

# Community Education Childcare Programming

February 24, 2025



# Goals for Tonight

- Acknowledge community concerns and impacts on families
- Provide transparency, data, and historical overview
- Understanding of childcare programming and how it fits into the district
- Overview of local child care programs and rates
- Financial snapshot from sustainable programming and current
- Why we are here, what we will do
- Sustainable options and considerations

# Community Ed Programming

- A valued **service** provided to our community, *not something we are mandated to provide: childcare, recreational sports, facility rentals, special programs*
- **Separate from K-12** programming and funding
- Program sustainability is goal; ideally contributes to general fund, minimally does not cost general fund
- Infant and toddler programming has always been subsidized by other programs (e.g. before-/after-care)

## STRATEGIC PLAN

What is our vision for the future?

Where do we want to focus our efforts and resources?

# Community Ed Programming

## **Early Childhood**

Childcare

Preschool

## **Recreation & Enrichment**

Facilities rentals

Rec sports

Enrichment activities

**What is our vision for the future of early childhood programming in OPS, and what decisions can we make now that will get us there?**

**Overview of  
Community Education  
Childcare and Preschool  
Programming**

# What We Currently Offer

INFANTS

TODDLER 1's

TODDLER 2's

Year-round, full-day programming

3 YEAR OLDS

Year-round  
preschool  
program

4 YEAR OLDS

GSRP  
classrooms  
(4) (School  
year only)

PPK (3-5 year olds)

Before- and aftercare  
program (PreK-8)

½ day Montessori  
Enrichment

# Childcare/Preschool Programming

## Benefits

Early intervention for our youngest students sets them up for success in K-12 (academically, behaviorally, socially)

Provides a valued service to our community and staff, additional childcare option for community

## Challenges

Great Start to Quality program rating

Staffing - Retention (wages) and attendance

Sustainability - Impact on K-12 general fund

Management/administrative bandwidth



# Childcare Offerings by Local School Districts

School District	Infants	1's	2's	Preschool (3's/4's)	Before/After Care
Okemos	X	X	X	X	X
East Lansing					Provided by City of East Lansing
Haslett				MSU CDL	X
Holt	X	X	X	X	X
Mason				X	X
Waverly				X	X
Williamston				X	X

# Rate Comparison

Organization	Infants (per week)	1's (per week)	2's (per week)	Preschool (3's/4's) (per week)
<b>Okemos</b>	<b>\$335</b>	<b>\$320</b>	<b>\$320</b>	<b>\$190</b>
Local districts	\$297.50	\$290	\$290	\$193
<b>Okemos</b>	<b>\$335</b>	<b>\$320</b>	<b>\$320</b>	<b>\$190</b>
Private centers	\$397	\$397	\$397	\$344.50

Before Care (per day)	After Care (per day)
<b>\$11</b>	<b>\$15</b>
\$8.91	\$12.04
<b>\$11</b>	<b>\$15</b>
\$13.20	\$13.20

# How We Got Here...

School-aged  
B/A care  
enrollment  
decline

Staffing costs  
increased

Classroom  
capacity  
maximums  
not met

Tuition rate  
increases not  
sustaining  
programs

Grants used  
to sustain  
programming  
ended

Change in  
structure and  
management  
of programs

Waitlists not  
efficiently  
utilized

Great Start to  
Quality Rating  
decline

External factors  
Internal factors

# ...and Changes We'll Make

**Increased oversight by leadership**

**Utilize waitlists more effectively**

**Enroll to classroom to capacity**

**Increase advertisement of programs and openings**

**Monitor tuition to meet financial needs**

**Increase transparency and parent engagement**

## ENROLLMENT: 2018 (sustainable) and current (not sustainable)

	Infants			Toddler 1's			Toddler 2's		
	Enrollment	State Ratio	OPS Capacity	Enrollment	State Ratio	OPS Capacity	Enrollment	State Ratio	OPS Capacity
<b>2018-19</b>	7	1 to 4	9	11	1 to 4	12	11	1 to 4	12
<b>Present</b>	6	1 to 4	12	10	1 to 4	12	11	1 to 4	12

