GOVERNANCE PARTNERS

Resource Guide

BEFORE SETTING TUITION...

Strategic Questions to Guide Board Decision-Making

Tuition-Setting Decision Checklist

Step 1: Confirm the Financial Foundation

□ Has the operating budget been built from identified cost drivers?
□ Are projected staffing and compensation increases clearly defined?
□ Have benefits, insurance, and major contracts been reviewed?
□ Are reserve contributions included in the budget?
□ Is non-tuition revenue realistically projected?

Step 2: Calculate the Base Tuition Requirement

□ What is projected expense growth?
□ What is projected non-tuition revenue growth?
□ What percentage increase is required to balance the operating budget?

Step 3: Evaluate Strategic Needs

□ Are reserves at appropriate levels?
□ Are there capital or facilities needs to consider?
□ Will the staffing plan as budgeted enable mission-driven program delivery?
□ Is compensation competitiveness a priority this year?
□ Does the proposed increase align with multi-year financial projections?

Step 4: Test Against Enrollment & Market Reality

□ How does proposed tuition compare regionally?
□ What is the current discount rate / net tuition impact?
□ What is the enrollment trend (growth, stable, decline)?
□ What level of increase could create enrollment risk?

Step 5: Stress-Test the Decision

□ Have we modeled enrollment sensitivity (best case / likely / worst case)?
□ Would we still remain financially stable with a small enrollment decline?
□ Are we avoiding a reactive “tuition spike” next year?

Step 6: Governance & Communication

□ Can the board clearly explain the rationale in plain language?
□ Is the increase defensible based on documented cost drivers?
□ Does the decision align with long-term sustainability?
□ Is there a clear communication plan for families?

Final Reflection for the Board

Before approving the tuition increase, ask:
• Are we protecting mission delivery?
• Are we protecting financial sustainability?
• Are we protecting enrollment stability?

If the answer to all three is yes, the decision is likely sound.

Tuition-setting should not be an annual adjustment. It is a strategic governance decision that shapes institutional stability and community trust.

ABOUT CD GOVERNANCE PARTNERS

CD Governance Partners works with international school boards and school leaders to strengthen governance, build effective board practices, and support the partnerships that enable schools to thrive.

Our services include governance reviews, board retreats and facilitation, policy and bylaw development, governance training, and strategic governance support tailored to the international school context.

> ### CONTINUE THE CONVERSATION
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> Every Board's governance journey is different. If this guide has prompted questions or highlighted opportunities for your Board, we would be pleased to discuss how CD Governance Partners can support your work.

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