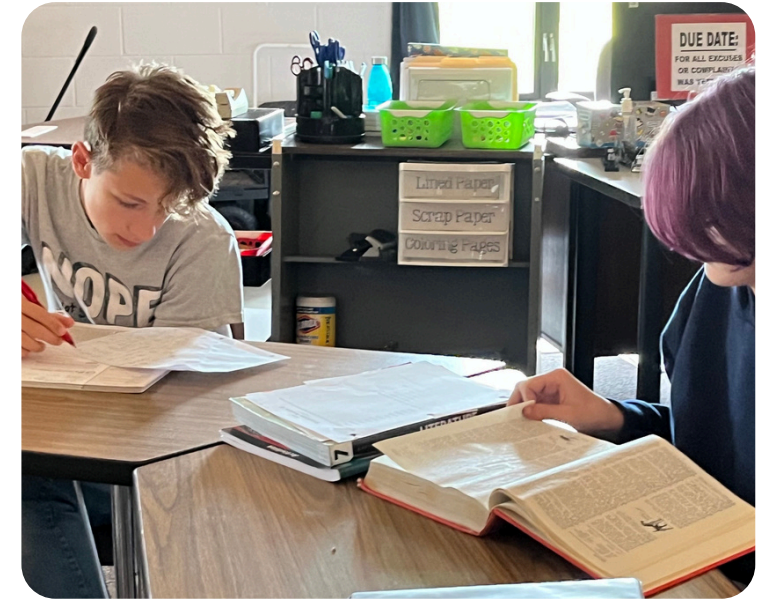




"INSPIRING STUDENTS TO IMPACT THE
WORLD FOR JESUS CHRIST THROUGH
AN EXCELLENT EDUCATIONAL
EXPERIENCE FROM A BIBLICAL
WORLDVIEW."

Classrooms



Chapel



INVESTING IN
THE NEXT GENERATION
OF GCS PATRIOTS

LIGHT AT THE END OF THE TUNNEL

Since the beginning, Grace Christian School has been in the tunnel depending on God's provision through faithful supporters to make Christian Education more affordable for families. Year after year, we ask in faith for God to provide through many of you. What we ask for is difficult to provide; sacrificial giving. There is an opportunity on the horizon that could completely flip our financial model.

The Federal Government **already passed** a tax credit (\$1,700 per taxpayer) that will help people give to student scholarships starting in 2027. The details of this are provided on the next page. The State of Michigan has not been friendly to private education, and this program requires the governor of the state to opt into the scholarship program. We have an election in 2026 for Governor. We need to communicate as a community to both the Democrats and Republicans that this is important to us and it is a means for them to get votes; it needs to be a campaign issue where both parties will pledge to opt in to get federal dollars to support education in the State of Michigan. Please reach out to your representatives and the State parties as a whole.

The Five-Year Plan

It has seemed to be a poor use of time to plan for more than 2 years ahead at Grace Christian School due to the instability of enrollment, finances, and staffing; it is hard to say we will plan on x, y, or z with any seriousness in our voice. Dreams we have, of course, but an actionable plan requires resources in hand. Considering that there is a significant and stable revenue source on the horizon totally changes what is possible for Grace. I've outlined some of those plans for you on page 5.

What about today?

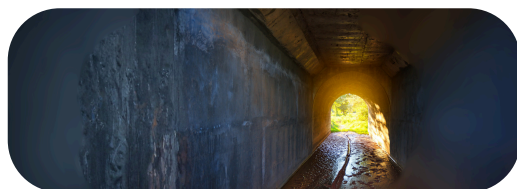
If the light is as bright and wonderful as I expect it to be, what must be done while we are in the tunnel? Grace Christian has subsidized tuition for decades with fundraising and sacrificial giving of its supporters. There has been plenty of debate over the years among our school boards and families regarding the best course of action with respect to tuition rates. We are praying that we will raise \$100,000 by year's end by the love offering of our supporters. It has been said that *Grace is a sinking ship and I do not want to put my money in a hole that will not survive*. Well, we are going to survive (God willing and God has been willing for 52 years), and as we position ourselves correctly with this tax credit, we are going to thrive. To get there we need God's help. Will you be the instrument He uses?