	2018-19	Present	Change
	<b>Average weekly total (all sites)</b>	<b>Average weekly total (all sites)</b>	<b>Average weekly total (all sites)</b>
<b>Before Care</b>	176	148	<b>28 ↓</b>
<b>After Care</b>	272	245	<b>27 ↓</b>

# Past & Present

<b>Three and Four Year Old Programs</b>		
	<b>2018-19</b>	<b>Present</b>
Tuition only	One 3's classroom (full day) One 3's classroom ( ½ day) One PPK classroom (½ day) One 3's and 4's Enrichment classroom (½ day)	One 3's classroom (full day) One PPK classroom (½ day) One 3's and 4's Enrichment classroom (½ day)
Grant-funded only		Three 4-day GSRP classrooms 4 yr olds (full day) One 5-day GSRP classroom 4 yr olds (full day)
Blended (tuition & grant-funded)	Three classrooms (½ day)	

# Financial Overview

# Okemos Multi-Year Budget Summary\*

		2024-25	2025-26	2026-27
<b>Fund Balance Net Impact (rev's/exp's), from prior year</b>		<b>376,095</b>	<b>(1,639,177)</b>	<b>(2,658,317)</b>
	One-Time Budget Impact in prior year, reversed in current year	(285,822)	248,002	(183,250)
<b>Net Impact after reversal of prior year 1x adjustments</b>		<b>90,273</b>	<b>(1,391,175)</b>	<b>(2,841,567)</b>
<b>Current Year Variables</b>				
	Grant Funding Sources Expired	(1,725,372)	(621,327)	(378,690)
	New Budget Variables	(4,078)	(645,815)	(700,000)
	<b>Net Changes, current year variables</b>	<b>(1,729,450)</b>	<b>(1,267,142)</b>	<b>(1,078,690)</b>
<b>Fund Balance Net Impact (rev's/exp's)</b>		<b>(1,639,177)</b>	<b>(2,658,317)</b>	<b>(3,920,257)</b>

*\*from 2/3/25 board work session*



# Community Education Budget Impact

	Net Revenue/(Expense)	
	2018-19	2024-25
Infants	(37,553)	(96,737)
Toddler 1's	(20,221)	(64,019)
Toddler 2's	(4,048)	(87,407)
Young Preschool, 3's	13,695	930
Older Preschool, 4's	64,730	(20,212) *
Montessori Enrichment	(20,234)	(81,956)
Before/After Care Programs	652,540	323,188
All Other, includes program administration, summer, break days, montessori classroom	(269,662)	(356,951)
<b>Total Childcare</b>	379,247	(383,164)
Enrichment, Youth Sports, etc	(20,810)	24,850
Facility Rentals	28,544	(64,152)
GSRP, grant	0	0
	386,981	(422,466)

\*Older 4's converted from tuition based to GSRP grant funded mid-way through 2024-25

**Note: Expenditure total only includes direct, program costs.**

Indirect costs are not accounted for separately within the community education/ childcare budgets.

Indirect cost examples include:

- Accounting & payroll
- Human resources
- Custodial/maintenance
- Administrative oversight

# Past & Present

<b>TUITION (per week)</b>		
	<b>2018-19</b>	<b>Present</b>
<b>Infants</b>	\$250	\$335
<b>Toddler 1's</b>	\$239	\$320
<b>Toddler 2's</b>	\$239	\$320
<b>3-year-old full-day classroom</b>	\$162	\$190
<b>PPK</b>	\$125	\$135.88
<b>Enrichment</b>	\$107.25	\$117.50

	<b>2018-19</b>	<b>Present</b>
<b>Before Care</b>	\$41.50	\$35-\$55
<b>After Care</b>	\$58	\$70-\$75

# Options for Sustainability

# Options for Moving Forward

**1**

**Maintain Most Programming, Share Tuition Increases**

*Assumptions: 75% capacity in Edgewood tuition-based programs, maintain school-aged Before and Aftercare enrollment*

**2**

**Maintain Most Programming, Target Tuition Increases**

*Assumptions: 75% capacity in Edgewood tuition-based programs, maintain school-aged Before and Aftercare enrollment*

**3**

**Expand Preschool Offerings, Discontinue Infant & Toddler Programs**

**4**

**Delay Decision Until Strategic Plan is Revised**

Approximate cost (with no tuition changes) is \$20,000+ per month.

