FOUNDED 1939

2009-2012 PRESCHOOL ACADEMY BUSINESS PLAN

HOPKINS HOUSE: Preparing For The Next Generation

HOPKINS HOUSE

- A Center for Children and their Families -
1224 Princess Street
Alexandria, VA 22314

www.Hopkinshouse.org

Table of Contents

I. INTRODUCTION 2

II. ORGANIZATION MISSION & HISTORY 5

III. BACKGROUND 6

IV. EARLY CARE AND EDUCATION AT HOPKINS HOUSE 8

V. CHILDCARE INDUSTRY ANALYSIS 9

VI. RECOMMENDATIONS 11

Goals & Objectives 11
Assessment 13
Preschool Academy Tuition Plan 15
Preschool Academy Curriculum Plan 17
Preschool Academy Faculty Plan 18
Preschool Academy Marketing & Community Outreach Plan 19
Family Education Programs Plan 20
Center of Excellence Plan 22
Capital Improvement Plan 22
Surplus Income Plan 23

- I -

INTRODUCTION

Hopkins House is non-profit child and family learning center committed to nurturing the full capacity of children, youth, and their families to achieve their full intellectual, economic, and social potential. The Organization's core activities are early care and education and family engagement programs.

Hopkins House programs benefit families of all income levels and socioeconomic backgrounds.

Through its mission, Hopkins House strives to foster a "love of learning community" by encouraging children during their formative years, using a research-based curriculum founded on physical, social and emotional, and cognitive and language development, and by encouraging parents to become engaged in the education of their children through ongoing activities, training, and counseling.

In 2008, the Organization completed construction of a new center in metropolitan Northern Virginia. This new center houses a second preschool academy, doubles the Organization's service capacity to 150 children, doubles the early care and education budget and staff, and substantially increases the number of families and adults served.

That same year, Virginia Governor Tim Kaine visited Hopkins House's Helen Day Preschool Academy in the City of Alexandria and hailed its K-Prep classroom as a model program in the Commonwealth under his School Readiness Initiative, and Reading is Fundamental ("RIF") selected Hopkins House's McNeil and Helen Day Preschool Academies from among 3500 programs nationwide for recognition at its national conference.

These events have focused considerable attention on Hopkins House's early care and education program and inspired internal debate at all levels of the Organization on new approaches to enhancing program quality.

Through its early care and education programs, Hopkins House seeks to prepare itself as an institution for the new social and economic realities of the current generation and to prepare the children and families we serve to excel in this new era.

Research exists that suggests high-quality early care and education programs improve long-term academic outcomes for children – especially those from culturally and economically underprivileged backgrounds – and delivers benefits to the community that far outweigh the investment of capital, including lower costs for subsequent education, increased taxes paid once children mature and enter the workforce, and reduced social costs[1].

Research also shows that high-quality early care and education programs require educated and experienced educators[2].

This Business Plan provides a guide to achieve a "love of learning community"; a guide to maintaining fiscal stability through revenue-producing models, aggressive marketing and community outreach, and operational efficiencies; and, a guide to building a firm and enduring foundation in preparation for the next generation of Hopkins House.

Through this Business Plan Hopkins House seeks to become a recognized leader in early care and education, parent engagements, and family education programs. And, we seek to be financially strong and poised to exploit opportunities for future expansion as the need among children, youth, and their families becomes apparent.

---

[1] *Lynch, Robert. 2004. Net Benefits of Early Childhood Development. Washington, DC: Economic Policy Institute..*

[2] *Bowman, Barbara T., M. Suzanne Donovan, and M. Susan Burns (editors). 2000. Eager to Learn: Educating Our Preschoolers. Washington, DC: National Academies Press, a report of the Committee on Early Childhood Pedagogy, National Research Council, Chapter 7.*

Through implementation of this Business Plan, Hopkins House will invest $542,500 in (a) training and higher compensation of our Preschool Academy staff, (b) creation of a Center of Excellence to develop and expand the pool of Early Care and Education professionals, and (c) physical improvements to our educational facilities:

Direct Investments in Quality Improvement:	
Teacher compensation & Training	$392,500
Center of Excellence	$150,000
Capital Improvements	$90,000
Total	**$542,500**

These investments will produce returns in three ways:

- First, giving our children higher-quality preschool education;
- Second, allowing Hopkins House to set tuition at the going market rate; and,
- Third, enabling the Preschool Academy to meet the goal of 49% of families paying full tuition.

