

Population And Special Education Task Force

Revenue Opportunities, Analyses,
Options and Recommendations

PRELIMINARY ONLY

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Early Education

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Overview and Discussion

- Schools required to provide early education to children with IEP for 4 hours per day.
- Schools required to affirmatively look for children who could be 'at-risk'
- Environment must include at least 1 'typically developing' child for each special needs child
- Brookline runs at 2:1. Potentially could be reduced.
- Service can be outsourced. Schools suggest no savings.
- Brookline charges typically developing children for AM and extended day for all children
- Total population approximates 300 per year
- BEEP deficit exceeds \$3 million per year
- Revenue opportunity exists

Comparison of BEEP Morning Fees To Market Comps.

Ages 3.0-4.11 Morning Pre-K	Brookline		Apple Orchard	Clinton Path	Corner COOP	KI
	Various	Lynch PM				
Hours	21.25	12	18.75	20	15	15
Cost	\$8,955	\$5,480	\$16,950	\$9,809	\$8,127	\$8,970
Cost Per Hour	\$11.71	\$12.69	\$25.11	\$13.62	\$15.05	\$16.61
	Trust Center	Pine Manor	Rainbow			
	Pre-K	Pre-k	Half			
Hours	20	22.5	25			
Cost	\$10,455	\$9,796	\$9,350			
Cost Per Hour	\$14.52	\$12.09	\$10.39			
		No Apple Orchard				
Average with Brookline	\$14.64	\$13.34				
Average Without Brookline	\$15.34	\$13.71				

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Incremental Income Potential

	INCREMENTAL INCOME AT FOLLOWING RATES				
		2013 164 Paying Students			
Hourly Cost	\$13.34	\$ 13.71	\$14.64	\$15.34	\$16.61
Revenue	\$205,016	\$251,437	\$368,114	\$455,936	\$615,271
Increase From 2013	14%	17%	25%	31%	42%
Annual Cost	\$10,197	\$10,488	\$11,200	\$11,735	\$12,707

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“Fuller Day” Comparisons

	Brookline Various Programs						Clinton Path	Corner COOP	KI
Pre-K ED	Lynch, Putterham, BHS 1			BHS 2			ED	ED	ED
Hours	26.75	29.50	35.00	32.25	37.75	48.75	35.00	27.50	30.00
Cost	\$11,201	\$12,324	\$14,570	\$12,713	\$14,592	\$18,350	\$15,409	\$ 15,977	\$16,020
Cost Per Hour	\$11.63	\$11.60	\$11.56	\$10.95	\$10.74	\$10.46	\$12.23	\$16.14	\$14.83
Pre-K Fuller Day	Trust Center		Pine Manor		Rainbow				
	ED	ED	ED	FD	Extended	Full			
Hours	45.00	30.00	35.00	50.00	40.00	50.00			
Cost	\$20,112	\$16,261	\$14,186	\$18,577	\$11,000	\$14,000			
Cost Per Hour	\$ 12.41	\$ 15.06	\$11.26	\$10.32	\$7.64	\$7.78			
	Less Than 35 Hours	More Than 35 Hours							
Average with Brookline	\$13.37	\$10.49							
Average without Brookline	\$15.34	\$9.88							

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Recommendations

- Pricing for BEEP should be increased at a rate of 10% per annum until such time as they equal or exceed the average, on a per hour basis in the market for programs of similar duration, nature, quality and location (excluding Brookline schools and the Apple Orchard).
 - Based on data provided by BEEP, the peer group for the morning Pre-K would be Clinton Path, Corner COOP, Kehilith Israel, The Trust Center, Pine Manor and Rainbow pre-school half-day. Pre-school peers would be Kehilith Israel and the The Trust Center. Extended day peers would include the programs identified above for Pre-K with a recognition that a distinction should be made between options that total less than 35 hours and options that total more than 35 hours.
- Pricing tiers for BEEP and its extended day options should reflect overall market conditions.
- There is reason to price BEEP at levels that reflect the premium quality of the services it provides.

