



Item: AF: A-1

AUDIT AND FINANCE COMMITTEE

Wednesday, June 10 2009

SUBJECT: REQUEST APPROVAL OF FEE MODIFICATIONS FOR THE KAREN A. SLATTERY EDUCATION RESEARCH CENTER FOR CHILD DEVELOPMENT.

PROPOSED COMMITTEE ACTION

Recommend approval to increase fees for Slattery staff and university students' children attending the Karen A. Slattery Education Research Center for Child Development to the Board of Trustees.

BACKGROUND INFORMATION

The Karen A. Slattery Educational Research Center for Child Development combines the functions of research on early child development with the provision of daily care for the children of students, faculty, staff and members of the public. The Slattery Center falls administratively under the aegis of the College of Education and is operated as an auxiliary enterprise. Financial support comes from several sources: user fees and appropriation of student fees. This presentation presents an overview of the scope of operations of the Slattery Center and the process the center staff has undertaken with the parent advisory board to develop and present a comprehensive proposal for fees for 2009-10.

The recommendation is to increase all fees for each age grouping across the board by \$10 per month. These actions are necessary to retain lower child group sizes and other quality components, provide for possible staff increases and support a contingency for facility repairs and emergencies.

The Karen Slattery Advisory Board, as required, met three times to formulate, review and approve the pricing changes. The process included open board meetings for parental and student government input. An advertised parent meeting was also conducted.

IMPLEMENTATION PLAN/DATE

The rate changes requested would become effective on August 1, 2009.

FISCAL IMPLICATIONS

This action balances the budget of the Slattery ERCCD auxiliary.

Supporting Documentation: Slattery ERCCD 2008-09 Fee Structure Power Point Presentation

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The Karen Slattery Education Research Center for Child Development

2009-10 Fee Structure

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June 2009

Background

The Karen Slattery Center

- ◆ Almost all of Florida's public universities operate an Educational Research Center for Child Development (ERCCD).
- ◆ At FAU, the Karen Slattery Center (ERCCD) provides Pre-School services to students and employees of FAU.
- ◆ It serves about 100 children, 6 mo. – 5 years old
- ◆ Slattery also provides a site for the teaching of and interdisciplinary research with young children.

Background (cont.)

- ◆ Slattery operates as a university auxiliary, self-generating revenue from parent and student fees as authorized in FS 1011.48 and FS 1009.24(12)(q).
- ◆ The Center has multiple missions, multiple funding sources and multiple constraints as dictated by various state, local, university and accrediting agency policies and licensing and reporting mandates directly impact staffing flexibility.
- ◆ Family early childhood workshops are provided at no cost by COE faculty.

Current Situation

-Accreditation Realities-

- ◆ Slattery is accredited by the National Association for the Education of Young Children (NAEYC) for all ages (6 wks-5 years); requiring group size limits.
- ◆ Only 32 of 800 Palm Beach County child centers are NAEYC-accredited, the highest Florida percentage.
- ◆ Slattery provides the State's Voluntary Pre-Kindergarten (VPK) program for 4 year olds, requiring a group size of 18 children with one lead teacher and teaching assistant (VPK=3 hr/day).

Current Situation

- ◆ Voluntary Pre Kindergarten grants \$2669/yr. subsidy for half day program; parent reporting issues reduce VPK income.
- ◆ Slattery has the highest quality rating in Palm Beach County (Four Gold Stars).
- ◆ Dr. Nancy Brown, Director of the Toppel Family Early Childhood Education Institute at FAU, advises Slattery's curriculum and research. ECE undergraduate and graduate programs will use Slattery regularly.

Pre-School or Day Care Center?

