

Learning Center Sample Budget

Early-College High School - Academics Only

Description of Model

Online learning provides an opportunity for students to experience learning outside of the classroom. In many cases, online curriculum increases access to courses, particularly advanced or specialty courses, can be customized to consider student interest, and allows students to work in a self-paced environment, spending more time on content that is challenging and moving more quickly to easily mastered standards. For a variety of reasons, however, online learning is not an easy option for parents. Work schedules, the desire for social interaction, or the necessity of group or one-on-one learning in some subject areas may impede a family's ability to obtain education through a fully virtual school. Despite these challenges, virtual schools are developing creative solutions. One such solution is the learning center model. In a learning center model, students experience 100% of curriculum online. However, the school also offers an optional physical space for students. In a learning center model, students have the ability to participate in face-to-face small lab learning, individualized tutoring, and space for extension and enhancement projects aligned with student interest.

The particular model we have created serves 200 11th–12th grade students through a fully online curriculum. Students are enrolled in a fully accredited concurrent enrollment program through an online provider. In addition to the online courses, students have the option of attending a learning center for up to five days a week anytime from 7:30 am – 5:30 pm. While not explicitly designed to be a space for students to complete online coursework, there is an option for students to use the onsite computer lab for this purpose in addition to the onsite learning opportunities provided by certified teachers and peer tutors.

The following examples highlight charter virtual schools with onsite learning programs. However, the structures and ideas can be modified to fit within a free-standing learning center environment.

- Epic Charter Schools: <http://newsok.com/article/5555927>
- Arizona Virtual Academy: <http://azva.k12.com/how-it-works/blended-learning.html>
- Pathways Academy: <http://www.pathwaysacademy.education/>

Budget for the Model

The following “big picture” budget categories are provided with sample costs unique to the design of this example.

Salaries - Oklahoma’s minimum teacher salary schedule ranges from \$31,600 for a new teacher with no experience to \$46,000 for a teacher with 25 years of experience and a doctoral degree (Oklahoma State Department of Education, 2017). Included in our salary estimate is a 30% cost for benefits. Benefits include health insurance, FICA, Medicare, and other required employment costs. Overall salary costs will be determined by the Federal requirements for organizations of your size and the requirements of your state.

The student to teacher ratio for virtual schools can vary from campus to campus with numbers ranging from 50:1 to over 275:1. For the purposes of this example, we have provided estimates for a teacher to student ratio of 100:1, or two certified teachers to serve our 200 enrolled students and staff our learning center and 200:1 or one certified teacher to serve as the center director. As this is a blended high school, these teachers will serve as course support, tutors (synchronous and asynchronous), project facilitators, and technical assistance for online curriculum. Teachers will also assume responsibilities of registration, guidance, administration, community outreach, and special services representatives, as needed.

With 200 students and additional responsibilities of staff based on the age group of students, we are also budgeting for additional teaching assistants. These teaching assistants will be not only provide additional administrative assistance to the certified teachers, but will also be available to provide course support for students, for the extended hours of the learning center. For this example, we are budgeting for two part-time teaching assistants to assist our two certified teachers. For the example budgeting for one certified teacher, we are budgeting an additional full time teaching assistant and two part-time teaching assistants.

As salaries are the major cost for this model, there are other options in addressing the need for additional instruction or tutoring for students. One is to partner with local universities to provide a peer-tutoring program linking undergraduate or graduate students with high school students for asynchronous tutoring through a virtual platform or synchronous tutoring at the learning center. Estimated hourly rate for tutors is \$11-\$15 an hour.

It is also important to consider the student to teacher ratio at the physical learning center. To ensure safety of students and to provide necessary individualized support to students, additional certified teachers and assistants could be added as needed, or part-time assistance can be scheduled for high-need days.

Facilities Rental - In this example, the high school offers a blended learning environment with flexible, student centered scheduling options. To best fit our model, we will need a facility providing an open floor plan that can be reorganized throughout the

school year to accommodate student need and interest. The open floor plan will allow for learning spaces such as tutoring spaces, small group learning tables, laptop hubs, and a science lab or maker space. In this example, not all 200 students will be present in the brick and mortar facility each day. We have estimated that 50, or one-fourth, of the students will attend a session or use the facilities each day.

The ideal facility space would be a shared space with an existing community organization. Ideas for facilities partners can include universities, religious organizations, public libraries, and community centers. If a shared space is not an option, leasing commercial space can be financially feasible. The cost per square foot is determined by the average cost of renting a commercial space in the location we want to open the school. Commercial rent in the area is available for \$10-\$20 per square foot. Some rental facilities offer shared large space such as auditoriums or conference rooms. For the purposes of this budget, we have estimated our needs at 2500 sq. ft. at \$17 per square foot with no build out necessary. This facility assumes shared common space and restrooms at no additional charge.

Utilities - Although some facilities may include utilities in the rent agreement, other rental properties require you to pay for your own utilities. In addition, you may have to pay a common use fee for shared spaces such as entryways, bathrooms, and kitchen areas. If you are sharing a space with a larger organization, such as in this example, you may be responsible for a percentage of the utilities based on the square footage you are occupying. For the purposes of this example, we are including the cost of facilities in the rent estimate.

