

## Response to Questions on the FY 2015 Budget

**Request By:** Supervisor Cook

**Question:** Please identify the revenue gained from a five percent increase in SACC fees, exempting children eligible for free and reduced lunch.

**Response:** The School-Age Child Care (SACC) program supports working families by providing child care services (both during the school year including spring, summer, and winter vacations and during the summer) to children in kindergarten through sixth grade, as well as older children with disabilities. During the school year, approximately 10,000 children are served in 138 SACC centers located in 137 Fairfax County Public Schools and one recreation center. The school year SACC program operates a before-school program, operating from 7:15 A.M. until school begins, as well as an after-school program running from the end of the school day until 6:15 P.M. SACC winter, spring, and summer programs are provided in consolidated school sites throughout the County. Separate fees are paid for each of the SACC programs.

Fees are collected from parents as payment for child care services. SACC parent fees are reviewed annually and are typically adjusted based on increased program costs (primarily driven by annual compensation increases to employees). SACC parent fees are designed to recover the full cost of the program. However, families with an adjusted household income of less than \$52,000 are eligible to participate on the sliding fee scale; therefore, SACC parent fees are estimated to cover approximately 80 percent of SACC program costs. The net cost to the County is less than \$9.0 million. Full cost recovery is not possible due to the County's commitment to provide subsidized child care to families with low-incomes and children with special needs.

In recent years, in an effort to address the budget shortfall, fees have been increased based on a flat percentage. Over the past five fiscal years, fees have increased nearly 24 percent. For example, in FY 2009 a full paying parent was charged \$125 per month for the SACC before-school program and \$276 per month for the SACC after-school program for a combined monthly fee of \$401. In FY 2014, a full paying parent is charged \$154 per month for the SACC before-school program and \$340 per month for the SACC after-school program for a combined monthly fee of \$494. If another 5 percent is added in FY 2015, a full paying parent will be charged \$162 per month for the SACC before-school program and \$357 per month for the SACC after-school program for a combined monthly fee of \$519. This would be a 29 percent increase from FY 2009.

The FY 2015 Advertised Budget Plan includes a proposed fee increase of 1.3 percent which is consistent with the proposed compensation increases for employees and will generate \$0.5 million in additional revenue. However, if the 1.3 percent across the board fee increase was replaced with a fee increase of 5 percent for families not on the sliding fee scale, an additional \$0.9 million in revenue would be generated. Please note, a 5 percent increase generates \$1.4 million; however, the Advertised budget includes \$0.5 million in additional revenue so the net increase from the Advertised budget is \$0.9 million.