

The Costs of Out-of-School Time Programs: A Brief Review of the Literature

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Nearly two-thirds of U.S. families are now headed by either two working parents or a single working parent. Accompanying the rise in working parents is a growing demand for high-quality supervised care and enrichment activities for children and youth during out-of-school hours. To make sound investment decisions that support high-quality programs, policymakers, budget officials, and providers need a clear understanding of the costs of out-of-school time program options.

Since 1993, several studies have calculated the annual per-child costs of a variety of out-of-school-time programs (See page 3 for detailed information on selected studies). These studies rely on program budgets and funding data, as well as surveys of providers to collect information about the costs of various out-of-school time programs. Taken together, these studies provide some broad sense of what it costs to run out-of-school-time programs. Key findings from a review of these studies include¹:

- **There is a lack of up-to-date information on the costs of out-of-school time care.**
- **Researchers and practitioners do not have a standard methodology for estimating the full costs of out-of-school-time programs.** While it is expected that the cost of an out-of-school-time program will vary according to many factors—including the cost of living; program auspices, schedule, and services; the number, age, and special needs of children served by the program; and investments in program quality—a standard methodology for collecting information on these factors has not been developed to date.
- **Findings from selected cost studies of out-of-school-time programs report a wide variation in costs—from \$1,357 to \$7,160 per child per year—more than a five fold range.** Much of this variation can be attributed to program characteristics and methodological differences in sample sizes, how costs are calculated, whether in-kind resources are taken into account, and whether start up, operating, and systems building costs are included.
- **Not much is known about the cost implications of investments that can improve the quality of out-of-school time programs,** such as smaller staff-to-youth ratios and professional development. This kind of information is critical for understanding the costs of high-quality out-of-school time programs, as well as the incremental costs of improving lesser quality programs.
- **Many cost studies do not include the value of in-kind resources, which can account for up to 50-100% of total program costs.** The omission of in-kind resources (e.g. facilities) results can lead to an under-estimation of the full costs of out-of-school-time programs.

The Finance Project and Public/Private Ventures are currently conducting a study of the costs of high-quality out-of-school time learning programs. The full report, to be published in 2007, was commissioned by The Wallace Foundation as part of its commitment to improving the quality of out-of-school learning opportunities for children and families. It will include a reference guide on the costs of various types of programs offered in different settings, by different providers, and with different goals. It will also examine the cost implications of other types of program characteristics, such as staff-youth ratios, total size and staffing patterns. As an early step in this research that will lead to the full report, The Finance Project has conducted a review of existing knowledge on the costs of out-of-school learning.

¹ Adapted from: Lind, Christianne and Nanette Relave. *The Costs of Out-of-School Time Programs: A Review of the Literature*. Washington, DC: The Finance Project. Prepared for the Wallace Foundation, forthcoming.

- **Many cost studies focus solely on on-going operating costs, and do not take into account start-up, expansion, or systems-building costs.** These expenses are critical for understanding how much it costs to expand and sustain out-of-school-time programs.
- **Staff and facility costs constitute the largest and most consistent shares of total out-of-school-time program expenses.**
- **From a systems perspective, little is known about the relationship between program scale and costs.** Existing research suggests that economies of scale are difficult to achieve in out-of-school time programs because only a small proportion of total costs are sensitive to program scale. However, more research is needed to understand if and how out-of-school-time programs can benefit from economies of scale.