The increase in tuition revenue from the second and third of these results through 2012 will be on the order of $949,000. These returns will be reinvested to support and enhance the quality of the services offered to our students and their families:

This increased investment in programs and direct services will be partly financed by a reduction from six down to four central office administrators, for a savings of approximately $52,000.

This Business Plan was adopted by the Hopkins House Trustees on January 26, 2009.

- II -

ORGANIZATION MISSION AND HISTORY

The mission of Hopkins House is to provide quality educational programs and opportunities to children, youth, and their families, regardless of income, to help them achieve, in measurably effective ways, their full intellectual, economic, and social potential.

Hopkins House was founded in 1939 by a group of concerned citizens brought together by the loss of federal funding for Alexandria's only nursery serving the children of the city's poor and racial minorities.

The Organization was named in memory of Dr. J. Milton Hopkins, an African-American physician who practiced in Alexandria at the beginning of the last century. Dr. Hopkins died on July 15, 1927.

Over the ensuing 55 years until 1994, the organization developed into a settlement house providing a wide variety of social services programs throughout the City of Alexandria and Northern Virginia.

Pressed for funds to support the growing demand for these programs, in 1994 the Hopkins House Trustees examined the Organization's mission and decided that, in order to remain a viable and effective institution, it would be necessary to focus its activities and enhance the quality of the services it provided. The Trustees adopted a strategic plan that, over the next five years, returned the organization to its roots providing education programs for low-income, working families with children.

Over the 12-month period ended June 30, 2008, the organization provided services to 223 children, youths, and their families – 93% of whom were racial minorities and 74% of whom were low-income.

- III -

BACKGROUND

This Business Plan is the outgrowth of the 2008 Visioning Retreat held by the Hopkins House Trustees and focuses largely on development, enhancement, and expansion of the Organization's early care and education programs.

At this Visioning Retreat the Trustees, joined by Hopkins House staff and parents, expressed a collective vision of early care and education at Hopkins House and agreed to a set of goals to be achieved by the end of Fiscal 2012 by the Organization's Preschool Academy:

- *To help children succeed in school and life*
  - Offer effective early childhood education
  - Provide experiences they otherwise might not have
  - Track results
- *To help both mothers and fathers excel as parents*
  - Work with both parents in their children's development
  - Offer them useful education for parenting and family life
  - Give them a role and a stake in Hopkins House
- *To epitomize quality in every respect*
  - Conduct sound and creative programs with measurable success
  - Recruit, retain, motivate and develop able and dedicated staff
  - Maintain showcase facilities
- *To achieve financial stability*
  - Obtain ample, steady and broad-based funding via long-term relationships
  - Increase flexibility in how funds may be spent
  - Achieve consistent operating surpluses, pay down debt, and build a cash reserve
- *To be a leader and learner in the field of helping families succeed*
  - Share with and learn from others

- Evaluate objectively
- Innovate wisely

- *To be a thought-leader in its communities*
  - Build a reputation as a special place for children and families
  - Be a respected voice for public policies that help children and families
  - Engage helpful and influential trustees and stakeholders

The Trustees delegated responsibility to their Assessment & Strategic Planning Committee to advance a strategy to achieve these goals. This Business Plan was developed and recommended by the Assessment & Strategic Planning Committee and adopted by the Trustees on January 26, 2009.

- IV -

EARLY CARE AND EDUCATION PROGRAMS AT HOPKINS HOUSE

Hopkins House has operations in two Northern Virginia jurisdictions: City of Alexandria and County of Fairfax; and, serves children and families who reside in Northern Virginia, Maryland, and the District of Columbia.

Hopkins House programs are divided into two categories: (1) *Early Care & Education Programs*: Infant centers for babies ages 6 weeks to 16 months, preschools for children ages 16 months to 3 years and, kindergarten preparation for children ages 4 to 5 years; and, (2) *Family Education Programs*: Financial literacy and homeownership workshops for adults ages 18 years and older, family literacy and fatherhood activities for fathers and father-figures, and leadership training for parents.

Hopkins House's Early Care & Education Programs are administered through its Preschool Academy. These Academies are real "schools" and provide not only a safe-haven for the children of working parents but also strong preparation for the educational challenges they will face in kindergarten and beyond.

