

## AS Child Development Center

### Fee Increase Proposal

3/11/2014

1. We are requesting a **9.5% increase** in quarterly fees across the board which would bring in an estimated \$31,350 for the year.
2. This increase will cover our \$23,000 estimated shortfall for 2013-14, and cover our anticipated increase in staff salaries for 2014-15. (See accompanying budget)
- 3. Child Care Fee Increase:**
  - a. **Full Time Faculty/Staff** - increase of \$19.16 per week, from \$4.44 to \$4.87/hr.
  - b. **Part Time Faculty/Staff** - increase of \$15.00 per week, from \$5.45 to \$5.97/hr.  
(Part time parents pay more per hour)
  - c. **Student - lowest rate full time** - increase of \$12.72 per week from \$2.88 to \$3.17/hr.
  - d. **Student - lowest rate part time** - increase of \$10 per week from \$3.55 to \$3.90/hr.
4. The rates will place us above the other child care centers in the area for faculty and staff, and well below the competition for students. I feel the quality of our program far exceeds what is available in the community.

#### History-

1. We have not increased fees to parents the last 2 years.
2. In 2013-14 we were required by Dept, of Early Learning Licensing Standards to hire qualified assistant teachers. We have hired 2 full time (with benefits), and 2 part time assistants (no benefits). Prior to that we had used student employees.
3. We proposed several scenarios to the AS and Western to increase funding and implemented a 14.6% increase to parents starting summer 2013 when no other funding was found.
4. In the summer of 2013, the university gave us an additional \$50,000 to support our program, so the fee increase was removed for the rest of the year.
5. We requested to do a small increase to our parent fees for 2013-14 to cover the additional expenses not covered by the \$50,000, but were denied.
6. We came into this year with a projected deficit of \$23,000, which will be covered by our reserve.

#### Summary:

The increase is driven by the need to hire qualified assistants to meet licensing requirements. 87% of the budget is salaries and benefits. The need for an increase in parent fees is driven by the addition of new staff who qualify for step increases, the addition of an additional step M that several of the staff will qualify for, and an increase in the minimum wage for student employees.

This increase assumes that we will have full enrollment, that we will have no more than 30 students and at least 1 full time children.