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# **Extended School Care Re-opening Fall 2020**

Extended School Care (ESC) provides a critical child care need for the parents of Shrewsbury Public School students.

Last year we served 825 students (roughly 26% of all K-6 students)

The pandemic has created a child-care shortage throughout the state, making it more important than ever that ESC be available to families.

Our desire is to serve this need in a way that is financially self-sufficient and does not rely on any school budget resources.

# Impact of Pandemic on enrollment

- Enrollment dropped from 715 students per day (5 days per week) to 250 students per day (4 days per week)
- Without significant changes to ESC rates and structure, we will operate at a loss of \$20,000 per month
- The ESC account balance was depleted by pay continuation during the closure from 3/13 – 5/1



# Updated budget assumptions

- Students only attend the days they are in school in person, and no programs on Wednesday – all families pay 2-day tuition rate
- Staffing at 1:13 ratio, 4 days per week
  - Reduce # of AM staff by 12 FTE
  - Reduce # of PM staff by 38 FTE
  - All remaining staff work 20% fewer hours due to 4 day week
- Wage freeze for all staff and admin
- Assumes current level of reduced fee (approximately 8% of total revenue)
- Guarantee re-enrollment when we return to 100% in-person learning, be it this year, or next year. No family will have to go back on the wait list.
- Waive 30-day notice for withdrawal
- ESC admin assistant has been reassigned to a new position

# Monthly budget projection

Tuition	\$49,338
Reduced Fee	(\$3,947)
<b>Total Revenue</b>	<b>\$45,391</b>
Wages	\$44,167
Benefits	\$12,000
Electric	\$5,000
snacks/supplies	\$2,860
online payment fees (3%)	\$1,362
<b>Total expense</b>	<b>\$65,389</b>
<b>Profit (loss)</b>	<b>(\$19,998)</b>

*Significant tuition increase will be required to operate the program with a balanced budget.*



# Inadvisable to combine sites

- Limited capacity due to social distancing
- Transportation challenges
- Avoids mixing students from multiple schools

## Waitlist

- There are over 300 students on the waitlist, but many have likely chosen remote learning, or would decline for other reasons.
- Every effort will be made to increase enrollment from the waitlist, and the school community in general. Capacity is limited due to social distancing.



# Local Rate Comparison 2019-2020

Town/Program	Program Type	Monthly 2 day rates
Westborough YMCA (provides transportation from SPS)	Private	\$229
Acton-Boxborough	Public	\$191
Hopkinton	Private	\$190
Framingham	Private	\$186
Shrewsbury – Little Beginnings	Private	\$170
Shrewsbury – Learning Experience	Private	\$170
Westborough	Public School	\$170
Northborough	Non-profit in School	\$164
Shrewsbury – Montessori	Private	\$164
Shrewsbury - Lilliput	Private	\$160
Worcester	Private – in schools	\$151
Shrewsbury – GLC	Private	\$144
Framingham	Public School	\$116
ESC	Public School	\$114
West Boylston	Public School	\$96



# Required rate increase to cover expenses

Program	2019-2020 rate	Approved 7% increase	60% increase over FY20
Before School	\$52/mo	\$56/mo	\$83/mo
After School	\$114/mo	\$122/mo	\$182/mo

Note: parents who qualify for free and reduced lunch will not be effected by the 60% increase. Rates will reflect our originally approved tuition for 2020-2021

Free lunch 80% discount = \$11 AM and \$24 PM per month

Reduced lunch 60% discount= \$22 AM and \$48 PM per month





# Updated Rate Comparison

Town/Program	Program Type	Monthly 2 day rates
Westborough YMCA	Private	\$229
Acton-Boxborough	Public	\$191
Hopkinton	Private	\$190
Framingham	Private	\$186
ESC 60% increase	Public Schools	\$182
Shrewsbury – Little Beginnings	Private	\$170
Shrewsbury – Learning Experience	Private	\$170
Westborough	Public School	\$170
Northborough	Non-profit in School	\$164
Shrewsbury – Montessori	Private	\$164
Shrewsbury - Lilliput	Private	\$160
Worcester	Private – in schools	\$151
Shrewsbury – GLC	Private	\$144
Framingham	Public School	\$116
West Boylston	Public School	\$96



Note: All other towns listed at last year's rates. FY21 rates unknown.

# Why such a big increase?

- Enrollment dropped 65% with limited ability to increase
- Charging for 4 days instead of 5 days
- Fewer families paying \$20 registration fee = \$8,000 loss
- No additional revenue earned from summer extended day and vacation week programming (typically \$50K after expenses)
- Fixed costs (benefits, electricity) are not reduced



# Additional concerns

- Additional students withdrawing
- Greater percentage of families qualifying for reduced fee
- Additional need for 1:1 student support
- Percentage of waitlist choosing remote, or not interested in enrolling
- This model assumes minimal staffing required to operate. The preferred model would be to have at least 3 adults per after-school site. Efforts will be made to increase enrollment to cover the cost of additional staff.