Furniture - To meet our goals in providing flexible, student centered learning spaces, we will provide furniture such as comfortable seating, quiet study carrels, collaborative workspaces, and rotating project spaces. Costs for furniture can vary based on the type of learning center provided. In the first year, our estimate for furniture and equipment is \$15,000. We would assume that in subsequent years, furniture and equipment costs would be minimal, needed only for replacement or repair of damaged items. In this budget, we assume an average useful life of four years resulting in an average annual cost of \$25 per student.

Curriculum - In these examples, students are receiving instruction mainly through online asynchronous curriculum, but have the option of attending school for face-to-face instruction, tutoring, or projects. Online academic curriculum ranges in cost based on who will support the curriculum. As this is an early college option for 11th and 12th grade students, the curriculum must meet college-level standards and provide transferable college credit. Fully online, accredited community college programs are emerging as low-cost options to the traditional concurrent enrollment models. These programs are often state-subsidized so tuition may be extremely low. Also, organizations such as Modern States are offering low cost general education courses without any government subsidy. For this example, we are using a fully-online curriculum at a cost of \$1,800 per

student for two years or \$900 a student per year.

Technology - Online learning requires each student have access to the Internet and a computer, tablet, or smartphone. Some virtual schools provide this technology for students as part of the tuition or course fee. Other virtual schools require students to access these technologies themselves. For this example, we will assume each student provides their own device.

To fully engage in online curriculum and prepare for the 21st-century workforce, students may also need access to other types of technology. This includes day-to-day technology such as the Internet, printer/scanner machines, and software apps, and newer and emerging technologies. The extent to which a virtual school with a brick and mortar facility provides this access depends on the mission of the school and the design model. For example, a maker space can range in cost from a few hundred dollars for software applications or hands-on, low-tech craft products to tens of thousands of dollars for 3-D printers or robotics equipment. For the purposes of this example, we will assume nominal additional technology costs of \$2,000 per year for items such as printers/scanners for laptop hubs, maker space and STEM lab technologies, and instructional technologies for the teachers.

Miscellaneous Costs - Micro-schools will assume several nominal costs related to general operation of a school. These may include security, repairs, and improvements on the building, copy supplies, marketing and advertising, and substitute teacher costs. These costs will be determined by your particular micro-school design and context. For the purposes of this model, we are budgeting \$200 per month for miscellaneous costs for a total of \$2,400.

Insurance - Common types of insurance recommended for schools include general liability, educator's legal liability, property, and crime. An insurance specialist that specializes in insurance packages for schools can answer questions about the insurance coverage you need. For the purpose of this model, we are estimating \$1,200 a year for insurance.

School Year Estimate

The following sample budgets are estimates of cost of our micro-school examples. These numbers are estimates and are provided as a guide for how to complete the budget for your micro-school design. The Budget Line Item column includes our "big picture" budget items. The Assumption column is based on our estimates, but can be changed to reflect your context. The Total Cost column calculates the assumed cost times the number of units (number of students, number of months, etc.)

Sample Budget – Virtual Early College High School with Learning Center Option, 100:1 ratio

Budget Line Item	Assumption	Total Cost 200 Students
Salaries and Benefits	\$52,000/certified teacher \$13,000/.5 FTE assistant	\$104,000 \$26,000
Rent	\$17/sq ft	\$42,500
Utilities	Included	
Furniture	\$25/student	\$5,000
Curriculum	\$900/student \$2000/year technology	\$180,000 \$2,000
Miscellaneous	\$200/month	\$2,400
Insurance	\$1,200/year	\$1,200
Total		\$363,100

In this example, the total cost for one year is \$363,100 or approximately \$1,815.50 per student.

In this example, tuition is the main source of revenue for the school year. Although other revenue sources may be pursued (e.g., grants, sponsorships, donations), it is assumed in this example that these revenue sources are nominal compared to total revenue for the micro-school.

The following table estimates tuition revenue and net income. Net income for the school year increases as tuition rates increase. Determining tuition costs is based on the number of students, comparison to similar schools in the area, analysis of the market, and recognition of the capacity of the target population.

Tuition Revenue for 200 Students	Cost Per Student	Total Net Income
\$363,100 (\$1,815.50/student)	\$1,815.50	\$0
\$400,000 (\$2,000/student)	\$1,815.50	\$36,900
\$500,000 (\$2,500/student)	\$1,815.50	\$136,900
\$600,000 (\$3,000/student)	\$1,815.50	\$236,900

Sample Budget – Virtual Early College High School with Learning Center Option, 200:1 ratio

Budget Line Item	Assumption	Total Cost 200 Students
Salaries and Benefits	\$52,000/certified teacher	\$52,000
	\$26,000/1 FTE assistant	\$39,000
Rent	\$17/sq ft	\$42,500
Utilities	Included	
Furniture	\$25/student	\$5,000
Curriculum	\$900/student	\$180,000
	\$2,000/year technology	\$2,000
Miscellaneous	\$200/month	\$2,400
Insurance	\$1,200/year	\$1,200
Total		\$324,100

In this example, the total cost for one year is \$324,100 or approximately \$1,620.50 per student.

Tuition Revenue for 200 Students	Cost Per Student	Total Net Income
\$324,100 (\$1,620.50/student)	\$1,620.50	\$0
\$400,000 (\$2,000/student)	\$1,620.50	\$75,900
\$500,000 (\$2,500/student)	\$1,620.50	\$175,900
\$600,000 (\$3,000/student)	\$1,620.50	\$275,900