In October we received a \$40,000 gift from a local family (not connected to Grace) that called us from 'out of the blue'. They came out to visit a school they had never been to and talked with me about what our school stands for. They talked about their philanthropy and said they want to support work that God is doing. Four weeks later, the man quietly dropped off a check; God provides!

I'm excited about what God has in store for Grace Christian School. Please consider helping us get to the coming light.

Benjamin Williamson

Benjamin Williamson
Administrator



\$1700 TAX CREDIT STARTING 2027

This is not hopeful legislation; it has already been passed. There are a lot of details to work out, but there are some very encouraging big picture truths that we can begin building a ground game for. This is something that can make fundraising optional. We (more than a few people) need to be excited and do the work to make this a realization for Grace. Here are some basic truths as I understand them:

- First, this requires our Governor to opt in to this federal program. Governor Whitmer will be termed out and this needs to be a campaign issue, so that whether red or blue, we need to pressure the incoming Governor to promise to help in the education of all students. Scholarships can be issued for public school needs as well.
- This is a tax credit, not a deduction. What this means is that every dollar you give to the Scholarship Granting Organization (SGO) will come back to you against your tax liability as a full dollar. It is \$1700 per tax paying person and \$3400 as a married couple. The logic is that you are going to pay the federal government that money anyway, so why not give it to the SGO for them to issue a scholarship to Grace students? This is federal and crosses state lines.
- The Scholarship Granting Organization is a 501(c)(3) set up to distribute scholarships to students who apply. I will be working with Heritage Christian, Howardsville Christian, and River of Life schools to set up our own Scholarship Granting Organization so that we are not dependent on an out-of-touch 3rd party. SGOs have to distribute 90% to student scholarships, serve at least 10 students and at least 2 schools. Our SGO will do better than giving back 90%.
- This program is scheduled to start January 1, 2027, which means individuals may begin to give to SGOs at the beginning of the 2027 year. SGOs will be able to disburse scholarships for the 2027-2028 school year. Individuals will receive their tax credit in the spring of 2028 when they file for the 2027 tax return. This will be made available year after year.
- To qualify for the scholarship from the SGO, the financials of the family applying must be under 300% of the median income. The federal median income for 2024 was \$83,730. If that number is accurate, families that make under \$251,190 would qualify. Generally, this number increases every year.
- There are no limits to scholarship dollars. Ideally, Grace Christian could raise tuition to \$20,000 and the SGO could award \$18,000 scholarships per student regardless of how many students per family.

There are 155,000 people in Berrien County alone. How many of them would like to see their tax dollars directly help local education? How many more countrywide? We need to begin to share this information with people who pay taxes to prepare them to give money they are already paying to the federal government starting in 2027. Are there not 5,000 people in our Christian sphere of influence who could help make this a reality for our school?

For more information, check out: <https://www.fisherphillips.com/en/news-insights/one-big-beautiful-school-choice-budget-bill-provides-key-tax-break.html>.

Looking to build a team to make this a huge success! Let me know if this is you.