Research shows that quality preschool improves long-term academic outcomes for children – especially those from culturally and economically underprivileged backgrounds – and delivers benefits to the community that far out-weigh the investment of capital, including lower costs for subsequent education, increased taxes paid once children mature and enter the workforce, and reduced social costs.

In 2008, Hopkins House provided early care and education programs to 152 children, ages 6 weeks to 5 years old.

- V -

CHILDCARE INDUSTRY ANALYSIS

The childcare industry remains essentially a "mom and pop" business ringing up annual sales estimated to be between $10 billion and $35 billion. Although the national chains grew 200% during the 1980's, they still accounted for only 5% of the childcare centers operating nationwide. In 1995, only 9 chains have as many as 24 childcare centers. The remainder operates on a much smaller scale; several being non-profit childcare centers, and other licensed family providers operating out of their homes.

Profit margins in the industry are very slim. The average for-profit daycare center earns 5% over costs while some franchise operations function at margins of about 7%. Childcare is labor intensive and costs can account for 70% or more of a center's operating budget. Facilities can cost up to 15% of operating costs.

However, economies of scale can be realized. Total costs decline as the number of children served within the childcare center increases. On average, childcare centers with forty (40) or more full-time enrolled children realized a 10% savings in total cost per child per hour, while childcare centers with 80 full-time enrolled children realized a 20% cost savings[3].

Childcare workers are among the lowest paid workers in the U.S.[4] Childcare workers also often receive few benefits, such as medical and dental insurance and paid time off.

The childcare industry has one of the highest employee turnover rates of any industry. This high turnover is directly related to the wages paid to childcare workers. Thirty-one percent (31%) of the providers earning $200 or less per week left the occupation during 1990 as compared with 15% for those earning more.

---

[3] *National Committee on Pay Equity (1999).*

[4] *According to the U.S. Department of Labor, Bureau of Labor Statistics, May 2007.*

In addition to the low wages, childcare workers often leave the industry due to poor working conditions, parent demands that cannot be reasonably met, lack of benefits, and lack of career opportunities.

A high quality center is characterized by adequately paid staff, education and training programs, and low staff turnover.

In 2008, Hopkins House spent over $1 million providing competitive compensation to its preschool faculty, on their training and professional development, and on facility improvements.

- VI -

RECOMMENDATIONS

Goals & Objectives

This Business Plan proposes implementation of the following set of goals and objectives by June 2012:

1) Hopkins House's current management will be streamlined and its effectiveness increased.
    a. By June 2009, Hopkins House will have reduced the size of its management.
2) Hopkins House's financial health will be strengthened through long- and short-term growth strategies that create reliable streams of funding for direct services, quality enhancements, tel-data and information systems, and resource development.
    a. By June 2010 and each fiscal year thereafter, Hopkins House will end the fiscal year with an operating surplus.
    b. By June 2011 Hopkins House will have completed an engineering study of its facilities to determine a capital improvement and replacement plan and funding needs.
    c. By June 2012, Hopkins House will have reduced its bank debt through reduction of mortgage principle by 5% (approximately $150,000).
3) Hopkins House's endowment funds will be substantially increased.
    a. By June 2012, Hopkins House will have unexpended funds sufficient to make a contribution of at least $100,000 to the renewal of its endowment.
4) Hopkins House will achieve and maintain full-year capacity enrollment in its two current Preschool Academies, with at least 49% of the combined enrollment from families able to pay the tuition without government childcare subsidies or other assistance.
    a. By June 2012, Hopkins House will have achieved the following targets for combined enrollment of students at the Preschool Academies from

families able to pay the tuition without government childcare subsidies or other assistance for at least 10 months of the fiscal year:

Target Date	Target % Combined Capacity	Target Combined Enrollment	Target % Full-Pay Children	Target Total Full-Pay Children
June 2009	85	127	30	38
June 2010	90	135	35	47
June 2011	95	142	40	57
June 2012	100	150	49	73

b. By June 2012, Hopkins House will have hired Preschool Academy faculty with post-secondary degrees in early childhood education or related field in number consistent with Preschool Academy enrollment needs.

c. By June 2012, both Hopkins House Preschool Academies will have achieved NAEYC accreditation and/or at least 4 stars under Virginia's Quality Rating and Improvement Scale (QRIS).

d. By June 2012, the faculty at the Hopkins House Preschool Academies will have been sufficiently trained to effectively implement the Creative Curriculum (or other research-based, nationally recognized curriculum).