SELECTED STUDIES ON OUT-OF SCHOOL TIME PROGRAM COSTS

Studies on Out-of-School-Time Program Costs	Total Cost Per Child	Methodology and Date of Data Collection	Cost Elements Excluded	Donated or In-Kind Resources Excluded	Number of Sites Surveyed	Program Location	Auspices of Program	Program Operating Schedule	Average Number of Children Served and Target Age Group	Analysis of What's Driving Costs (where available)
<i>LA's Better Educated Students for Tomorrow (BEST) After School Enrichment Program</i> Proscio and Whiting, 2004	\$1,357 per year (\$2,684 per year including a conservative estimate of the value of rent-free space)	Budget data, 2003-2004.	Not clear	No	N/a ²	Los Angeles, CA	School-based	3.5 hours/day; 5 days per week. Not known if this includes summer or holidays.	N/a; High-Risk, Elementary School	
<i>San Diego "6 to 6" Out-of-School-Time Program</i> Proscio and Whiting, 2004	\$1361 per year (\$979 per year for after-school component; \$652 per year for before-school component)	Budget data, 2003-2004. Estimates based on contract amount paid to out-of-school-time providers, prorated to include administrative and overhead costs.	Not clear	Yes; Doesn't account for donated facilities	N/a	San Diego, CA	School-based	5.25 hours/day; 5 days per week. Not known if this includes summer or holidays.	N/a; Elementary and Middle School	The authors attributed the "modest" cost of this program to its comparatively low salaries, low overhead structure, and the limited number of out-of-school time enrichment opportunities that require busing.
<i>The After School Corporation (TASC)</i> Proscio and Whiting, 2004	\$1,600 per year	Budget data, 2003-2004.	Not clear	Yes; Doesn't account for donated facilities	N/a	New York City, NY	School-based	3 hours/day; 5 days per week. Does not include summer or holidays.	N/a; Elementary, Middle and High School	
<i>After-School Matters (ASM) in Chicago</i> Proscio and Whiting, 2004	\$1,740 per year (\$2,520 per year including student apprentice stipends)	Budget data, 2003-2004.	Not clear	Yes; Doesn't account for donated facilities	N/a	Chicago, IL	School-based and CBO	3 hours/day; 3days per week Not known if this includes summer or holidays.	N/a; High School	

² Information was not provided in the study.

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<p><i>Extended-Service Schools Initiative</i></p> <p>Grossman et al 2002</p>	<p>\$2,380.95 per year or \$15 per day</p> <p>Range Across 10 Sites: \$1001.87-\$4218.13 per year</p>	Cost and funding data, site visits, and interviews with program staff, fiscal managers, and local partners from 10 Extended Service School sites, 1999-2000	Start up, capital and systems building costs excluded	Varies Accounts for some donated and in – kind resources, such as transportation, custodial assistance, and snacks for participants. Facility costs, however, are excluded.	10	Central Falls, RI; Minneapolis, MN; Missoula, MT; Aurora, CO; Boston, MA; and Savannah, GE	School-based	2-3 hours per day; 5 days per week; 50 weeks per year. Includes holidays, but not summers.	63 youth per site; Grades K-8	Authors attributed the cost variations among programs to: the requirements of the community setting (need to provide transportation); the program's administrative structure; the breadth and types of activities offered; the staff-to-youth ratio; their relative ability to plan accurately for the number of participating youth; and investment in such factors as the fundraising and the sustainability of the program.
<p><i>Making the Most of Out-of-School-Time (MOST) Initiative</i></p> <p>Halpern et al, 2001</p>	<p>\$4,000 per year</p> <p>Range: \$3,250 - \$4,750 per year</p>	Program budgets and data from sponsoring agencies, funders, and regulatory agencies.	Start-up, capital and systems building costs excluded	Varies In-kind contributions (e.g rent and utilities, agency administrative time and volunteers) were not taken into account for some of the programs.	60 (40 in Boston; 10 in Chicago and 10 in Seattle). ³	Boston, MA; Chicago, IL; and Seattle, WA	Varies	5 days a week, 50 weeks per year. Includes holidays; not known if it includes summers.	N/a	
<p><i>The San Francisco Beacons Initiative</i></p> <p>Walker and Arbreton, 2004</p>	<p>\$7,160.40 per year or \$27 per day</p> <p>Range: \$3,978-\$10,873 per year (or \$15-\$41 per day)</p>	Program year-end financial reports, 2000-2001	Start-up, capital and systems building costs excluded	Unclear	5	San Francisco, CA	N/a	5.2 days/week 51 weeks/year Includes holidays and summers.	141 youth per site	Authors acknowledge their cost estimates are higher than those derived in other national evaluations. They attribute this to the extensive range of services—including case management, counseling, reading programs—provided by the these programs, as well as the high cost-of-living in the area.

³ The study also collected information on an unspecified number of programs run by large public and private providers, such as schools and park districts.