

To: Cascadia Hearing School Board of Directors
From: Giovanna Arizpe
Re: Increasing Cascadia Hearing School Revenue Recommendations
Date: February 5, 2024

Cascadia Hearing School (CHS) depends on Rubenstein grants to supplement its revenue. Grant funding ends after 2022 and threatens CHS's continued operations. To create a surplus and avoid closure, CHS should increase Parent-Infant/Early Intervention Program (PIEIP) enrollment, increase Preschool Classroom Program (PSCP) enrollment, eliminate Outreach and Consultations (OAC), and expand its Audiology Program (AP). This change helps the greatest number of families and reinforces CHS's mission by providing centralized Auditory-Verbal therapy.

Background

CHS's mission is to "Prepare deaf and hard-of-hearing (DHH) children to attend school with their normal-hearing peers." CHS provides the following government subsidized "wrap-around" services for DHH families to achieve this:

- 1) **PIEIP:** Pairs DHH families with a speech-hearing therapist.
- 2) **PSCP:** Maintains low enrollment classrooms with classes consisting of 80% subsidized DHH students and 20% "normal hearing" students who pay out-of-pocket to attend.
- 3) **AP:** Provides families of PIEIP and PSCP direct audiologist access to obtain hearing aids, cochlear implants, and testing.
- 4) **OAC:** Offers training, consulting, curriculum design to organizations outside of CHS.

In 2020, CHS's total surplus was \$424,889 including Rubenstein grants. CHS has a deficit of (\$75,111) without the grant assistance.

With grants

The Cascadia Hearing School AY 2020										TOTAL
Baseline Budget										
CATEGORY	Cost Type	Allocation	Early Intervention Program	Pre-School Program	Outreach Services	Audiology Services	Communications, Fundraising, and Development Office	General Management		
PROGRAM AND OVERHEAD COSTS										
Salaries			\$ 608,750	\$ 403,000	\$ 202,250	\$ 135,000	\$ 355,000	\$ 250,000		\$ 1,954,000
Payroll/Expense			\$ 175,632	\$ 92,730	\$ 58,420	\$ 32,078	\$ 100,708	\$ 60,425		\$ 598,997
Program Expenses			\$ 6,750	\$ 48,500	\$ 9,000	\$ 3,000	\$ (616,900)	\$ -		\$ (555,650)
Building Expenses			\$ 9,000	\$ 7,500	\$ 9,000	\$ 9,000	\$ 1,250	\$ 118,550		\$ 142,900
TOTAL COST, per Program or Overhead Center			\$ 799,132	\$ 549,730	\$ 278,670	\$ 179,078	\$ (155,943)	\$ 428,975		\$ 2,064,641
DIRECT COST, per staff			\$5,052	\$16,895*	\$0	\$2,813				
Overhead Costs Allocated to Program Center			\$85,459	\$78,333	\$93,357	\$175,078				
General Management	trial		(84,676)	(37,634)	(28,225)	(9,408)	159,943			
Communications, Fundraising, and Development Office	trial		227,154	100,335	75,751	25,234		(428,975)		
TOTAL COST, PER PROGRAM CENTER			\$ 936,561	\$ 613,831	\$ 322,548	\$ 196,903	\$ -	\$ -		\$ 2,064,641
TOTAL COST per Student			45%	30%	16%	9%				100%
TOTAL COST per Staff			\$154,285	\$87,576	\$107,382	\$180,901				
GOVERNMENT SUPPORT AND TUITION										
Tuition/Reimbursement			\$ 901,380	\$ 708,750	\$ 125,000	\$ 214,400				\$ 1,949,530
Grants										
Rubenstein			250,000	250,000	-	-				\$ 500,000
Auditory 50% Expansion			-	-	-	-				\$ -
Auditory 50% Equipment			-	-	-	-				\$ -
TOTAL REVENUE, PER PROGRAM CENTER			\$ 1,151,380	\$ 958,750	\$ 125,000	\$ 214,400				\$ 2,489,530
SURPLUS/(DEFICIT)										
Surplus (Deficit) per student			212,818	\$6,719	(187,146)	23,497				\$ 424,889
Surplus (Deficit) per staff			2,364	6,914	(1,140)	231				\$ 1,334
Surplus (Deficit) as a % of Total Costs			23	58	(100)	23				2%
Overhead Costs (% of Direct Costs)			17.89%	11.52%	17.28%	9.84%				14.88%
			28.85%	23.01%	28.88%	23.79%				25.01%

