

Q&A

Managing School Finances and Other Resources in Times of Crisis Webinar • May 5, 2020

1. In addition to other cost-containment initiatives, is a consistent pay-cut the best approach to manage the cash-flow?
2. Any advice for a for profit new Schools that haven't had years to create a surplus?
3. Also did you plan different tuitions?
4. Any advice for non profit schools.. Please
5. What is your suggestion on non teaching staff whose services aren't essential during this period
6. How we can prepare for a mix Virtual/in site 20-21 school year. From the budget point of view
7. How can we balance the equation collecting our AR's and maintain a good relation with the parents
8. Considering the extra effort by teachers, there can be a union concerns about stress on teachers.
9. Any ideas to sort this out with staff?
10. Since reserves (accumulated surpluses) are proving to be very useful in a crisis such as COVID-19, for future purposes, up to what level should we maintain reserves as we go into the future? Parents may not be happy with reserves that have reached 100% of your operational and capex budget say over 5 years. How best to handle this?
 - a. At least one year's expenses in reserve for major emergencies is wise, though difficult to convince parents and owners in some cases.
11. How can we deal with nursery considering that no matter what we do we cannot compensate the day care? Any experience to share on this? Thank you!
 - a. Hi Valentina, Irene from Rome. We have closed our Nursery in April for the year. We have offered a discount towards next year's tuition to compensate for the closure. This also helps with retention of students...
 - b. Sorry, also offered a different payment plan to calculate for possible months of closure in the future (from September)
 - c. Of course this is hindsight however, some schools have relationship with a bank that will offer loans to families with reasonable payback terms.\
 - d. thank you! We also offered to all the parents the lowest possible tuition fee for a 9-12 program,
12. During Virtual School we are noticing parent expectations are different depending on the grades the students are in. ECC is the less happy group. Any experience? Cancelling for this division?
 - a. Virtually all ECC programs suffer from similar issues because of the nature of ECC classrooms....intense social interaction throughout the day. I would recommend continuing with as much interaction with the teacher online as is possible, even if it is just a couple of hours a week broken up into short sessions. This helps keep parents engaged as well as children.
13. Did you experience synchron teaching? I mean teach in the classroom for some kids and online for those who decided to remain at home?

- a. This can certainly be an option to retain families who have doubts about sending their children to the physical school campus during such uncertain times
 - b. Potential problem, if you offer an online only price point in the future then it begs the question as to why we are not giving everyone price breaks now or in the future if we must go back to online only issues.
 - c. One might consider offering a longer instructional year when teaching online.
14. Question about claiming force major to waive refunds: that is if you have this specified in your contract with parents correct?
- a. Of course in hindsight, teacher contracts, enrollment agreements and school policy should clearly articulate how school fees and services are dealt with in cases of force major.
 - b. It is always important to follow local laws, union agreements, etc.
 - c. Yes thanks. For teacher contracts unfortunately we have to follow strict national contracts (I'm in Rome, Italy). But the contract with parents can be tweaked.
 - d. We were in the process of our redevelopment project 2nd phase to start would you advise that we postpone the same .
 - e. Depends on the cash available to finish the project and still have significant reserves and the extent that the market you are targeting will still have sufficient financial resources to enroll their children in your school.
15. Is the redevelopment central to your school's mission? Will it be a big draw for increased enrollment in the short-term future