Soule Early Education

- Program run by Rec. Dept. for children aged 12 months to 5 years
- Total capacity of 72 children
 - No special needs children
- Montessori and Reggio Emilia philosophies
- Rec rates low
 - Increasing substantially over next few years

Soule Fees Vs. BEEP Fees

Soule-72 Slots 10 Months	(8-12:30)	(8-4)	(8-6)	(8-4)	(8-4)	(8-6)	(8-6)
Hours Per Week	22.5	24.0	30.0	32.0	40.0	40.0	50.0
Pre-School (2.9-4.9)	\$4,960	\$7,630	\$8,920	\$8,520	\$9,410	\$10,560	\$11,630
Per Hour Cost	\$5.80	\$8.37	\$7.82	\$7.01	\$6.19	\$6.95	\$ 6.12

Pre-School	Brookline		Apple Orch.	KI	Trust Center	
	BEEP AM	BEEP PM	Pre-School	Pre-S	Pre-S	Toddler
Hours	16.25	8	18.75	15	20	18.75
Cost	\$6,850	\$3,460	\$16,950	\$8,970	\$10,455	\$12,900
Cost Per Hour	\$11.71	\$12.01	\$25.11	\$16.61	\$14.52	\$19.11
		No AO				
Average with Brookline	\$16.51	\$14.79				
Average Without Brookline	\$18.84	\$16.75				

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“Fuller Day” Pre-School Comps

Soule-72 Slots 10 Months	(8-6)	(8-4)	(8-4)	(8-6)	(8-6)
Hours Per Week	30.0	32.0	40.0	40.0	50.0
Pre-School (2.9-4.9)	\$8,920	\$8,520	\$9,410	\$10,560	\$11,630
Per Hour Cost	\$7.82	\$7.01	\$6.19	\$6.95	\$ 6.12

	KI	Trust Center				Pine Manor		Rainbow	
	Pre-S	ED-P	ED-P	ED-T	ED-T	ED	FD	Extended	Full
Hours	30	45	30	45	28.75	35	50	40	50
Cost	\$16,020	\$20,112	\$16,261	\$22,450	\$18,450	\$14,186	\$18,577	\$11,000	\$14,000
Cost Per Hour	\$14.83	\$12.41	\$15.06	\$13.86	\$17.83	\$11.26	\$10.32	\$7.64	\$7.78

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Soule Vs. Baldwin

Soule-72 Slots 10 Months	(8-12:30)	(8-4)	(8-6)	(8-4)	(8-4)	(8-6)	(8-6)
Hours Per Week	22.5	24.0	30.0	32.0	40.0	40.0	50.0
Pre-School (2.9-4.9)	\$4,960	\$7,630	\$8,920	\$8,520	\$9,410	\$10,560	\$11,630
Per Hour Cost	\$5.80	\$8.37	\$7.82	\$7.01	\$6.19	\$6.95	\$ 6.12

Hours Per Week	25	30	35	40
Infant and Young Toddler	\$15,040	\$16,910	\$18,040	\$ 20,620
	\$16.71	\$15.66	\$14.32	\$14.32
Toddler and Pre-School	\$13,260	\$14,870	\$15,810	\$ 18,070
	\$14.73	\$13.77	\$12.55	\$12.55
Pre-school	\$10,630	\$11,940	\$12,710	\$14,520
	\$11.81	\$11.06	\$10.09	\$10.08

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Potential Incremental Income

	(8-12:30)	(8-4)	(8-6)	(8-4)	(8-4)	(8-6)	(8-6)
Hours Per Week	22.5	24	30	32	40	40	50
Pre-School (2.9-4.9)	\$4,960	\$7,630	\$8,920	\$8,520	\$9,410	\$10,560	\$11,630
	\$5.80	\$8.37	\$7.82	\$7.01	\$6.19	\$6.95	\$6.12
COST AT FOLLOWING RATES							
\$11.00	\$ 9,900	\$10,560	\$13,200	\$14,080	\$17,600	\$17,600	\$22,000
\$12.00	\$10,800	\$11,520	\$14,400	\$15,360	\$19,200	\$19,200	
\$13.00	\$11,700	\$12,480	\$15,600	\$16,640	\$20,800	\$20,800	
\$14.00	\$12,600	\$13,440	\$16,800	\$17,920			
\$15.00	\$13,500	\$14,400	\$18,000	\$19,200			
INCREMENTAL INCOME							
\$11.00	\$355,680	\$210,960	\$308,160	\$400,320	\$589,680	\$506,880	\$746,640
\$12.00	\$420,480	\$280,080	\$394,560	\$492,480	\$704,880	\$622,080	
\$13.00	\$485,280	\$349,200	\$480,960	\$584,640	\$820,080	\$737,280	
\$14.00	\$550,080	\$418,320	\$567,360	\$676,800			
\$15.00	\$614,880	\$487,440	\$653,760	\$768,960			

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Current Rec Proposed Increases

Projected at 20% per year FY15-FY17. In FY17:

Soule-72 Slots 10 Months	(8-12:30)	(8-4)	(8-4)	(8-6)	(8-6)
Hours Per Week	22.5	32.0	40.0	40.0	50.0
Pre-School (2.9-4.9)	\$8,582	14,717	16,258	\$18,245	\$20,102
Per Hour Cost	\$10.60	\$12.78	11.29	\$12.67	\$ 11.17

Current (2013) Market Rates

	KI	Trust Center				Pine Manor		Rainbow	
	Pre-S	ED-P	ED-P	ED-T	ED-T	ED	FD	Extended	Full
Hours	30	45	30	45	28.75	35	50	40	50
Cost	\$16,020	\$20,112	\$16,261	\$22,450	\$18,450	\$14,186	\$18,577	\$11,000	\$14,000
Cost Per Hour	\$14.83	\$12.41	\$15.06	\$13.86	\$17.83	\$11.26	\$10.32	\$7.64	\$7.78

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Considerations/Questions

- Legal question as to who can use Soule Building
 - Town counsel examining
- If only Rec
 - Focus on increasing rates faster
 - Grandfather old and increase per Rec schedule
 - Admit new with 'market' schedule
 - Examine price points, especially half-day pricing
- If Schools as well
 - Evaluate benefit of merging program into BEEP
 - Uniform programs and mission alignment
 - Expands 2:1 ratio
 - Potentially higher net revenue
 - Relative limitations on cost recovery
 - Potentially higher costs

Baldwin

- Building on Heath Street used for staff day care/early education, free of charge
- Priority given to school staff, then Town employees then other families.
- Building also home for Winthrop House
 - Where high school students who have missed classes for extended periods of time can work to get caught up with schoolwork

Baldwin

- Current Configuration has capacity for 32 children
- Current (2103) tuition schedule:

Hours Per Week	25	30	35	40
Infant and Young Toddler	\$15,040	\$16,910	\$18,040	\$ 20,620
	\$16.71	\$15.66	\$14.32	\$14.32
Toddler and Pre-School	\$13,260	\$14,870	\$15,810	\$ 18,070
	\$14.73	\$13.77	\$12.55	\$12.55
Pre-school	\$10,630	\$11,940	\$12,710	\$14,520
	\$11.81	\$11.06	\$10.09	\$10.08

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Options

- Charge rent of \$25,000 per year to program. This amounts to an increase ranging from 3.7% for full day infant to 7.1% for half-day pre-school.
- Explore whether the space should be given to BEEP.
 - Staff rates with rent at or approaching market; switching their children to private programs may be financially neutral.
- Consider infant only at Baldwin for staff and residents. Eases changes at Soule. May offer better space utilization.

Baldwin With Rent Vs. Local Comps.

	25	30	35	40
Infant and Young Toddler	\$15,798	\$17,668	\$18,798	\$21,378
	\$17.55	\$16.36	\$14.92	\$14.85
Toddler and Pre-School	\$14,018	\$15,628	\$16,568	\$18,828
	\$15.58	\$14.47	\$13.15	\$13.07
Pre-school	\$11,388	\$12,698	\$13,468	\$15,278
	\$12.65	\$11.76	\$10.69	\$10.61

	KI	Trust Center				Pine Manor		Rainbow	
	Pre-S	ED-P	ED-P	ED-T	ED-T	ED	FD	Extended	Full
Hours	30	45	30	45	28.75	35	50	40	50
Cost	\$16,020	\$20,112	\$16,261	\$22,450	\$18,450	\$14,186	\$18,577	\$11,000	\$14,000
Cost Per Hour	\$14.83	\$12.41	\$15.06	\$13.86	\$17.83	\$11.26	\$10.32	\$7.64	\$7.78

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After-School Activities

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After-School Activities

- Task force has only reviewed extended day and winter gym usage to date
- Wide variety of other after-school activities
 - January 2012 ‘Out of School Time Review Report’ outlines significant concerns with space, usage of space, coordination and communication, accessibility and funding.

Extended Day

- Currently run by 8 separate 501-c 3 entities and one 'oversight' 501-c 3.
- Seven of eight programs are in school buildings rent free. Devo is renting space at KI
- Population served approximates 1100 students with daily average of 905 (960 and 790 without Devo)

Extended Day Fees

Charges Per Month For Days Per Week

	1	2	3	4	5	Hours
Baker	\$ 136	\$ 253	\$ 354	\$ 443	\$ 516	3.67
Heath	\$ 150	\$ 278	\$ 392	\$ 464	\$ 488	3.42
Devo	\$ -	\$ 341	\$ 468	\$ -	\$ 589	3.42
Runkle	\$ -	\$ 230	\$ 344	\$ 458	\$ 573	3.25
Pierce	\$ -	\$ 252	\$ 379	\$ 505	\$ 568	3.67
Driscoll	\$ -	\$ 312	\$ 390	\$ -	\$ 511	3.5
Lawrence	\$ -	\$ 300	\$ 390	\$ 475	\$ 510	3.5
Lincoln	\$ 159	\$ 317	\$ 470	\$ 515	\$ 560	3.5