Without grants

The Cascadia Hearing School AY 2020										TOTAL
Baseline Budget										
CATEGORY	Cost Type	Allocation	Early Intervention Program	Pre-School Program	Outreach Services	Audiology Services	Communications, Fundraising, and Development Office	General Management		
PROGRAM AND OVERHEAD COSTS										
Salaries			\$ 608,750	\$ 403,000	\$ 202,250	\$ 135,000	\$ 355,000	\$ 250,000		\$ 1,954,000
Payroll/Expense			\$ 175,632	\$ 92,730	\$ 58,420	\$ 32,078	\$ 100,708	\$ 60,425		\$ 598,997
Program Expenses			\$ 6,750	\$ 48,500	\$ 9,000	\$ 3,000	\$ (616,900)	\$ -		\$ (555,650)
Building Expenses			\$ 9,000	\$ 7,500	\$ 9,000	\$ 9,000	\$ 1,250	\$ 118,550		\$ 142,900
TOTAL COST, per Program or Overhead Center			\$ 799,132	\$ 549,730	\$ 278,670	\$ 179,078	\$ (155,943)	\$ 428,975		\$ 2,064,641
DIRECT COST, per staff			\$5,052	\$16,895*	\$0	\$2,813				
Overhead Costs Allocated to Program Center			\$85,459	\$78,333	\$93,357	\$175,078				
General Management	trial		(84,676)	(37,634)	(28,225)	(9,408)	159,943			
Communications, Fundraising, and Development Office	trial		227,154	100,335	75,751	25,234		(428,975)		
TOTAL COST, PER PROGRAM CENTER			\$ 936,561	\$ 613,831	\$ 322,548	\$ 196,903	\$ -	\$ -		\$ 2,064,641
TOTAL COST per Student			45%	30%	16%	9%				100%
TOTAL COST per Staff			\$154,285	\$87,576	\$107,382	\$180,901				
GOVERNMENT SUPPORT AND TUITION										
Tuition/Reimbursement			\$ 901,380	\$ 708,750	\$ 125,000	\$ 214,400				\$ 1,949,530
Grants										
Rubenstein										\$ -
Auditory 50% Expansion										\$ -
Auditory 50% Equipment										\$ -
TOTAL REVENUE, PER PROGRAM CENTER			\$ 901,380	\$ 708,750	\$ 125,000	\$ 214,400				\$ 1,949,530
SURPLUS/(DEFICIT)										
Surplus (Deficit) per student			(27,181)	\$6,719	(187,146)	23,497				\$ (75,111)
Surplus (Deficit) per staff			(4,131)	13,614	(20,382)	23,497				\$ (75,111)
Surplus (Deficit) as a % of Total Costs			(4)	58	(100)	23				(4)%
Overhead Costs (% of Direct Costs)			17.89%	11.52%	17.28%	9.84%				14.88%
			28.85%	23.01%	28.88%	23.79%				25.01%

The potential for future deficits leaves CHS vulnerable to closure. **CHS must increase program revenue to account for the lapse of Rubenstein grants.** The following strategies ensure CHS's continuation:

Evidence

Strategy 1: Expand PIEP and PCSP, Eliminate OAC, and Expand AP

With grants

The Cascadia Hearing School AY 2020									
Baseline Budget									
CATEGORY	Cost Type	Allocation	Program Centers				Overhead Centers		
			Early Intervention	Pre-School	Outreach	Autism Services	Communications, Fundraising, and Development	Office Management	General
Students per year			100	50		50			240
Full-time Students			-	50		-			50
Staff			10	5		5			25
Part-Time			5,000	12,500		5,000	1,250	1,250	25,000
Student Footage									
PROGRAM AND OVERHEAD COSTS									
Salaries			\$ 702,250	\$ 602,750		\$ 600,000	\$ 250,000	\$ 250,000	\$ 2,165,000
Payroll/Fringe Expenses			\$ 199,870	\$ 136,150		\$ 91,100	\$ 100,700	\$ 67,520	\$ 585,390
Program Expenses			\$ 7,500	\$ 77,500		\$ 102,000	\$ (474,000)	\$ -	\$ (246,000)
Building Expenses			\$ 8,000	\$ (2,500)		\$ 8,000	\$ 1,250	\$ (18,500)	\$ 160,250
TOTAL COST, per Program or Overhead Center			\$ 914,720	\$ 813,900		\$ 799,100	\$ (110,050)	\$ (15,000)	\$ 2,279,000
DIRECT COST, per student			\$9,147	\$16,238		\$15,820			
DIRECT COST, per staff			\$91,472	\$16,238		\$15,820			
Overhead Costs Allocated to Program Center									
General Management	Staff		(8,807)	(5,314)		(17,771)	159,943		-
Communications, Fundraising, and Development Office	Staff		(24,125)	(16,250)		(40,475)		(435,071)	-
TOTAL COST, PER PROGRAM CENTER			\$ 1,609,015	\$ 850,882		\$ 781,329	\$ -	\$ -	\$ 2,279,000
TOTAL COST, per student			\$16,090	\$17,018		\$15,626			
TOTAL COST, per staff			\$160,902	\$85,088		\$78,133			
GOVERNMENT SUPPORT AND TUITION									
Tuition/Reimbursement			\$ 1,080,000	\$ 1,468,250		\$ 287,200			\$ 2,835,450
Grants									\$ 600,000
Reimbursement			250,000	250,000					\$ 500,000
Auditory 50% Expense									\$ 100,000
Auditory 50% Equipment									\$ 100,000
TOTAL REVENUE, PER PROGRAM CENTER			\$ 1,330,000	\$ 1,718,250		\$ 287,200			\$ 1,644,650
SURPLUS/(DEFICIT)									
Surplus (Deficit) per student			\$267,985	\$795,368		\$17,985			\$64,794
Surplus (Deficit) per staff			\$2,679	\$7,954		\$179			\$648
Surplus (Deficit) as a % of Total Costs			16.70%	22.50%		22.50%			28.12%
Overhead Costs (% of Direct Costs)			28.40%	22.50%		22.50%			28.12%

Without grants

The Cascadia Hearing School AY 2020									
Baseline Budget									
CATEGORY	Cost Type	Allocation	Program Centers				Overhead Centers		
			Early Intervention	Pre-School	Outreach	Autism Services	Communications, Fundraising, and Development	Office Management	General
Students per year			100	50		50			240
Full-time Students			-	50		-			50
Staff			10	5		5			25
Part-Time			5,000	12,500		5,000	1,250	1,250	25,000
Student Footage									
PROGRAM AND OVERHEAD COSTS									
Salaries			\$ 702,250	\$ 602,750		\$ 600,000	\$ 250,000	\$ 250,000	\$ 2,165,000
Payroll/Fringe Expenses			\$ 199,870	\$ 136,150		\$ 91,100	\$ 100,700	\$ 67,520	\$ 585,390
Program Expenses			\$ 7,500	\$ 77,500		\$ 102,000	\$ (474,000)	\$ -	\$ (246,000)
Building Expenses			\$ 8,000	\$ (2,500)		\$ 8,000	\$ 1,250	\$ (18,500)	\$ 160,250
TOTAL COST, per Program or Overhead Center			\$ 914,720	\$ 813,900		\$ 799,100	\$ (110,050)	\$ (15,000)	\$ 2,279,000
DIRECT COST, per student			\$9,147	\$16,238		\$15,820			
DIRECT COST, per staff			\$91,472	\$16,238		\$15,820			
Overhead Costs Allocated to Program Center									
General Management	Staff		(8,807)	(5,314)		(17,771)	159,943		-
Communications, Fundraising, and Development Office	Staff		(24,125)	(16,250)		(40,475)		(435,071)	-
TOTAL COST, PER PROGRAM CENTER			\$ 1,609,015	\$ 850,882		\$ 781,329	\$ -	\$ -	\$ 2,279,000
TOTAL COST, per student			\$16,090	\$17,018		\$15,626			
TOTAL COST, per staff			\$160,902	\$85,088		\$78,133			
GOVERNMENT SUPPORT AND TUITION									
Tuition/Reimbursement			\$ 1,080,000	\$ 1,468,250		\$ 287,200			\$ 2,835,450
Grants									\$ 600,000
Reimbursement			250,000	250,000					\$ 500,000
Auditory 50% Expense									\$ 100,000
Auditory 50% Equipment									\$ 100,000
TOTAL REVENUE, PER PROGRAM CENTER			\$ 1,330,000	\$ 1,718,250		\$ 287,200			\$ 1,644,650
SURPLUS/(DEFICIT)									
Surplus (Deficit) per student			\$17,985	\$45,368		\$1,441			\$64,794
Surplus (Deficit) per staff			\$179	\$4,537		\$14			\$648
Surplus (Deficit) as a % of Total Costs			11.16%	26.50%		1.82%			28.12%
Overhead Costs (% of Direct Costs)			28.40%	22.50%		22.50%			28.12%

