

HALIFAX REGIONAL SCHOOL BOARD
EXCEL Fee Structure
Proposed Fee Increases

PURPOSE: To present options to the Board for a decision regarding increasing EXCEL Program fees effective September 1, 2016.

BACKGROUND: The HRSB operates the EXCEL Before and After School Program as a service to our communities. While not all indirect operating costs are charged directly to the program, the net proceeds from this operation have been used to support the General Fund budget and allow HRSB to direct additional resources to the classroom.

Fees are charged to those using the service. It is appropriate to periodically review these fees to assess their reasonableness. If changes are approved by the Board, it is important that sufficient advance notice be given to parents who use the service.

CONTENT: **EXCEL Before & After School Programs**

There are currently four different fees associated with the EXCEL program. The most significant are the actual program fees paid by parents for the daily before and/or after school care. Refer to Table 1 in Appendix A for further detail. Sibling discounts of 10% for the second child in a family and a 15% for the third and additional children in a family are offered on the monthly rates.

The current fees were last revised in September 2011. Operational costs have continued to rise during the past five years and to-date have been absorbed into general operations. The most substantial cost pressure to the program is for the program staff wages. Wage increases for program staff have been offered each year in order to remain competitive within the market and with other HRSB casual wage rates. The recruitment and retention of program staff is a primary focus to ensure the ability to offer consistent and quality programming to participants. Program staff wage costs have also grown given the program's inclusion efforts.

Hourly wage rates for the Group Leaders responsible for supervising the participants have grown 8.8% since September 2011, while the Program Team Leader hourly wage rates have increased by 22.6% in that same time period.

Further cost pressures have been realized in relation to rising costs associated with increased cost of fresh fruits and vegetables for daily snack service and the loss of the Province’s milk subsidy program in Fall 2014. Staff are planning the elimination of daily snack from the program for 2016-2017 in order to minimize potential increases to program fees through reductions to operational costs. A survey of similar service providers in HRM identified that the majority of these programs do not offer snacks. In the Fall 2015 “Why EXCEL?” parent survey, 0% of the respondents indicated that snacks were a primary reason for selecting EXCEL for their child.

As part of the assessment of the reasonableness of the fee structure, the cost of EXCEL’s program services and fees were compared to fees of local service providers. Recent research has indicated that EXCEL program fees continue to be significantly lower than most external service providers and an increase of 20% would still keep EXCEL fees competitive with other external service providers. See Table 2 in Appendix A for further detail.

Fee increase options for full time program participants are:

<u>Program</u>	<u>Current Monthly Fee</u>	<u>5% Increase</u>	<u>7.5% Increase</u>
Before School	\$84.00	\$88.20	\$90.30
After School	\$210.00	\$220.50	\$225.75

Based on the two options for fee increases, total revenue to the HRSB is estimated to increase by (assuming rates take effect September 1, 2016 and the same percentage increase is applied to both programs):

	<u>5% Increase</u>	<u>7.5% Increase</u>
Fiscal Year 2016-2017	\$323,700	\$485,600
Each Fiscal Year Thereafter	\$455,400	\$683,100

Currently, not all of the program revenue is generated from full time participants in the program(s). When capacity is available, part-time applicants may be accepted. Families can enroll students to attend anywhere from one to five days per week and pay the appropriate percentage of the full time fee. It should be noted that the acceptance of part-time students limits the availability of program access to full-time participants.

An analysis of similar local service providers was conducted in December 2015 and identified that other external providers do not offer part-time participation to applicants. Service providers employ staff on a full time basis and part time fees do not recover the associated costs. This added cost pressure is also encountered by EXCEL. See Table 3 in Appendix A for further detail.

As demand for full-time participation within communities has increased, the availability of part-time participation has diminished. The registration process has become cumbersome and has led to frustration by parents as availability of part-time participation may vary from year to year. Currently only 14% of program participants in the After school program are part-time participants.

In Fall 2015, EXCEL surveyed current participants seeking to learn the key factors considered when selecting EXCEL as the program for their child. See Table 4 in Appendix A for further detail. The top three factors identified included:

1st choice	Convenience of In-School Program
2nd choice	Cost of program
3rd choice	Quality of care & capable staff

In consideration of these factors, staff’s recommendation would be to increase the full time program fees by 5% and limit enrolment to full time participation. Alternately, the Governing Board could consider a fee increase of 7.5% and maintain the current participation level requirements. Staff would strive to find additional necessary savings through operational opportunities. Staff also recommends an annual review of the EXCEL fees to ensure they remain current and reasonable.

COST: N/A

FUNDING: N/A

TIMELINE: It is recommended the Board consider the rate options in the January 2016 time frame. The effective date of any change is recommended for September 1, 2016. A communication plan would be implemented to provide sufficient notice of rate increases.