# Option 1: Maintain Most Programming, Share Tuition Increases

**July 1 Tuition increases (~20%) for:**

- Infants
- Toddlers
- Three-year-old care
- Before-/aftercare (all ages)

**Restructure OPM enrichment to GSRP blend** (3/4 yr old), with cap at 20, OPM preschoolers provided no before or aftercare

**Maintain capacity** in all classrooms.

***Assumptions:*** 75% capacity in Edgewood tuition-based programs, maintain school-aged Before and Aftercare enrollment

# Option 2: Maintain Most Programming, Target Increases

**Higher tuition increases (+40%) for:**

- Infants
- Toddlers

**Lower tuition increases for:**

- Three-year-old care, +30%
- Before-/aftercare (all ages), +10%

**July 1 effective date**

**Restructure OPM enrichment to GSRP blend** (3/4 yr old), with cap at 20, OPM preschoolers provided no before or aftercare

**Maintain capacity** in all classrooms.

***Assumptions:*** 75% capacity in Edgewood tuition based programs, maintain school-aged Before and Aftercare enrollment

# Impacts of Options 1 & 2

## Benefits

Preserves our infant and toddler programs and benefits of those programs

Retain current staffing

Enroll more students in infant and toddler classrooms

## Challenges

Must meet assumed enrollment thresholds

Increased tuition for families

Reliance on other programs to offset infant and toddler care

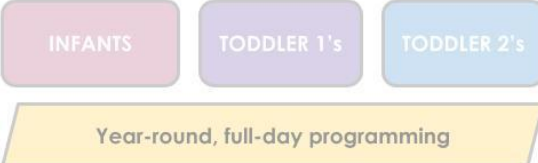
Changes expansion opportunities

District resources stretched thin (e.g. management/staffing)

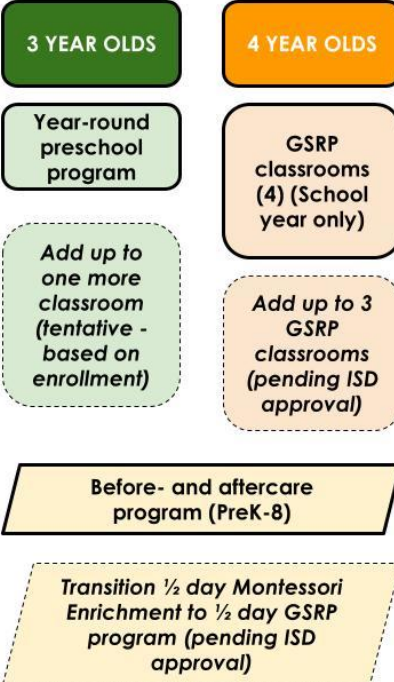
**1&2**

# Option 3 - Expand Preschool, Discontinue Infant & Toddler Programs - August 15

**Discontinue Infant, Toddler 1, and Toddler 2 programming**



### Expand preschool offerings



*Rate increases to occur per routine, annual schedule.*



# Impacts of Option 3

## Benefits

Reduces strain on district K-12 budget more immediately

Focus on school-aged preschool (skills, behaviors, socialization)

## Challenges

Removes valued infant/toddler option for our families, staff

Potential loss of staff

Potential GSRP oversaturation of market

Potential loss of students for K-12 program

Families need more lead time

# Option 4 - Delay Decision

**Delay decision until strategic plan is revised (June)**

**Approximate cost (with no tuition changes) is \$20,000 per month**

**This is not recommended as it does not address sustainability and does not provide clear direction for families or staff**