Strategy 1's revenue and expenses are driven by higher enrollment and additional staff, increasing total revenue by \$739,905. Surplus amounts should be in a reserve to safeguard against reductions in government or insurance.

Increasing PIEIP Enrollment and Staff: Increasing enrollment to 100 increases the county's "per child" funding. The additional enrollment also increases IDEA eligible families and its respective funding. Both changes total \$184,620 in additional revenue compared to CHS's baseline budget.

CHS should hire an additional therapist to lower the ratio of 12 students a therapist to 10 students a therapist. This ensures a manageable student to therapist ratio and individualized student treatment. The increased expense from the additional hire is covered by PIEIP's revenue.

All program updates create a surplus of \$267,985 or \$17,985 without considering grants compared to CHS's original budget.

Increasing PSCP enrollment: Increasing total classroom size by 25 part-time, 25-full time (with 5 hearing students in both part-time and full-time classroom) generates \$757,500 more revenue compared to CHS's baseline budget. Additional DHH students provide more OPI funding per student. The doubled "normal hearing" students ensure twice as much out-of-pocket tuition payments.

The new enrollment requires an additional 2 full-time and 2 part-time employees and extra square footage space for classrooms (provided by OAC elimination). The increased \$279,175 of overhead costs (compared to the baseline budget) are covered by additional revenue creating a program surplus of \$795,368 or \$545,368 before grants usage.

Eliminating OAC: Eliminating OAC removes a \$(157,146) deficit from CHS's budget. The lead therapist redirects their work toward PIEIP and PSCP and increases the programs' salary costs by \$28,500 and \$23,750 respectively.

OAC's deficit demonstrates an overextension of CHS resources. By discontinuing the program, CHS establishes a narrowed focus toward preparing DHH and further fulling its mission.

Expanding AP: To accommodate CHS's increased enrollment, the AP should utilize the restricted Rubenstein grant to invest in its expansion. Hiring a billing assistant increases costs by \$184,023, compared to the baseline budget. However, if the Audiologist meets with 91 patients a month, with 15 from outside CHS programs, insurance reimbursements increase by \$76,800, compared to baseline budget. AP's renewed surplus is \$101,441 with grants, but roughly breaks even with a surplus of \$1,441 without future grant use.