Charges Per Hour For Days Per Week

	1	2	3	4	5	Hours
Baker	\$ 9.26	\$ 8.62	\$ 8.04	\$ 7.54	\$ 7.03	3.67
Heath	\$ 10.96	\$ 10.16	\$ 9.55	\$ 8.48	\$ 7.13	3.42
Devo	\$ -	\$ 12.46	\$ 11.40	\$ -	\$ 8.61	3.42
Runkle	\$ -	\$ 8.85	\$ 8.82	\$ 8.81	\$ 8.82	3.25
Pierce	\$ -	\$ 8.58	\$ 8.61	\$ 8.60	\$ 7.74	3.67
Driscoll	\$ -	\$ 11.14	\$ 9.29	\$ -	\$ 7.30	3.5
Lawrence	\$ -	\$ 10.71	\$ 9.29	\$ 8.48	\$ 7.29	3.5
Lincoln	\$ 11.36	\$ 11.32	\$ 11.19	\$ 9.20	\$ 8.00	3.5

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Extended Day

- Devotion ED currently paying \$5,000 per classroom at KI
- Charge of \$24,500 per program represents \$171,500 for the Town
- Incremental cost of approximately \$18 per child per month (\$22 on average daily)
- Increase ranges from about 3% to less than 5% of revenue per program.
- Task force recommends charge

Gym Use

- Gyms are, or could be, open late most evenings and weekends
- Substantial demand for gym space
 - Some Brookline travel teams pay at Park
- Currently used but not revenue optimized
- Opportunity for significant revenue if managed centrally and appropriate fees implemented
 - Even with discounts for some programs
- One analysis indicates as much as \$200,000-\$400,000 during basketball season alone

Additional Observations and Suggestions

- School system can and should do a better job of managing after-school use of space from both a programmatic and financial perspective. Ways the Schools and Town could work together to achieve better utilization of the space include:
 - Having the PSB take responsibility for all after-school activities to promote better coordination, compliance, communication and similar programming at the various schools.
 - Have the PSB formally contract out some after-school activities through a competitive bid process. This would also promote uniformity between programs and the likely ability of the Town to require, contractually, certain standards, including liability insurance, in the programs and the personnel hired by the vendors.
 - Have the PSB to ‘in-source’ certain programs to the Recreation Department while the PSB maintains control of certain other programs. Here the Town and PSB would have control over the programs leading to better control and coordination.
- Any of the options that might be explored should be done with the goals of better management, increased revenue and system-wide consistency as priorities.
 - All of these considerations are currently beyond the near-term charge of the OSC but could be explored in depth in future months or via a joint committee sponsored by the Selectmen and the School Department.

Kindergarten

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Full Day Kindergarten

- Schools Do Not Have to Offer Free Full-Day Kindergarten
 - Many municipalities charge for full-day or offer half-day
 - Brookline has offered since 2001
- Two Options Exist
 - Charge for full day kindergarten
 - Have full day for 2 or 3 days and half day the balance

Charging For Full Day Kindergarten

- Economic analysis impacted by Chapter 70 Aid
 - Charging eliminates paying population from Foundation Budget (count for half day, not full)
 - Lost state aid compared to revenue from charging
 - Impact likely positive but risk deemed unsatisfactory
 - Option can be revisited once full Chapter 70 Aid is reached

Half-Day Kindergarten

- Do not need 5 days of full day to obtain full credit for Foundation purposes
 - Newton has full-day twice per week
- Brookline could save an estimated \$230,000 to \$350,000 per year by going to 2 or 3 days
- No space savings
- Extended day programs on 'off-days' could be established
 - Families currently willing to pay for services
- Option not currently recommended but could be evaluated in future

Non-Resident Populations

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Non-Resident Populations

- Class size and changes to admissions policies for non-resident programs are the only identified near-term ways to impact demand for classroom space
- Adherence to existing School Dept. policies of 'space available' for non-resident children would have impact
- Combination of modifications to class size and admissions policies may have meaningful impact without eliminating any program.

