



LAS POSITAS COLLEGE
STUDENTS FIRST

LAS POSITAS COLLEGE
LAB SCHOOL NEEDS ASSESSMENT
FY 2011-2012

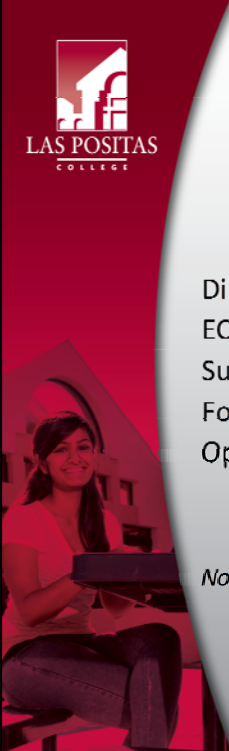
June 26, 2012





LPC Lab School Current Staffing

- Director
 - Required by state licensing
- Teachers
 - Two teachers planned for current year
 - Third teacher added at request of Vice Chancellor for Human Resources
- Additional Support
 - Funds not available for additional support staff beyond work-study program



LPC Lab School Current Staffing Cost

LPC Lab School Cost Structure

	<i>Monthly Cost</i>	<i>Ten Month Cost</i>
Director	\$10,667	\$106,667
ECD Specialists (3)	\$22,599	\$225,990
Support staff	\$298	\$2,980
Food Expense	\$1,800	\$18,000
Operating Expense	\$317	\$3,170
	\$35,681	\$356,807

Note: Only ten months of director salary applied to cost structure

The Lab School at Las Positas College requires approximately \$35,000 per month to operate. This is minimal staffing to allow for two classrooms to be in operation. The current configuration of classrooms includes one preschool classroom (ages three to five) and one toddler classroom (ages 18 months to three years old).

With three ECD Specialists (teachers), there may be opportunities to restructure the program to maximize the enrollment in the preschool classroom.




LPC Lab School Current Staffing Cost (cont'd)

LPC Lab School Per Classroom Cost Structure

	<i>Pre-School</i>	<i>Toddler</i>
Director	\$5,333	\$5,333
EDC Specialists (3)	\$7,533	\$15,066
Support staff	\$149	\$149
Food Expense	\$600	\$1,200
Operating Expense	\$159	\$159
	\$13,774	\$21,907
<i>Child Capacity Per Day</i>	<i>12</i>	<i>12</i>
<i>Break Even Fee Level</i>	<i>\$1,148</i>	<i>\$1,826</i>

Both classrooms have a capacity of twelve children. The preschool class is mandated to keep a 1:12 ratio and the toddler class has a ratio of 1:6. With two teachers in the preschool classroom, the capacity can expand to twelve children.

By apportioning expenses between classrooms, a minimum fee rate can be calculated. The rates above are based on full enrollment at full tuition rates – that is, both the toddler and preschool classrooms must be fully subscribed, five days a week.

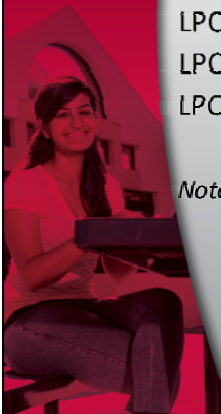


LPC Lab School Analysis of Current Fee Structure

LPC Lab School Per Classroom: Fee Structure

	<i>Pre-School</i>	<i>Toddler</i>
<i>Break Even Fee Level</i>	\$1,148	\$1,826
LPC Fee Rate - Community	\$1,200	\$1,500
LPC Fee Rate - Faculty/Staff	\$1,080	\$1,350
LPC Fee Rate - Subsidized Family	\$860	\$1,285


Note: Fee Levels Require 100% Capacity/ Five Days per Week



Establishing a fee rate is a complex issue. There is no “single” rate charged, not all children attend every day and some attend only half days. If costs are to be covered by fees, rates must account for discounted fees for students paying a lower rate or attending at a less than full time schedule.

The current fee structure covers the cost of a classroom only if enrollment is fully subscribed (twelve children for full days) at the top fee rate (Community).

The fee rate for the toddler classroom is not set at a level that will allow for costs to be covered. This means that for costs to be covered, rates must increase, or costs and fees must be shifted to the preschool fee rate.



LPC Lab School Analysis of Current Subsidy

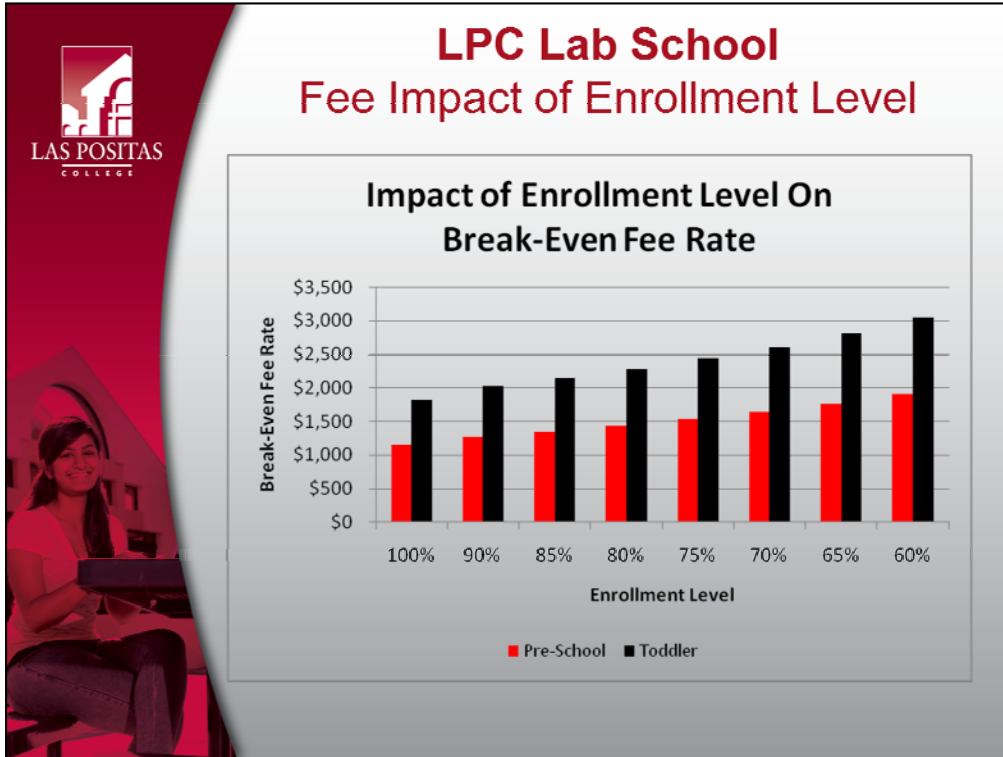
LPC Lab School Per Classroom: Annual Fee Structure

