



3/18/20

To: Shrewsbury School Committee

From: Karen Isaacson, Director of Extended Learning

RE: Extended School Care – Report and Tuition Recommendation

Extended School Care Financial Forecast

Extended Day revenue can no longer cover its costs without significant cuts to program operations. Annual modest tuition increases have not kept pace with expense. Unpredictable factors impacting the budget include changes in enrollment, students requiring 1:1 support, and families qualifying for reduced fees. Shrewsbury ESC tuition is in the bottom 10% of surround communities. We strive to keep our program affordable for Shrewsbury families, but by maintaining low tuition rates, we are unable to build a cushion to absorb the cost of unpredictable circumstances.

Local Rate Comparison

Shrewsbury ESC charges among the lowest tuition for similar services in the region. A survey of over 40 local programs shows an average monthly tuition of \$398 for after school services.

Town/Program	Program type	2019-2020 Monthly Rate
Medfield	Private	\$575
YMCA - Westborough	private	\$572
Acton-Boxborough	public	\$541
Holliston	public	\$495
Dover-Sherborne	public	\$477
Canton	Private	\$475
Hopkinton	Private	\$475
Framingham	Private	\$465
Winchester	Private	\$465
Sudbury	public	\$449
North Middlesex	Private	\$445
Natick	public	\$440
Franklin	public	\$435
Marlborough	private - in school	\$425
Shrewsbury - Little Beginnings	private	\$425
Shrewsbury - Learning Experience	Private	\$425
Westborough	public	\$424
Southborough	private - in school	\$415
Northborough	private - in school	\$410
Shrewsbury Montessori	Private	\$410
Watertown	public	\$408

State reimbursement rate for subsidized care		\$403
Shrewsbury - Lilliput	Private	\$400
Marlborough - boys and girls	private	\$400
Uxbridge	public	\$396
Ashland	public	\$380
Worcester - Guild of St. Agnes	private in schools	\$378
Worcester - Boys and Girls club	private	\$378
Nashoba Regional	public	\$370
Berlin Boylston	public	\$360
Shrewsbury - GLC	Private	\$360
Norfolk	public	\$346
Worcester - Creative Hub Worcester	private	\$342
Millis	public	\$309
North Andover	public	\$299
Wilmington	public	\$294
Framingham	public	\$290
Shrewsbury ESC	public	\$286
Westwood	public	\$280
Shrewsbury - St. Mary	private	\$270
Hudson	private - in school	\$270
West Boylston	public	\$240

FY21 Projected expense

Salary	\$1,364,411
Benefits (Health, Car, Phone)	\$202,810
Electric	\$50,000
Trips/events/snacks/supplies	\$165,000
Admin expenses	\$5,500
Professional Development	\$5,000
Online payment fees	\$50,000

Total expense	\$1,842,721
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*includes step raises, 1.5% cost of living increase, 5% health insurance increase and 3 new employees adding health insurance. Other expenses remain level.

FY21 Projected revenue - no tuition increase, same FTE

Tuition	\$1,674,173
Reduced Fee	(\$117,192)
Registration Fees	\$11,500
Other fees (late payment, etc)	\$9,000
Vacation program revenue	\$65,000
Summer revenue	\$61,000

Total Revenue	\$1,703,481
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Loss	(\$139,240)
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Tuition would need to increase 10% just to break even, but we recognize this is a significant increase and may be a strain on some families. By implementing some changes to staffing levels and cutting some expenses, we could get by with a 7% tuition increase.

Cost saving strategies:

- Change the adult to student ratio to 1:13 (currently 1:10)
 - Increasing hours and investing in benefits for 2-3 employees will allow us to maintain strong teams with fewer employees
- Do not fill positions that are vacated through attrition
- Bring in a few entry-level employees (such as high school or college students) at \$15 per hour instead of current starting pay of \$19.36
- Eliminate a few field trips throughout the year, replace with in-house entertainment

Rate History

Fiscal Year	After School Rate	Before School Rate
2008	\$226/month	\$102/month
2013 – 15% increase	\$260/month	\$118/month
2018 – 3% increase	\$268/month	\$122/month
2019 – 3% increase (eliminated sibling discount and added \$25 early release day fee)	\$276/month	\$126/month
2020 – 3.5%	\$286/month	\$130/month
2021 – 7% (proposed)	\$306/month	\$139/month

Current enrollment challenges, and possible solution for 2021-2022 implementation

Currently parents can choose any schedule that fits their needs (2-day minimum) and are able to drop or change days throughout the year. This leaves Fridays with significantly lower enrollment than other days, and other days with one or two openings. It can be very difficult to fill these openings on the wait list. (for example, many people have turned down the opportunity to enroll on just Mondays and Fridays, preferring to remain on the wait list for a 5-day opening.