KINDERGARTEN ENROLLMENT COMPARISONS - BY MONTH - SY 2011-12, 12-13, 13-14

SCHOOL	FEB 2011	APRIL 2011	SEPT 2011	FEB 2012	APRIL 2012	SEPT 2012	FEB 2013	APRIL 2013	AUG 1, 2013	SEPT 30 2013
BAKER	56	67	85	50	75	98	43	59	73	78
DEVOTION	50	68	104	85	104	115	75	90	101	108
DRISCOLL	48	50	66	47	57	64	29	46	55	59
HEATH	36	37	58	47	63	69	22	40	54	57
LAWRENCE	65	75	85	67	74	85	53	74	79	87
LINCOLN	54	58	69	58	73	75	46	58	64	66
PIERCE	54	60	79	80	80	91	87	104	105	110
RUNKLE	34	38	56	50	63	69	46	59	66	65
METCO	22	22		20	3		21	14		
STAFF	23	22		29	3		21			
TOTAL	442	497	602	533	595	666	443	544	597	630
RESIDENT(TOTAL-[FEB METCO + STAFF])	397	452	557	484	546	617	401	502	555	588
RESIDENT AS % OF SEPT RESIDENT NO.	71%	81%	100%	78%	88%	100%	68%	85%	94%	100%
RESIDENT AS % OF FEB RESIDENT	100%	114%	140%	100%	113%	127%	100%	125%	138%	147%

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Materials Fee

- Program goal is to enhance recruitment and retention of high quality staff
- Program is supposed to be offered on a ‘space available basis’ with ‘all staffing will be done on the basis of tuition paying or resident students’
 - Growth exceeds 50% since FY2008 and is not capped
- Suspension/reduction would reduce demand and space needs
 - Approximately 1 classroom per year (20 students)
- High cost benefit for limited number of employees
 - Long-run approximately \$14,000 per student per year, net of revenue*
- No hard evidence of recruiting or retention necessity
 - Reduces resources (including cash) for other purposes, including recruiting

Materials Fee Options

- Do nothing: Effectively unrestricted call on school facilities
- Reduce, suspend or eliminate enrollment:
 - Make function of resident enrollment at particular calendar dates
 - Town staff
 - Non-teacher PSB staff
 - Full-time Teachers
 - Vesting period
 - Income test
 - Distance test
 - Tough to hire educational specialties
 - Impose overall cap on population
- Investigate higher fees (inter-district rate, inclusion of facility fee)
- The school department should better understand whether program has its desired effect, in attracting ‘best’ candidates and retaining ‘best’ employees. Should also take steps to understand why, when offers are given and turned down, applicants determine to not accept a position in Brookline.
- Make allocations to individual schools as late as possible. The existing School Department policies provide for admissions of children of teachers to be decided no later than June 1, rather than in February as is now the case, and of children of other Town and School employees to be decided no later than June 20.

METCO

- Program goal to alleviate racial imbalance in sending districts and racial isolation in receiving districts
- Suspension/reduction would reduce demand and space needs
 - Approximately 1 classroom per year (20 students)
 - Long run approximate cost of \$15,000 per student, per year, net of revenue*
 - Supposed to be on a space available basis
 - Recognized by State and METCO
 - » METCO applications get forwarded to districts “with openings for the particular grade level needed.”
 - » Placement decisions are based on, among other factors, “district grade and seat availability.”
 - Valid arguments to maintain and to suspend/reduce
 - METCO is a program that helps increase classroom diversity
 - » Greatest impact of any change will be on African-American population
 - Brookline today as close to racial imbalance as racial isolation
 - » Entire Brookline K-12 student growth derived from minority populations over past 20 years (75% non-Asian)
 - » METCO beginning to diversify and accept students of all races
 - Goal to represent racial composition in Boston schools
 - Income not a consideration
 - » About 60% of METCO students are not low-income
 - State reimbursement has declined in real terms
 - Community resistance to change

METCO Options

- Do Nothing but continue lobbying efforts.
- Reduce or suspend participation in METCO:
 - Make a function of resident enrollment at particular calendar dates and enforce acceptance and allocation policies to maximize classroom optimization
 - Lower the target METCO population from 300 to 200. This would result in a hiatus for several years as additional options are considered. Would lead to reduced demand for a period of time.
 - Suspend or reduce participation in METCO until the Legislature funds the program on a basis equal to 1. The amount of money that Boston would pay if these children went to a charter school in Boston, 2. the ‘high point’ of 2008 (or some other defined level) adjusted for inflation plus funds some reimbursement for the special needs services provided to the METCO population or 3. A sum equal to what would be paid assuming a ‘school choice’ program were available, plus the cost of transportation. Continued adjustments for inflation would also be necessary.
 - Suspend indefinitely future METCO participation
- Talk to METCO
- Make school assignments as late as possible (June?)