5) Hopkins House will expand its leadership and influence in the early care and education field and parent engagement programming.

a. By June 2009, Hopkins House will have completed an assessment of its capacity to foster and maintain the consistent engagement of the parents of the children enrolled in the Preschool Academy, and its capacity to teach parents effective financial literacy and parenting skills.

b. By June 2009, Hopkins House will have completed a study of the feasibility of establishing and funding a "Center of Excellence" that enlarges the local pool of early care and education professionals, and develops and enhances their skills; and, that collaborates with local colleges and universities in the authorship of research on best practices in early care and education and parent engagement.

c. By June 2010, Hopkins House will annually publish a list of public policy advocacy objectives in early care and education, K-12 education,

affordable housing, family health, and workforce development; and, will work with public officials and other organizations to achieve these public policy advocacy objectives.

6) Hopkins House will determine an expansion strategy for the Organization.
    a. By June 2012, Hopkins House will have completed an assessment of the early care and education and parent engagement needs in the City of Alexandria and Fairfax County to ascertain any existing gaps in services that might be filled through expansion of the Organization.
    b. By June 2012, Hopkins House will have completed a needs assessment of communities outside the City of Alexandria and Fairfax County to ascertain any existing gaps in services that might be filled through expansion of the Organization's service area.

Assessment

This Business Plan proposes an assessment of the extent to which the above goals have been successfully implemented through the following measures:

1) By the end of fiscal 2009:
    a. The extent to which Hopkins House has reduced its current senior management staff.
    b. The extent to which Hopkins House has completed an assessment of its capacity to foster and maintain the consistent engagement of parents of the children enrolled in the Preschool Academy and to teach parents effective financial literacy skills.
    c. The extent to which Hopkins House has completed a study of the feasibility of establishing and funding a "Center of Excellence".
2) By the end of fiscal 2010:
    a. The extent to which Hopkins House ends the fiscal year with an operating surplus.
    b. The extent to which Hopkins House has completed an engineering study of its facilities.
3) By the end of fiscal 2011:

a. The extent to which Hopkins House has retired 5% of its current mortgage principle.

4) By end of fiscal 2012:

a. The extent to which Hopkins House has unexpended funds sufficient to make a $100,000 contribution to the renewal of its endowment.

b. The extent to which Hopkins House has enrolled and maintained for 10 months of the fiscal year 150 students in its two Preschool Academies, with at least 73 of them from families able to pay the tuition without government childcare subsidies or other assistance.

c. The extent to which all faculty at the Hopkins House Preschool Academy have a post-secondary degree in early childhood education or related field.

d. The extent to which both current Hopkins House Preschool Academies have achieved NAEYC national accreditation and/or at least 4 out of 5 stars under Virginia's Quality Rating and Improvement Scale (QRIS).

e. The extent to which the faculty at the Hopkins House Preschool Academy have been sufficiently trained to effectively implement the Creative Curriculum (or other research-based, nationally recognized curriculum).

f. The extent to which Hopkins House has published a list of public policy advocacy objectives in early care and education, K-12 education, affordable housing, family health, and workforce development.

g. The extent to which Hopkins House has completed an assessment of the early care and education and parent engagement needs in the City of Alexandria and Fairfax County.

h. The extent to which Hopkins House has completed a needs assessment of communities outside the City of Alexandria and Fairfax County.

-VI -

PLANS

The Assessment & Strategic Planning Committee will have oversight of the implementation of this Business Plan and will periodically, but no less than annually, report on progress to the Trustees. The Budget & Personnel and Community Outreach & Public Advocacy committees will have responsibility for developing and implementing specific plans. The Vice President will be responsible for coordinating the implementation of this Business Plan and will undertake the following specific activities:

Preschool Academy Tuition Plan

The Budget & Personnel Policy Committee is charged with responsibility for developing and implementing the Preschool Academy Tuition Plan.

This Business Plan proposes a review of the current Preschool Academy tuition structure with the goal to maximize tuition income. Tuition at the Hopkins House Preschool Academy is set annually by the Hopkins House Trustees. The current tuition rates are as follows:

	Infants	Toddlers	Preschoolers	Junior K-Prep	K-Prep
Tuition Rate	$255	$245	$225	$225	$225
Frequency	Per Week	Per Week	Per Week	Per Week	Per Week

The chart below outlines the projected revenue in Tuition & Fees based on the goal to increase the number of students from full-pay families.

