



STAFF REPORT

Meeting Date: June 17, 2014

To: Honorable Mayor & City Council

From: Nancy Hunt-Coffey, Assistant Director of Community Services

Subject: Community Services Department Scholarship Program

Attachments: None

INTRODUCTION

The Community Services Department seeks direction from City Council regarding proposed modifications to the low income scholarship program, particularly relating to afterschool care.

DISCUSSION

At the April 22, 2014 City Council meeting, the Community Services Department scholarship program was discussed. The Department has been offering a scholarship program for over 20 years. It was created to assist parents who may not have the financial means to allow for a discounted fee on a week of summer camp, a session of swim lesson, or an afterschool enrichment class for their child.

As it was originally conceived, the scholarship program was not intended to provide services to low income families at no cost to the family. Rather it was intended to partially offset the cost of a camp or class, requiring the recipient family to pay at least 50% of the cost of the class or program. For example, an enrichment class for \$100 per session requires the recipient to pay \$50 and the City subsidizes the remaining \$50. The current scholarship program limits are \$200 per child and \$400 per family per year.

Scholarships are awarded based on family income. Income is based on the U.S. Department of Housing and Urban Development guidelines for Los Angeles County the category of extremely low income. These guidelines vary based on household size. For example, in 2014 the gross income limit for a family of 4 would be \$25,600. A study by the Southern California Association of Governments, published in July 2011 showed that of the 14,415 households in Beverly Hills, 11% or 1,518 households, fall into the category of extremely low income.

If the program is provided by a contractual instructor, the City still pays the instructor the full percentage rate split as stipulated in their Agreement, regardless of how many participants in the class receive a scholarship. Scholarships awarded for the last 13 years have had an average annual cost of to the City of approximately \$3,600.

As was discussed at the April City Council meeting, the City had previously provided staff to supervise the playgrounds after school until 5 pm. In the fiscal year 2009-10, the City ceased providing the Afterschool Playground Program which was a \$72,900 annual cost. This program was provided by the City in addition to the Joint Powers Agreement financial obligation with the School District.

When the Afterschool Playground Program was eliminated, the School District expanded the hours of the playground aides until 5pm to compensate for the loss of the City's program. However, at the start of the 2013/14 school year, the School District advised parents that the Playground Aides would remain on-site only until 4pm. This decision provided parents with two options for on-site childcare after 4pm: the City's Adventure Camp or afterschool enrichment classes. As a result, these programs experienced an unexpected increase in enrollment, and the Recreation division needed to hire new staff and request an additional room from the School District.

Staff has contacted other local cities and school districts to investigate the types of low cost or afterschool programs that are offered. If offered at all, scholarship programs through cities are similar to the one currently offered in Beverly Hills with a discount of few hundred dollars per year per family. Local school districts, particularly in lower income areas, offer more complex scholarship programs on an ongoing basis.

At the April 22nd City Council meeting, Council asked staff to examine the possibilities of raising the family income level and/or the annual scholarship cap for families. City Council directed staff to approach the Beverly Hills Community Charitable Foundation about establishing a fund where donors could give money to help pay for scholarships for participants in recreation programs. Additionally, City Council directed staff to discuss the possibility of the School District assisting with the need for afterschool care.

Staff attended the May 5, 2014 meeting of the Beverly Hills Community Charitable Foundation where the Board voted to establish an account to accept donations for scholarships for low income participants in recreation programs. Staff met with a School District representative who indicated that while the District would continue to have the aides stay on the playground until 4 pm in the upcoming school year; it is unlikely that they will be able to contribute further toward afterschool supervision as their budget is still recovering from the recessionary cuts.

Given current condition and following up on Council direction, staff recommends that:

- The income and scholarship cap for Adventure Camp be changed but keep the current levels for other programs.
- the annual family income level be raised to the "very low income" level or the "low income" level. The very low income level for a family of four is \$42,700 and the low income level for a family of four is \$68,300.
- initially the discount should be 25% of Adventure Camp fees. While the monthly fee for Adventure Camp varies depending on the number of holidays in a month, the cost for a month with few holidays for a child who attends 5 days per week is approximately \$400 per month. As a result, the monthly discount per child would be approximately \$100

- initially for Adventure Camp the per child per year cap be set at \$1,000, which is approximately 25% of the annual cost for one child, and the per family cap be set at \$2000. As the existing scholarship program would be retained, the maximum annual scholarship that could be achieved would be \$1,200 per child and \$2,400 per family.
- scholarships be based on a first come first served basis
- initially the City establish a Citywide cap of \$15,000 plus any funds received through the scholarship fund with the Charitable Foundation.

It should be noted that one Recreation and Parks commissioner has indicated a preference for having a sliding scale for the scholarship program based on family income. While this is a compelling idea, for the first year of the program, staff recommends keeping the scholarship program streamlined and simplified.

Finally, staff feels that as the family income limits and annual caps are raised, that there may be increased desire by families to have their children participate in Adventure Camp. Limitations on space are an important consideration with this program as the number of classrooms that can be used for the program is dependent on availability from the School District. As Adventure Camp begins as soon as kindergarten ends, an Adventure classroom needs to be available starting at 1 pm. This current school year, Adventure Camp was held in two classrooms at El Rodeo, Hawthorne and Horace Mann, and three classrooms at Beverly Vista. While it varies from school to school, there was a wait list at one time or another during the school year at most of the schools this past year. Additional applicants to the program could result in longer wait lists for children to participate in Adventure Camp. Based on discussions with a representative of the school district, it does not appear that the District will be able to make any additional classrooms available for the upcoming school year; however, they committed to verifying this later in the summer once the registration process is further along.

FISCAL IMPACT

Based on staff recommendations above, the one year fiscal impact to the City's general fund would be around \$15,000.

RECOMMENDATION

City Council is asked to consider the staff recommendations listed above and provide direction on changes to the recreation scholarship program related to afterschool care.



Nancy Hunt-Coffey, Asst. Dir. of
Comm. Svcs

Approved By