# Enrollment and Staffing

	Students per day	Minimum staff
Beal AM	8	2
Beal PM	12	2
Coolidge AM	20	2
Coolidge PM	26	2
Floral AM	21	2
Floral PM	35	3
Paton AM	20	2
Paton PM	21	2
Spring AM	18	2
Spring PM	30	3
Sherwood	41	3



# Monthly Projection

60%  
increase

Tuition	\$73,509
Reduced Fee	(\$6,688)
<b>Total Revenue</b>	<b>\$66,821</b>
Wages	\$44,167
Benefits	\$12,000
Electric	\$5,000
snacks/supplies	\$2,860
online payment fees	\$2,005
<b>Total expense</b>	<b>\$66,032</b>
<b>Profit (loss)</b>	<b>\$789</b>



# Options

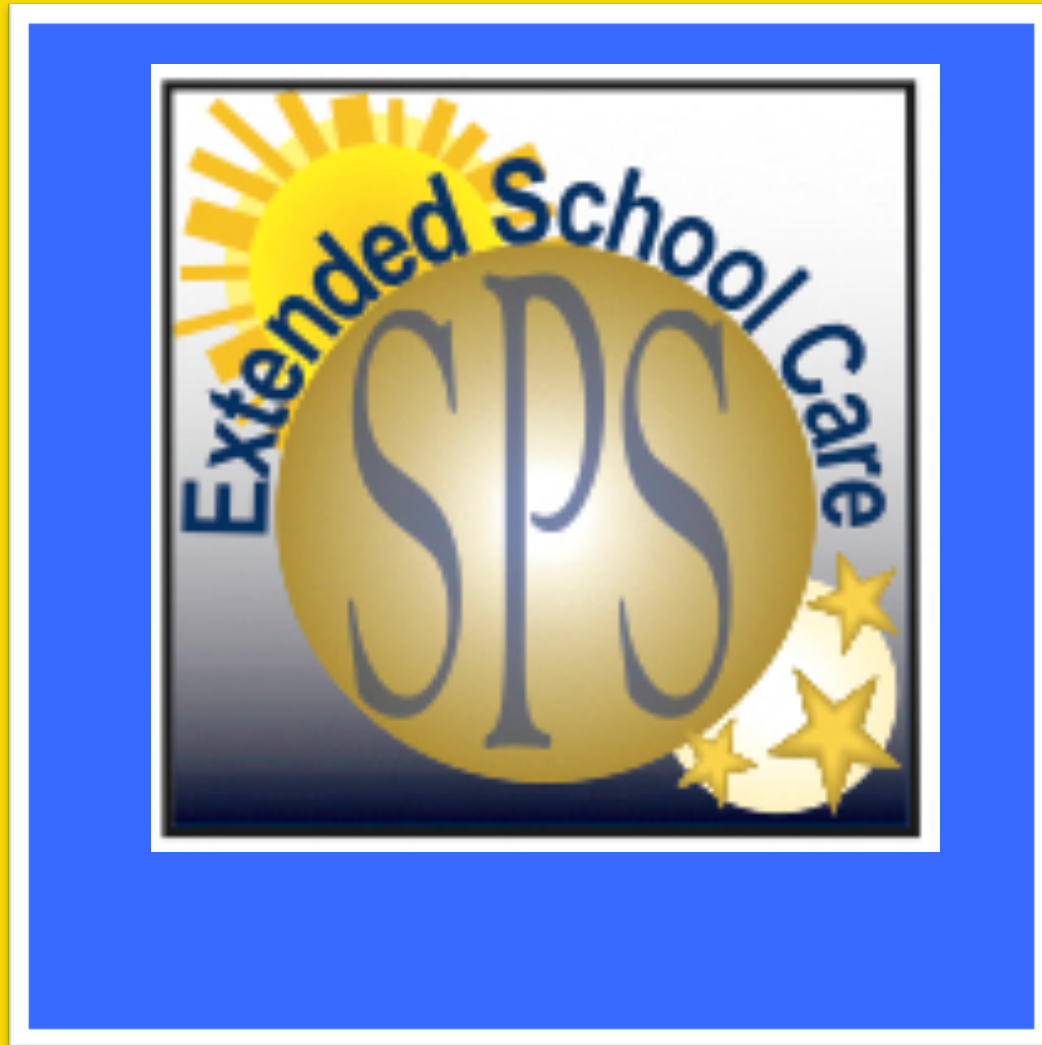
1. Increase tuition 60% and continue to operate the program (assuming we are able to sustain current level of enrollment of 250 FTE)
2. Suspend ESC operations until we are able to offer 100% in-person learning at school.



# Recommendation

- Continue to support working families who need child care during this challenging time
- Increase tuition by 60% for all full-fee families
- Hold reduced-fee tuition to original FY21 rates
- Return to a lower rate of tuition when we return to full 5-day capacity





**Questions?**