Benjamin Williamson

Benjamin Williamson
Administrator



5 YEAR PLAN

25-26	26-27	27-28	28-29	29-30
Current year 125 enrollment New Hybrid Learning deployed in the Secondary FACTS SIS & Financial Management introduced across the board Ambassador Program launched and is dependent on the gifts of our supporters to make it through. Administrator will work with other Christian School administrators to establish our own Scholarship Granting Organization (SGO) beginning in January 2026.	Another Survive Year Intend to grow enrollment to 135 Continue to run lean. Tuition will be static. Install improvements to the Hybrid learning Use FACTS more effectively across the board. With God's Grace and the gifts of our supporters, and the work of the Ambassadors, we will make it through. Emphasis on building a culture that is Christ-centered. Broadly communicate about \$1700 Tax Credit (see page 4)	Recovery Year Enrollment target: 180 Raise tuition across the board. All families apply to the SGO for scholarship. o Tuition cost to parent will be supplemented by the SGO Bring back in person Secondary teachers and maintain the hybrid model for those who choose it. Mildly adjust base pay for staff. Establish a bonus system until the tax credits are permanent or we develop another permanent source of income. Athletics will be positively affected by increased enrollment. Fundraising will be directed toward projects: • Gym roof & flat roof replacement • Windows • High school wing addition • Stage/band room addition Serious contributions to our Endowment will be made for long-term stability.	Development Year Enrollment Target: 200, nearing capacity until building projects are funded. Raise tuition relative to SGO scholarships. Continue to add SGO contributors. There is no limit to the number of people who can give to your SGO. There is no reason we cannot have \$17 million a year to distribute to scholarships. That is 10,000 people giving to our SGO instead of paying that same money to the Federal Government. Build up the Endowment Fund. Consider preschool expansion/relocation. Serious contributions to our Endowment will be made for long-term stability.	Continuance Regardless of whether we have 125 or 200 students, our mission is to train them up to impact the world for Jesus Christ. I have prayed that God would allow me the opportunity to be faithful to Him and our mission during a time of plenty. Biblical history teaches that it is difficult to be faithful when wealthy.

See notes on page 6

- The **New Hybrid** learning in the Secondary was introduced in the 25-26 school year to help the school be in a better financial position and provide more options for our student population. We offer 2 publishers, Bob Jones and Alpha Omega, that provide our students with the core curricular content through a digital medium. Bible class and electives are in person.
- **FACTS** is a robust Student Information System and Financial Management System where our parents enroll, access student progress, and pay bills. FACTS is more algorithmic and we expect to see our office work decline as our families become more familiar with this new interface.
- The Grace Christian **Ambassador Program** aims to raise \$1 million over the next three years through a network of Ambassadors (those who love Grace Christian & will ask others to support the school on a regular monthly basis). Contact Marshall Downs at mdowns@gcspatriots.com for more information.
- The **Scholarship Granting Organization (SGO)** will be established in the beginning of 2026. It will a 501(c)(3) that people can donate to for student scholarships at Grace.
- The dramatic increase in enrollment will be due to the financial burden of attending Grace being reduced by the SGO's scholarships. We have said in the past that increased **Enrollment** would fix many of our financial problems. Imagine increased enrollment with strong tuition payment because of the federal tax credit. This will affect many aspects of our school including athletics, band, and after school clubs.
- Our building needs are coming regardless of the financial status of the school. We will be strategic with **fundraising** and maintain conservative principles with new tuition dollars to address those needs.
- With so much anticipated change during years 2.5-4 it is hard to know what challenges year 5 will have. It is nearly foolish to assume anything other than what we intend to be: faithful to our **mission** and founding documents:

"Inspiring students to impact the world for Jesus Christ through an excellent educational experience from a biblical worldview."



**TWIN CITY SHARKS
FOOTBALL**

**LADY PATRIOTS
VOLLEYBALL**

**LAKERS CO-OP
CROSS COUNTRY**

Fall Sports

UPCOMING EVENTS

CHRISTMAS WORSHIP	<i>December 5, 2025</i>
ACSI MUSIC FESTIVAL	<i>March 13 - 14, 2026</i>
ANNUAL BENEFIT AUCTION	<i>March 21, 2026</i>
MISSION TRIP	<i>March 22 - 28, 2026</i>
GCEA ANNUAL MEETING	<i>April 14, 2026</i>
ELEMENTARY MUSICAL	<i>May 8, 2026</i>
GRADUATION	<i>May 21, 2026</i>

Recess

Patriots-In-Action

SERVED & SERVING

**SERVE IN LOVE
Galatians 5:13**