



NLSA

National Lutheran School Accreditation

# Annual Fee Discussion

December 10, 2020

# NLSA Budget Highlights

- NLSA is Completely Funded through Annual School Fees
- Annual Fees Cover:
  - Two Synod Positions (Associate Director; Coordinator of School Ministry)
  - All Program Expenses for NLSA

# NLSA FY21 Budget

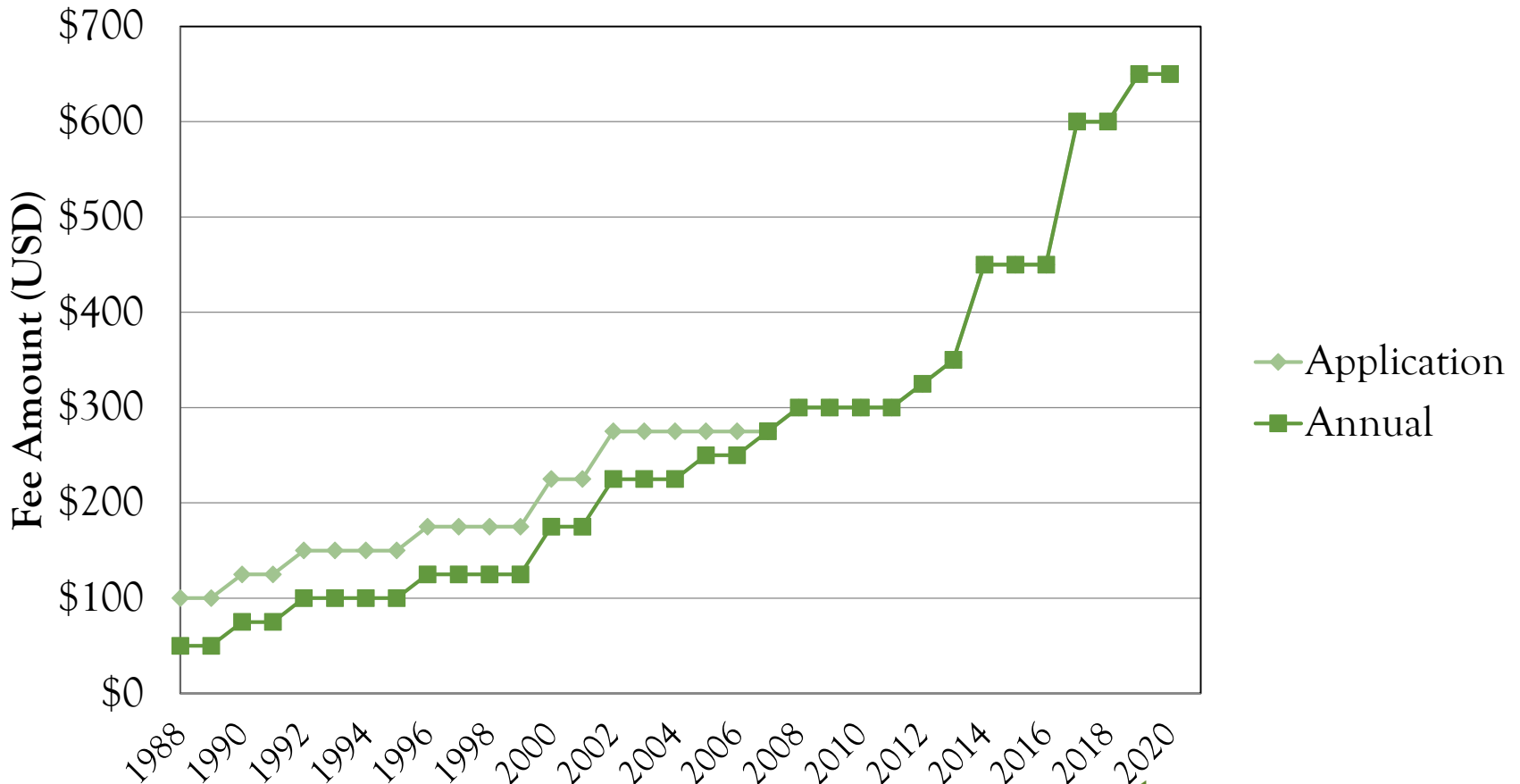
- **FY20 Budget:** \$422,500
  - 650 Schools at \$650
- **Current NLSA Annual Surplus:**  
Approximately \$50,000 (Taking Into Account Associate Director Position)

# Fee Increase Proposal

*(Adopted at 2019 NAC)*

- \$50 Increase Per Year for the Next Three Years to \$750:
  - 2019-2020: \$650
  - 2020-2021: \$650 *(Temporary Freeze by NAC 2020)*
  - 2021-2022: \$700
  - 2022-2023: \$750

