City, Philippines 1780, Tel. No.: 771-DLSZ Website: www.dlszobel.edu.ph

MEMORANDUM

To: Parents and Guardians of Grade 1 and Grade 7 Students of DLSZ

From: Paul A. Zalzarriaga, Director for Finance Department
De La Salle Santiago Zobel School, Inc. (DLSZ) *P. Zalzarriaga*

Noted: Br. Bernard S. Oca FSC, President
De La Salle Santiago Zobel School, Inc. *B. Oca*

Albert Vincent Y. Yu Chang, Chairman and President
Jill Chua-Paca, Vice President

Lovella Feria, Vice President and Level Chair for Grade 6/Incoming Grade 7 *L. Feria*
Cheska Pagaria, Level Chair for Kinder/Incoming Grade 1
DLSZ (De La Salle Santiago Zobel School) Parents Association, Inc. (DLSZ PA) *C. Pagaria*

Re: Additional Tuition Fee Increase and Campus Development Fee for Grades 1 and 7

Date: March 24, 2015

Attached is a Q&A (question and answer) brief that seeks to explain the additional 10% tuition fee increase and the additional Php 10,000 campus development fee for grades 1 and 7 DLSZ students, which was presented to parents and guardians of grades 1 and 7 DLSZ students in a memorandum dated February 11, 2015 (the Memorandum).

This is in response to issues raised by grades 1 and 7 parents and guardians through the DLSZ PA and based on consultations with DLSZ PA officers.

In the Memorandum, we announced the following tuition and campus development fee increases:

For all grade/year Levels:

Five percent (5%) tuition fee increase
Php 500 increase in campus development fees

For grades 1 and 7:

Additional Ten percent (10%) tuition fee increase in tuition
(representing an entry level premium charge)
Additional Php10,000 campus development fee

Any further questions or concerns may be sent to me by email at paul.zalzarriaga@delasalle.ph.
If necessary, I would be happy to meet with parents and guardians to personally discuss any questions or concerns regarding tuition and campus development fees.

QUESTIONS AND ANSWERS:

1. What is the rationale behind the tuition fee and campus development fee increases for AY 2015-16?

Tuition fee increases are used by the school to fund salary increases of faculty and staff for the new academic year.

Development fees are collected for institutional capital expenditures, such as buildings, laboratories, classrooms, and other related infrastructure. Development fees cannot be used for any other purpose.

2. How did you decide on the rates and amounts of tuition fee increase and campus development fees?

For AY 2015-16, we initially proposed a tuition fee increase of 7% to the multisectoral committee on tuition fees in a meeting held for consultation purposes based on our target salary increases, projected operational expenses and our planned capital expenditures.

Following the presentation to the multisectoral committee, the DLSZ PA, through its president, proposed a 4% increase.

As a compromise, we submitted a budget to the DLSZ Board of Trustees (BOT) in December which applied a 5% across the board increase for all year levels and an additional 10% increase in tuition for Grades 1 and Grades 7 as an entry level premium charge.

Additionally, we proposed an additional P10,000 campus development fee for grades 1 and 7 students.

Despite the foregoing tuition fee increase and additional campus development fees, the school is projected to operate at a deficit of Php 53,008,740 for AY 2015-16.

The foregoing proposal was approved by the DLSZ Board of Trustees in a meeting held on January 7, 2015.

2. Why is there a 10% entry level premium charge and a P 10,000 increase in campus development fees for grades 1 and 7 students?

An entry level premium charge and an additional increase in campus development fees will be charged for grades 1 and 7 students in light of the following considerations:

- The campus development fees are intended to cover, in part, the cost of a new Php 200 million grade school building.
- Grades 1 and 7 are considered as "entry point" levels into the school. Students at these levels anticipate completing the elementary and high school programs of the school, and utilizing campus facilities for six (6) academic years (i.e., grades 1 to 6, and grades 7-12, respectively).
- The school typically receives the highest number of applications to these grade levels every year. For AY 2015-16, we received 177 applications for 74 open slots in grade 1, and 78 applications for 29 open slots in grade 7.
- Parents and guardians who would like to explore alternative educational opportunities outside DLSZ have more alternatives at these levels (i.e., grades 1 and 7), as other schools in Southern Metro Manila are generally open to admission and offer more slots at these levels.

3. Why were the tuition fee increases and campus development fees not communicated to parents and guardians earlier?

The tuition fee and development fee increases were presented and approved by the DLSZ Board of Trustees in a meeting held in January 7, 2015. However, operational bottlenecks and our desire to thoroughly review the revised budget assumptions prevented us from communicating with parents and guardians at an earlier time. The Memorandum regarding tuition fee increases and additional campus development fees was released on February 11, 2015.

Based on discussions with DLSZ PA officers, we are looking into streamlining our finance processes and procedures and adjusting our timelines with the aim of announcing future adjustments to tuition fees and campus development fees at an earlier time to give parents and guardians an earlier opportunity to evaluate options in the future.

4. What steps are being taken by DLSZ to mitigate the disruptive effects on family finances by these latest round of increases for tuition and development fees for Grades 1 and 7?

In light of the concerns raised by grade 1 and grade 7 parents and guardians, as discussed with us by DLSZ PA officers in various consultations and meetings, and to help mitigate the effects of the latest round of tuition and campus development fee increases on family budgets, DLSZ is offering the following options:

- If eligible, parents are encouraged to apply for scholarships and/or financial assistance for their children. Kindly please refer to the DLSZ family portal for details on the application process for scholarships and financial assistance.
- In case of any cash flow or financial concerns, and upon written request from parents and guardians of grades 1 and 7 students, DLSZ will customize payment schedules for such campus development fees for AY 2015-16.
- For AY 2015-16 only, there will be a grace period between the enrollment date until March 31, 2016 wherein DLSZ will waive surcharges and penalties for the portion of the incremental 10% increase in tuition fees and the Php10,000.00 development fee increase for grade 1 and 7 parents and guardians that will remain unpaid within such grace period. Late payment surcharges and penalties will only be charged after the lapse of the grace period by March 31, 2016.