Annual Revenue	<i>Pre-School</i>	<i>Toddler</i>
<i>Break Even Fee Level</i>	\$137,760	\$219,120
LPC Fee Rate - Community	\$144,000	\$180,000
LPC Fee Rate - Faculty/Staff	\$129,600	\$162,000
LPC Fee Rate - Subsidized Family	\$103,200	\$154,200
LPC Surplus (Subsidy)	<i>Pre-School</i>	<i>Toddler</i>
LPC Fee Rate - Community	\$6,240	(\$39,120)
LPC Fee Rate - Faculty/Staff	(\$8,160)	(\$57,120)
LPC Fee Rate - Subsidized Family	(\$34,560)	(\$64,920)

Note: Fee Levels Require 100% Capacity/ Five Days per Week

The table above shows the subsidy if each classroom was fully enrolled at the various fee rates. Again, this does not account for the fact that there is a mix of enrollments within each class.

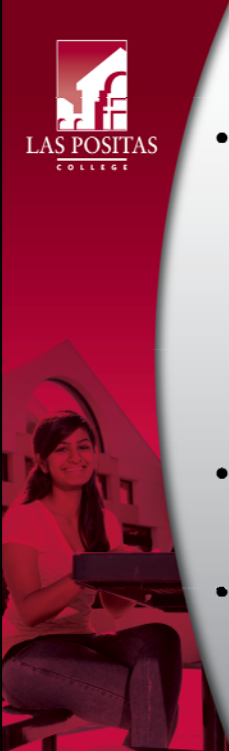
The purpose of the table is to demonstrate that even under the most optimal enrollment, the College must provide an additional subsidy.



Under the current classroom configuration, fees need to increase if enrollment does not rise to full capacity.

One approach to addressing the fee issue is to think of the “full enrollment” fee as the minimal *average* fee. For example, the current structure sets fees for community members at \$1200 per month for full time enrollment (a \$52 net gain for the program). The rate for faculty and staff is \$1080, requiring a \$68 per month subsidy.

The table above shows what the minimal average fee would need to be at various levels of enrollment (or fees paid). If enrollment is at 75%, the fees required to cover costs would need to be more than \$1500 for preschoolers and more than \$2400 for toddlers. The same is true for fee levels – if students are paying, in aggregate, only 75% of published rates then the top fee rate would need to increase.



Summary

- Lab School configuration requires College subsidy
 - Fee rate too low to cover costs
 - Fee rate too high to allow for lower income parents to participate
 - Classroom configuration not efficient
- Enrollment must be measured against “full-time” level
- Current enrollment level is about one-third of what is required to cover costs

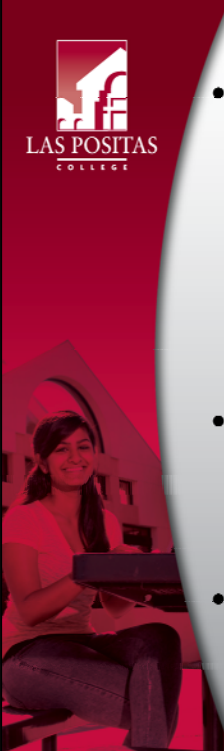
Although the Lab School has grown over the past year, it still only enrolls the equivalent of 12.5 children, about half of capacity in the current configuration and about one-third of the potential if the preschool classroom expanded to 24 children.

The expansion to 24 children in the preschool is possible if two ECD specialists move to the preschool class and the capacity of the toddler classroom is reduced to six children. Spreading the cost of two teachers over 24 children provides more efficiency from a budget perspective, but may not reflect the community need for services.



Steps Taken

- **Constituency Meetings:**
 - LPC CDC Parent Group
 - Alameda County Childcare Planning Council
 - First Five of Alameda County
 - Chabot CDC
- **Actions Taken**
 - Development of better web presence (Yelp.com)
 - Secured consultant through grant funds (First Five) to examine other business models/ optimized revenue structure



Next Steps

- **Near Term** (week of July 9):
 - Determine appropriate preschool/toddler configuration
 - Determine appropriate amount of pre-school subsidy for toddler program
 - Establish fee structure
- **Short Term:**
 - Develop marketing/fundraising program
 - Provide a status update in Feb. 2013
- **Ongoing:**
 - Provide annual review to CLPCCD Board each June

Even in the best case scenario, the Lab School will need a subsidy, likely from the College, to balance revenues and expenses. Parents have strongly indicated they are committed to fund raising and working with community agencies. The College administration and CDC staff are also committed to doing everything possible to find a workable solution for the Lab School.