# History of NLSA Fees



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# History of NLSA Fees

- 1988 to 2020 Increase: \$600 (adjusted for inflation)
  - Heavily Subsidized at Inception (Synod Budgeted Funding, External Funding Streams, etc.)
- Split Up Over 32 Years (1988-2020):
  - \$18.75 Increase Per Year

# Current Fee Structure

- Annual Flat Fee to All Accredited Lutheran Schools
- Current Annual Fee: \$650

# Other Accrediting Agency Fees

- **Cognia:** \$1,200+
  - Additional Fees: Site Visit Teams, etc.
- **WASC:** \$790 (EL); \$1,070 (MS/HS)
  - Additional Fees: Application (\$160), Initial Visit (\$800), Visit Fees (\$700-\$950), etc.



# Other Accrediting Agency Fees

- **NAEYC:**

Stage	Level 1 (1-60 Children)	Level 2 (61-120 Children)	Level 3 (121-240 Children)	Level 4 (241-360 Children)	Every Additional 120 Children
Stage 1 Enrollment	\$495	\$595	\$795	\$895	Add \$100
Stage 2 Apply	\$250	\$325	\$400	\$475	Add \$75
Stages 3 & 4 Candidacy/ Site Visit ( <i>Paid at Candidacy</i> )	\$825	\$1,025	\$1,225	\$1,425	Add \$200

Maintaining Accreditation	Level 1 (1-60 Children)	Level 2 (61-120 Children)	Level 3 (121-240 Children)	Level 4 (241-360 Children)	Every Additional 120 Children
Annual Accreditation Fee	\$550	\$650	\$775	\$885	Add \$150

- Additional Fees: Late Fee (\$150), Verification Visit Fee (\$1,050-\$1,700+), etc.

# Fee Suggestions from Districts

- Suggestions and Ideas:
  - Reduction of Flat Fee to Schools
  - Implement a “Per Pupil” Fee
  - Create a Sliding Scale Based on Enrollment Size

# Idea: Reduction of Flat Fee

- **Answer:** Not Feasible
- **Rationale:** Based on the adopted budget and the intent to fill the Associate Director position, no reductions can take place at this time.

# Idea: Implement a “Per Pupil” Fee

- **Answer:** Potentially Viable
- **Rationale:** “Per Pupil” cost calculations and invoicing is labor intensive and inconsistent year over year. Large schools would be impacted with a large increase immediately and small schools would also see an immediate increase. We do not enroll enough students in NLSA schools to make this a viable option long term.

# Idea: Implement a “Per Pupil” Fee

Per Student Cost Calculation Variation	Number of Schools	Number of Students	Flat Cost	Per Student Cost	Student Fee Total	Total Fees	Needed Fees	Difference
(\$600 + \$1/Student)	662	124,105	600	\$1	\$124,105	\$521,305	\$422,500	\$98,805
(\$550 + \$1/Student)	662	124,105	550	\$1	\$124,105	\$488,205	\$422,500	\$65,705
(\$500 + \$1/Student)	662	124,105	500	\$1	\$124,105	\$455,105	\$422,500	\$32,605
(\$450 + \$1/Student)	662	124,105	450	\$1	\$124,105	\$422,005	\$422,500	-\$495
(\$400 + \$1/Student)	662	124,105	400	\$1	\$124,105	\$388,905	\$422,500	-\$33,595
(\$350 + \$1/Student)	662	124,105	350	\$1	\$124,105	\$355,805	\$422,500	-\$66,695
(\$300 + \$1/Student)	662	124,105	300	\$1	\$124,105	\$322,705	\$422,500	-\$99,795

\*Data from 2018-2019 School Statistics and Number of Schools

# Idea: Enrollment Sliding Scale

- **Answer:** Potentially Viable
- **Rationale:** Sliding scale (with 2018-2019 enrollment numbers used) would need to start at \$700 (0-50 students) and increase to \$850 (300+ students). Large increases to certain schools and an increase in process management resources are needed to make this viable under current conditions.

# Idea: Enrollment Sliding Scale

Number of Students	0-50	51-100	101-150	151-200	201-250	251-300	300+
Cost Per School	\$600	\$625	\$650	\$675	\$700	\$725	\$750
# Schools by Enrollment	66	118	143	103	76	49	98
Total Revenue	\$39,600	\$73,750	\$92,950	\$69,525	\$53,200	\$35,525	\$73,500
						<b>TOTAL</b>	\$438,050
						<b>Needed</b>	\$422,500
						<b>Difference</b>	\$15,550

*\*Data from 2018-2019 School Statistics and Number of Schools*

# Questions and Discussion