# Weekly Tuition Rate Summary by Option

		Option 1: Shared Tuition Increase		Option 2: Targeted Tuition Increase		Option 3: 3 & Above Programming	
	2024-25	Rate Change	2025-26	Rate Change	2025-26	Rate Change	2025-26
<b>Infants</b>	\$335	20%	\$402	40%	\$469		
<b>Toddler 1's</b>	\$320	20%	\$384	40%	\$448		
<b>Toddler 2's</b>	\$320	20%	\$384	40%	\$448		
<b>Young Preschool, 3's</b>	\$190	20%	\$228	30%	\$247	25%	\$238
<b>Older Preschool, 4's - 100% grant funded</b>							
<b>Montessori Enrichment</b>	\$118	20%	\$142	30%	\$153	25%	\$148
<b>Before Care Programs</b>	\$35-\$55	20%	\$42-\$66	10%	\$39-\$61	5%	\$37-\$58
<b>After Care Programs</b>	\$70-\$75	20%	\$84-\$90	10%	\$77-\$83	5%	\$74-\$79
<b>All Other</b>	various	20%		10%		5%	
<i>Note: Actual rates may vary slightly due to rounding</i>							

# Other Considerations

# Open Classrooms at Edgewood; Additional GSRP

## Current Program:

- One infant classroom
- One toddler classroom (1 year olds)
- One toddler classroom (2 year olds)
- One 3-year-old classroom
- Three 4-day GSRP classrooms
- One 5-day GSRP classroom
- One ECSE classroom

## Future Program Additions:

- Add one to two more 3-year-old classrooms
- Add two to three more 5-day GSRP classrooms

Can be implement  
regardless of option to  
different degrees

Impacts number of  
potential GSRP rooms

Administrative oversight

# Potential Rental of Rooms at Edgewood

- District may consider rental of open rooms to other community programs as a revenue enhancement
- One inquiry this week with potential renter

**What is our vision for the future of early childhood programming in OPS, and what decisions can we make now that will get us there?**

# Options for Moving Forward

**1**

**Maintain Most Programming, Share Tuition Increases**

*Assumptions: 75% capacity in Edgewood tuition-based programs, maintain school-aged Before and Aftercare enrollment*

**2**

**Maintain Most Programming, Target Tuition Increases**

*Assumptions: 75% capacity in Edgewood tuition-based programs, maintain school-aged Before and Aftercare enrollment*

**3**

**Expand Preschool Offerings, Discontinue Infant & Toddler Programs**

*No Sooner than August 15th to honor community feedback.*

**4**

**Delay Decision Until Strategic Plan is Revised**

Approximate cost (with no tuition changes) is \$20,000+ per month.



# Plan for Sustainability - Options 1,2

- ❑ Perform quarterly audits: enrollment, revenue/expenses, staffing levels, etc.
  - ❑ June 2025, Sept. 2025, Jan. 2026, April 2026 (tentative)
- ❑ Tuition Study (Spring annually for Summer implementation)
- ❑ Report out to Board of Education and Community Ed families (Board and local meetings)
  - ❑ Forecast effectiveness of strategies
  - ❑ Share audit findings
  - ❑ Forecast additional steps and timelines
    - ❑ Suggest 6-month lead if program is to close

1,2

# Options for Moving Forward

**1**

**Maintain Most Programming, Share Tuition Increases**

*Assumption: capacity in tuition-based maintain sc Before and enrollment*

Implement Option 1 or 2 with updates to BOE and Community on sustainability and next steps

*75% Edgewood programs, school-aged aftercare*

**2**

**Maintain Most Programming, Target Tuition Increases**

**3**

**Expand Preschool Offerings, Discontinue Infant & Toddler Programs**

While recommended by administration, recognize community impact and need for additional time and rationale for families.

**4**

**Delay Decision Until Strategic Plan Review**

Approximate cost (with changes) is \$20,000+ per month.

# Questions

# OPM Preschool B/A

## Current Program

- Four ½-day PPK classrooms
- One ½-day enrichment classroom (currently held at Edgewood)
- Aftercare for enrichment (currently held at Edgewood, not sustainable with low numbers)

## Future Program Additions

- Offer one ⅓-day GSRP in the afternoon while maintaining current PPK programming
- Discontinue B&A for preschool students at OPM

	2018-19	2023 & Present	Change
Before Care	9	4	5 ↓
After Care	15	5	10 ↓