Many other after-school programs restrict enrollment to only 3 options

1. 5 days per week
2. Tuesday, Thursday
3. Monday, Wednesday, Friday

Advantages

- Increase revenue by \$70K
- More predictable revenue stream
- Easier waitlist management
- Able to incorporate cost of early release days into option 1 and option 2 – eliminating the need for separate early release day fee

current # students enrolled by day							Annual tuition	Total revenue
	Mon	Tue	Wed	Thu	Fri	FTE		
Beal AM	13	16	16	15	15	15	\$1,300	\$19,500
Beal PM	34	38	37	39	34	36.4	\$2,680	\$97,552
Coolidge AM	53	50	54	52	50	51.8	\$1,300	\$67,340
Coolidge PM	78	81	81	79	62	76.2	\$2,680	\$204,216
Floral AM	55	58	55	56	52	55.2	\$1,300	\$71,760
Floral PM	114	124	118	121	98	115	\$2,680	\$308,200
Paton AM	59	59	64	57	59	59.6	\$1,300	\$77,480
Paton PM	71	72	70	72	61	69.2	\$2,680	\$185,456
Spring AM	43	44	46	45	39	43.4	\$1,300	\$56,420
Spring PM	73	68	70	73	49	66.6	\$2,680	\$178,488
Sherwood	93	110	108	112	78	100.2	\$2,680	\$268,536
						Total FTE	688.6	\$1,534,948

Hypothetical consistent daily enrollment							Annual tuition	Total revenue
	Mon	Tue	Wed	Thu	Fri	FTE		
Beal AM	16	16	16	16	16	16	\$1,300	\$20,800
Beal PM	38	38	38	38	38	38	\$2,680	\$101,840
Coolidge AM	52	52	52	52	52	52	\$1,300	\$67,600
Coolidge PM	80	80	80	80	80	80	\$2,680	\$214,400
Floral AM	56	56	56	56	56	56	\$1,300	\$72,800
Floral PM	120	120	120	120	120	120	\$2,680	\$321,600
Paton AM	60	60	60	60	60	60	\$1,300	\$78,000
Paton PM	72	72	72	72	72	72	\$2,680	\$192,960
Spring AM	45	45	45	45	45	45	\$1,300	\$58,500
Spring PM	72	72	72	72	72	72	\$2,680	\$192,960
Sherwood	110	110	110	110	110	110	\$2,680	\$294,800
						Total FTE	721	\$1,616,260
							Additional revenue	\$81,312
							Additional staff	-\$11,234
							net gain	\$70,078

Disadvantages

- less flexibility for families
- some families will have to pay for days they don't need

Given the amount of change and disruption occurring in our district now, this recommendation for fewer options to purchase might be best deferred to implementation in 2021-2022 so that we have time to gather some survey data on interest, refine our revenue estimates, and have advance communications to our parent community.

Impact of new Beal School on ESC

The current Beal program has the capacity for 50 students. We anticipate being able to accommodate at least 120 students in the new Beal, increasing overall ESC enrollment by 70 students in FY22.

Since there are still 125 people on the waitlist for the 19-20 school year, I don't expect to eliminate the waitlist, but the number of people on the list will decrease, and the list will be more evenly distributed across all schools. Currently Beal, Coolidge and Sherwood have no waitlists, Spring has a short wait list, but Paton and Floral have people who have been on the wait list for more than 2 years, and still may not get a spot in September of 2020. It is particularly difficult to get a spot in Floral ESC, in spite of its large capacity, because most of the vacancies are filled by the extended day students at Beal who move to Floral for 1st grade.

Once redistricting is complete and students are assigned to their schools for September of 2021, I will be able to reconfigure the wait list. Families will maintain their place in line based on their original date of application. It's hard to predict how this will impact enrollment and staffing at each site. Changing the enrollment/schedule options to coincide with September 2021 enrollment will make it significantly easier to plan appropriate staffing levels and project revenue.