Parents receiving government tuition assistance are not currently required to pay the difference between the Organization's base preschool tuition and the tuition assistance provided by the government.

Current enrollment at the Preschool Academy is organized into three categories: childcare fee subsidized, full-payers, and scholarship recipients. Hopkins House's goal is to move from 72% to 51% subsidized and 28% to 49% full-payers by 2012[5].

In addition, Hopkins House is committed to achieving full capacity by the 2012 Fiscal Year.

[5] *It should be noted that these enrollment goals are based on the combined total of 150 students. The percentage of students by category may vary at each of the two Preschool Academies.*

The chart below shows the effect of incremental increases in the base tuition rate, with the goal to eliminate over time, the difference between the "Market Rate" and the base tuition:

	FY09	FY10	FY11	FY12
Market Rate[6]	$250	$250	$250	$250
Base Tuition	$225	$235	$240	$250
Difference Over Market Rate	**($25)**	**($15)**	**($10)**	**$0**
Student Enrollment Target	**127**	**135**	**142**	**150**
Difference in Tuition Revenue	**($158,750)**	**($101,250)**	**($71,000)**	**$0**

Preschool Academy Curriculum Plan

The Assessment & Strategic Planning Committee is charged with responsibility for developing and implementing the Preschool Academy Curriculum Plan.

This Business Plan proposes the implementation of a Curriculum Plan for the Preschool Academy that will guide the daily activities, transitions, and routines that impact the child's physical, social, emotional, and intellectual development.

The Creative Curriculum focuses on ten interest areas or activities in the preschool environment: blocks, house corner, table toys, art, sand and water, library corner, music and movement, cooking, computers, and the outdoors; helps teachers understand how to work with children at different developmental levels to promote learning; guides teachers in adapting the environment to make it more challenging; includes a parent component; and provides training manuals, audiovisual resources, and conferences.

PROSPECTIVE CURRICULUM & TRAINING COSTS				
	FY09	FY10	FY11	FY12
Curriculum Materials	$204	$1,000	$7,000	$10,000
Conferences & Training	$9,796	$6,500	$13,000	$15,000
Total	$10,000	$7,500	$20,000	$25,000

[6] *Source: Virginia Department of Human Services.*

Preschool Academy Faculty Plan

The Assessment & Strategic Planning Committee is charged with responsibility for developing and implementing the Preschool Academy Faculty Plan.

This Business Plan proposes implementation of a Faculty Plan for the Preschool Academy that begins with a review of current job descriptions with the goal to more effectively and efficiently utilize current staff.

As enrollment increases at the Preschool Academy, Hopkins House will hire faculty consistent with the Organization's goal to recruit and hire highly skilled and educated early care and education professionals as needed. The increased staffing costs will be supported by increased monthly income from the higher enrollment of full-pay students.

Hopkins House will seek to hire Teachers with a Bachelor's degree and at least one year of professional childcare experience and Assistant Teachers with a CDA and currently matriculating in college toward a higher degree. To the extent desirable and for the purpose of assisting in the classroom, Hopkins House will seek to hire Education Aides limited to no more than 1 per classroom:

The Hopkins House Preschool Academy is subject to mandated (NAEYC and Virginia regulation) staffing ratios designed both to provide individualized attention to each child and to maximize safety:

	Description	Age Range	Staffing Ratio
Infant Center	Designed for infants	6 wks to 16 mos of age	1 educator to 4 infants
Toddler Classroom	Designed for toddlers	16 mos to 2 years of age	1 educator to 5 toddlers
Preschool Classroom	Designed for children	2 to 3 years of age	1 educator to 8 children
Junior K-Prep Classroom	Designed for children	3 to 4 years of age	1 educator to 10 children
K-Prep Classroom	Designed for children who will be age eligible to enter kindergarten next fall	4 to 5 years of age	1 educator to 10 children

Preschool Academy Marketing & Community Outreach Plan

The Community Outreach & Public Advocacy Committee is charged with responsibility for developing and implementing the Preschool Academy Marketing & Community Outreach Plan.