APPENDICES: Appendix A EXCEL Before & After School Programs

RECOMMENDATIONS: It is recommended that the Board consider and adopt one of the two following options for EXCEL rate increases effective September 1, 2016.

- a) To implement a fee increase of 5% for all program participants with a change to limit enrolment to full-time participation only.

- b) To implement a fee increase for 7.5% for all program participants with no change to participation level requirements.

COMMUNICATIONS: For further information please contact Joanne Williams, Coordinator – EXCEL at (902) 464-2000 ext. 2495 or email at jwilliams@hrsb.ca or Terri Thompson, Director of Financial Services at (902) 464-2000 Ext. 2241 or e-mail at tthompson@hrsb.ca.

TO:	Audience	Responsible	Timeline
	EXCEL parents	Joanne Williams	February 2016 Registration Process

Filename: *EXCEL Proposed Fee Inc*
Date last revised: *January 22, 2016*

EXCEL Before & After School Programs

Table 1 – 2015-2016 EXCEL Program Fees

After School - Full Time	\$210.00	Per Month
Before School - Full Time	\$84.00	Per Month
Late Pickup Fee - after 6pm	\$10.50	Per Incurrence
Annual Registration (per family)	\$31.50	Annually

Table 2 – Program Fee Market Analysis - 2014

Organization/ Program Name:	EXCEL	Boys & Girls Club of East Dartmouth	Canada Games Centre Halifax	Play, Learn & Grow Bedford Highway	First Friends Day Care Lower Sackville	Room to Grow Lower Sackville	YMCA (7 Halifax schools)	Beech Tree Academy BLT area	Kingswood Kids Hammonds Plains area	Marshall's Active Program Dartmouth	Creative Kids Education Hammonds Plains	Growing Place Woodlawn Plaza
Before school – daily/monthly	\$84/mth	\$55/mth	n/a	\$7.25/day or \$134.85/mth	n/a	\$5/day or \$93/mth	\$6.21/day or \$115.50/mth	\$114/mth	\$130/mth	n/a	\$8/day or \$45/mth	\$430/mth for Before & After
After school – daily/monthly	\$210/mth	\$175/mth	\$260.4/mth for non- members	\$14.50/day or \$269.70/mth	\$13.50/daily & \$270 mth	\$15/day or \$279/mth	\$15.53/day or \$288.86/mth	\$304/mth	\$320/mth	\$325 mth/ \$550 for 2 or \$700/family	\$19/day or \$350/mth	\$430/mth for Before & After

Table 3 - Participation Market Analysis – December 2015

Organization/Program Name:	EXCEL Child Care	Canada Games Centre Halifax	Boys & Girls Club of East Dartmouth	YMCA	Marshall's Active Program	Growing Place Woodlawn Plaza	Beech Tree Academy BLT area	Play, Learn & Grow Bedford Highway	Creative Kids Education Hammonds Plains	Kingswood Kids Hammonds Plains area
Do they offer part-time participation to Before and/or After participants?	YES	NO	NO	NO	NO	NO	NO	YES, upstairs room only	YES	YES
If so, is there a fee premium to do so? What is it?	5%	N/A	N/A	N/A	N/A	N/A	N/A	YES	YES	YES
If no, did you ever?	N/A	N/A	N/A	N/A	Yes. Stopped 2 yrs ago. Too busy of a program, too large to manage, much easier to manage reg & waitlist without PT	Not to their knowledge	N/A	N/A	N/A	N/A

Table 4 – Why EXCEL? Parent Survey responses – November 2015

Please rank and identify the top three reasons why your family have chosen to register your child(ren) to participate in the EXCEL Program:

	Convenience - in-school program location	Cost of program	Daily snack service	Emphasis on recreational activities	New learning opportunities for students	Opportunity for part-time participation	Program Operating hours	Quality of care and capable staff	Social interaction with peers	Variety of craft, science & recreation activities	Other	Total Responses
First Choice	989 (70.4%)	82 (5.8%)	0 (0.0%)	20 (1.4%)	12 (0.9%)	9 (0.6%)	88 (6.3%)	123 (8.8%)	39 (2.8%)	24 (1.7%)	19 (1.4%)	1405
Second Choice	183 (13.1%)	325 (23.2%)	4 (0.3%)	104 (7.4%)	26 (1.9%)	50 (3.6%)	210 (15.0%)	205 (14.6%)	195 (13.9%)	93 (6.6%)	7 (0.5%)	1402
Third Choice	87 (6.2%)	197 (14.1%)	18 (1.3%)	128 (9.1%)	50 (3.6%)	45 (3.2%)	167 (11.9%)	205 (14.6%)	273 (19.5%)	204 (14.6%)	28 (2.0%)	1402