	Pre-School	Day Care
<i>Purpose</i>	Early Childhood Education	Basic child care
<i>Curriculum</i>	National and state standards-based	Follows Health Department regulations
<i>Learning Activities</i>	Purposeful play/activity	Unstructured play
<i>Child Assessment</i>	Provided	Not provided
<i>Lead Teachers</i>	College degree (AS,BS)	High School & CDA
<i>Staff training</i>	Rigorous/continuous	Basic/situational
<i>Parental Involvement</i>	Multiple venues provide involvement	Less involvement

Revenue Issues

Current budget is inadequate for 2009-10:

- ◆ Teaching staff underpaid
- ◆ Staff needs ongoing training
- ◆ Current playground needs renovation of structures and modifications for accessibility
- ◆ Building requires regular maintenance
- ◆ Utility costs have increased

Background

-Fee Revenue-

- ◆ Funding is generated through fees paid by parents/guardians and a statutory student credit hour fee.
- ◆ FAU Student Government provides no fee subsidy for child(ren) for needy university student parents at Slattery
- ◆ As an auxiliary, no E&G university funds pay for Slattery's operational or facility costs.

Fee Revenue (cont.)

- No fee increase in 2000-01 or 2001-02.
- ◆ In 2002-03, a 5% increase approved.
- ◆ There were no fee increases in 2003-04 or 2004-05.
- ◆ A fee schedule adjustment reflecting fairer cost distribution, and local market prices approved by the BOT in 2005-06.
- ◆ In 2006-07, 5% increase for all age groups was approved by the BOT.
- ◆ In 2007-08, the BOT approved a 9% increase and other adjustments.
- ◆ In 2008-09, the BOT approved a 3% increase and other adjustments.

2009-10 Budget and Fees

- The budget and fee options were driven by the complexities of:
 - ◆ Staffing requirements
 - ◆ Accreditation requirements
 - ◆ State VPK requirements
 - ◆ Quality program design
 - ◆ Regional market realities

Fee Revenue (cont.)

- ◆ The Slattery Advisory Board and parents understand that a quality program will require a slight fee increase for school year 2009-10 to balance the budget.
- ◆ Collaborative discussions, public conversations, parental input, open processes and thoughtful decisions were required to generate the recommendations that follow.

Process

-Quality Program and Fair Fees-

- ◆ Three Slattery Advisory Board meetings were conducted to discuss financial data/projections for recommendations (January – March 2009).
- ◆ Mid-year FAU budget review/projection for Slattery (February-March) verified current expense-revenue status.
- ◆ Parent meeting providing information and collecting input regarding the fee recommendations conducted on April 1, 2009.

Process (cont.)

- ◆ These recommendations are ready for BOT committee action and if recommended, full BOT review.
- ◆ Staff will notify parents of BOT action when it is finalized.
- ◆ Staff will revise all related parent materials, agreements, etc. prior to July 1.
- ◆ Staff will implement approved fee structure and policies effective August, 2009.

2009-10 Fee Recommendations

**The recommended changes for 2009-10
Slattery Fees are:**

- ◆ **Adopt a \$10/month general fee increase for all age groups effective August 2009.**

Average Local Market (22 Providers, March 2009 survey)

<u>Age</u>	<u>Range/wk</u>	<u>Slattery</u>	<u>n</u>
■ I	\$180-271	\$241	11
■ 1's	\$135-268	\$241	17
■ 2's	\$115-268	\$209	22
■ 3's	\$115-254	\$183	22
■ 4's	\$100-269	\$121	22

- Only **two** of the random sample of 22 centers were NAEYC accredited

Proposed Slattery Fees 2009-10

- ◆ The Slattery Advisory Board recommends a \$10/month tuition increase in fees for 2009-2010.

<u>St. Rate Group</u>	<u>08-09</u>	<u>\$Inc</u>	<u>09-10</u>
Infants/Toddler	\$965	\$10	\$975
Two's	\$835	\$10	\$845
Three's	\$731	\$10	\$741
Fours (VPK-full)	\$485	\$10	\$495

2009-10 Slattery Budget

- The recommended fee structure generates the required revenue from parent tuition and credit hour fees to meet projected expenses.
- This is a open, complex process, focused by the Slattery Advisory Board, involving parents/guardians, university faculty and administrators which balances highest quality education at the lowest costs for the benefit of young children and the university community.