This Business Plan proposes implementation of a Marketing & Community Outreach Plan for the Preschool Academy that attracts students by emphasizing its unique programs and quality services. This Plan targets populations within the community that will be revenue producing; includes a detailed strategy with reasonable timelines, responsibilities, costs and work plan; and, promises the greatest likelihood of accomplishing the following objectives:

1. To develop an aggressive cost-effective approach to advertising including in local newspapers and magazines, and *The Yellow Pages*, as well as use of brochures and pamphlets, newsletters, and the internet (e.g., "You Tube", Savvy Source, and "Face Book"), faith institutions, and community organizations.
2. To promote accreditation by the National Association for the Education of Young Children and/or a ranking of 4 out of 5 stars under Virginia's Quality Rating Improvement System (QRIS).
3. To pursue employer sponsored childcare services whereby Hopkins House contracts with employers to provide childcare services to their employees for a fixed per child fee and/or reduced on-site rent.
4. To promote value-added services to parents and for students: preschool learning and school age tutoring, state of the art computer lab, performing arts, science enrichment & discovery lab, and/or foreign language.

5. To promote low children–to-staff ratios.
6. To promote the use of web-based camera surveillance to enable parents to observe the daily routines of their children.
7. To offer added services beyond 9am-5pm, such as after school care and summer camp.
8. To position Hopkins House as competitive with prestigious private/independent preschools.
9. To promote the use of field trips to extend learning.
10. To promote and use consistently, parent communication (e.g., daily notes, weekly parent newsletter, quarterly evaluations, monthly calendars, parent/teacher conferences, emails, and parent engagement).
11. To promote the philosophy that positive outcomes are contingent upon high-quality early education.

In addition to Plans for the Preschool Academy, this Business Plan recommends plans to review the Family Education Programs Department, to create a "Center of Excellence", to make certain capital improvements, and to generate surplus income to the Organization:

Family Education Programs Plan

The Assessment & Strategic Planning Committee is charged with responsibility for developing and implementing the Family Education Programs Plan.

This Business Plan proposes a review of the effectiveness and funding needs of the Family Education Programs Department. The chart below is a projection of expenditures through the period of this Business Plan.

		FAIRFAX CAMPUS				ALEXANDRIA CAMPUS			
		2010	**2011**	**2012**	**Total**	**2010**	**2011**	**2012**	**Total**
MOM Project	Participants Workshops (Adult) [8 per year]	9	14	25	**48**	5	8	14	**27**

	Participants (24) Workshops (Child) [8 per year]	11	17	31	**59**	6	9	16	**31**
	Adult Food Cost	$504	$784	$1,400	**$2,688**	$280	$448	$784	**$1,512**
	Children Food Cost	$176	$272	$496	**$944**	$96	$144	$256	**$496**
	Childcare Cost	$360	$360	$360	**$1,080**	$360	$360	$360	**$1,080**
	Gift Cards Cost	$1,080	$1,080	$1,080	**$3,240**	$1,080	$1,080	$1,080	**$3,240**
	Printing Cost	$1,555	$1,555	$1,555	**$4,666**	$1,055	$1,055	$1,055	**$3,166**
	Director's Salary	$6,980	$6,980	$6,980	**$20,940**	$6,980	$6,980	$6,980	**$20,940**
	TOTAL	**$10,655**	**$11,031**	**$11,871**	**$33,558**	**$9,851**	**$10,067**	**$10,515**	**$30,434**
DADS Project	Participant Workshops (Adult) [8 per year]	3	4	7	**14**	2	3	5	**10**
	Participant (24) Workshops (Child) [8 per year]	4	6	11	**21**	2	3	5	**10**
	Adult Food Cost	$168	$224	$392	**$784**	$112	$168	$280	**$560**
	Children Food Cost	$64	$96	$176	**$336**	$32	$48	$80	**$160**
	Childcare Cost	$240	$240	$240.00	**$720**	$240	$240	$360	**$840**
	Gift Cards Cost	$240	$240	$240.00	**$720**	$240	$240	$240	**$720**
	Printing Cost	$1,555	$1,555	$1,555.56	**$4,666**	$1,055	$1,055	$1,055	**$3,166**
	Director's Salary	$6,980	$6,980	$6,980.00	**$20,940**	$6,980	$6,980	$6,980	**$20,940**
	TOTAL	**$9,247**	**$9,335**	**$9,583**	**$28,166**	**$8,659**	**$8,731**	**$8,995**	**$26,386**
Parent Leadership	Participant Workshops (Adult) [8 per year]	9	14	25	**48**	5	8	14	**27**
	Participant (24) Workshops (Child) [8 per year]	11	17	31	**59**	6	9	16	**31**
	Adult Food Cost	$504	$784	$1,400	**$2,688**	$280	$448	$784	**$1,512**
	Children Food Cost	$176	$272	$496	**$944**	$96	$144	$256	**$496**
	Childcare Cost	$420	$420	$420	**$1,260**	$420	$420	$420	**$1,260**

	Gift Cards Cost	$240	$240	$240	**$720**		$240	$240	$240	**$720**
	Printing Cost	$1,555	$1,555	$1,555	**$4,666**		$1,055	$1,055	$1,055	**$3,166**
	Director's Salary	$6,980	$6,980	$6,980	**$20,940**		$6,980	$6,980	$6,980	**$20,940**
	TOTAL	$9,875	$10,251	$11,091	**$31,218**		$9,071	$9,287	$9,735	**$28,094**
GRAND TOTAL		**$29,778**	**$30,618**	**$32,546**	**$92,944**		**$27,582**	**$28,086**	**$29,246**	**$84,916**
		(DONOR CONTRIBUTION FOR DIRECT FUNDING)								

Center of Excellence Plan

The Assessment & Strategic Planning Committee is charged with responsibility for developing and implementing the Center of Excellence Plan.

This Business Plan proposes investment of $89,000 to $150,000 to create a "Center of Excellence" that would seek to enlarge the pool of qualified staff at the Preschool Academy as a means to improve overall quality of the early care and education program while also enhancing the prestige of the Organization.

The Center will also collaborate with local colleges and universities on best practices and research related to early care and education and parent engagement programs; will seek to join with experts in the field to publish articles, Op-Ed pieces, and research; and, will be headed by a highly qualified individual and enable the Organization to become a "thought leader" in the early care and education field.

Capital Improvement Plan

The Budget & Personnel Policy Committee is charged with responsibility for developing and implementing the Capital Improvement Plan.

This Business Plan proposes capital improvements to the Fairfax and Alexandria Centers as recommended in an Engineering Study, and proposes $90,000 in capital expenditures to upgrade the Alexandria Center.

Surplus Income Plan

The Budget & Personnel Policy Committee is charged with responsibility for developing and implementing the Surplus Income Plan.

This Business Plan proposes the generation of surplus income over time sufficient to reduce the Organization's mortgage debt by 5% (approximately $150,000) and increase its endowment by $100,000.

PROJECTED NET	FY09	FY10	FY11	FY12
Net Income	($29,095)	$0	$70,000	$163,000
Net Percentage to Reserves	0%	0%	3.1%	6.5%

Income to the Organization is projected to start conservatively and increase over time as the awareness of the Hopkins House Preschool Academy increases through enhanced marketing and reputation:

PROJECTED INCOME	FY09	FY10	FY11	FY12
Contributed Support	$834,618	$500,000	$550,000	$700,000
Earned Income (Tuition & Fees)	$1,105,803	$1,680,076	$1,700,000	$1,800,000
Total	**$1,940,421**	**$2,180,150**	**$2,250,000**	**$2,500,000**

Expenses of the Organization are projected to increase incrementally over the years of this Business Plan:

PROJECTED EXPENSES	FY09	FY10	FY11	FY12
Compensation & Benefits	$1,224,523	$1,462,621	$1,600,000	$1,700,000
Professional Contracts	$49,878	$62,000	$75,000	$77,000
Non-Personnel Expenses	$524,553	$539,149	$382,500	$440,000
Occupancy Expenses	$129,123	$44,000	$60,000	$70,000
Travel & Meeting Expenses	$7,075	$6,730	$7,500	$10,000
Depreciation & Amortization	$34,365	$65,650	$55,000	$40,000
Total	**$1,969,517**	**$2,180,150**	**$2,180,000**	**$2,337,000**

The following chart shows projected expenditures with relation to total staff Compensation & Benefits, and identifies key areas of potential cost reductions:

ASSESSMENT & STRATEGIC PLANNING COMMITTEE

Mark Eisenhour, Committee Chair

David Gompert, Committee Vice-Chair

J. Glenn Hopkins, Hopkins House President

Laura Beach, Committee Staff

Jeff Kline, Trustee

Amy Liu, Trustee

Charles Monterio, Hopkins House Vice President

Deborah Schoemer, Trustee