Strategy 2: Expand PIEIP Enrollment, Eliminate Program Costs, Expand OAC and AP

With grants

The Cascadia Hearing School AY 2020									
Baseline Budget									
CATEGORY	Cost Type	Allocation	Early Intervention Program	Pre-School Program	Outreach Program	Audiology Services	Communications, Fundraising, and Development Office	General Management	TOTAL
Students per year			100	25	-	89			214
Full-time Students			-	25	-	-			25
Part-Time Students			10	4	5	2	5	2	38
Staff			5,000	7,500	5,000	5,000	1,250	1,250	25,000
Program and Overhead Costs									
Salaries			\$ 673,750	\$ 403,000	\$ 352,250	\$ 200,000	\$ 355,000	\$ 250,000	\$ 2,334,000
Payroll/Fringe Expenses			\$ 194,654	\$ 92,750	\$ 100,195	\$ 51,100	\$ 100,708	\$ 62,425	\$ 598,877
Program Expenses			\$ 7,500	\$ 35,000	\$ 4,000	\$ 103,000	\$ -	\$ -	\$ (463,400)
Building Expenses			\$ 5,000	\$ 7,500	\$ 5,000	\$ 5,000	\$ 1,250	\$ (18,750)	\$ (43,300)
TOTAL COST, per Program or Overhead Center			\$ 880,904	\$ 538,250	\$ 461,445	\$ 359,100	\$ (115,943)	\$ 428,675	\$ 2,152,711
DIRECT COST, per student			\$8,809	\$21,540	\$5,268	\$4,033			
OVERHEAD COST, per staff			\$68,090	\$77,481	\$92,298	\$179,660			
Overhead Costs Allocated to Program Center									
General Management			(76,163)	(30,485)	(38,862)	(15,233)	159,943	-	-
Communications, Fundraising, and Development Office			204,274	\$1,710	152,137	49,855	-	(428,371)	-
TOTAL COST, PER PROGRAM CENTER			\$ 1,069,015	\$ 645,474	\$ 594,500	\$ 384,722	\$ -	\$ -	\$ 2,432,711
TOTAL COST per Student			42%	26%	24%	16%			60%
TOTAL COST per Staff			\$100,902	\$84,752	\$100,195	\$192,361			
GOVERNMENT SUPPORT AND TUITION									
Tuition/Reimbursement			\$ 1,140,000	\$ 708,750	\$ 495,000	\$ 284,800			\$ 2,628,550
Grants									
Rubenstein			250,000	250,000	-	100,000			\$ 600,000
Auditory 50% Expansion			-	-	-	100,000			\$ 100,000
Auditory 50% Equipment			-	-	-	100,000			\$ 100,000
TOTAL REVENUE, PER PROGRAM CENTER			\$1,390,000	\$958,750	\$695,000	\$484,800			\$3,128,550
SURPLUS/(DEFICIT)			309,985	265,276	(30,500)	100,078			\$15,839
Surplus (Deficit) per student			\$3,099	\$10,611	-\$305	\$1,112			\$158
Surplus (Deficit) per staff			\$3,099	\$10,611	-\$305	\$1,112			\$158
Surplus (Deficit) as a % of Total Costs			3%	4%	-1%	0%			1%
Overhead Costs (% of Direct Costs)			14.54%	9.48%	13.88%	7.14%			12.05%
			28.88%	23.81%	28.44%	25.55%			26.85%

Without grants

The Cascadia Hearing School AY 2020									
Baseline Budget									
CATEGORY	Cost Type	Allocation	Early Intervention Program	Pre-School Program	Outreach Program	Audiology Services	Communications, Fundraising, and Development Office	General Management	TOTAL
TOTAL COST, per Program or Overhead Center			\$ 880,904	\$ 538,250	\$ 461,445	\$ 359,100	\$ (115,943)	\$ 428,675	\$ 2,432,711
DIRECT COST, per student			\$8,809	\$21,540	\$5,268	\$4,033			
OVERHEAD COST, per staff			\$68,090	\$77,481	\$92,298	\$179,660			
Overhead Costs Allocated to Program Center									
General Management			(76,163)	(30,485)	(38,862)	(15,233)	159,943	-	-
Communications, Fundraising, and Development Office			204,274	\$1,710	152,137	49,855	-	(428,371)	-
TOTAL COST, PER PROGRAM CENTER			\$ 1,069,015	\$ 645,474	\$ 594,500	\$ 384,722	\$ -	\$ -	\$ 2,432,711
TOTAL COST per Student			42%	26%	24%	16%			60%
TOTAL COST per Staff			\$100,902	\$84,752	\$100,195	\$192,361			
GOVERNMENT SUPPORT AND TUITION									
Tuition/Reimbursement			\$ 1,140,000	\$ 708,750	\$ 495,000	\$ 284,800			\$ 2,628,550
Grants									
Rubenstein			250,000	250,000	-	100,000			\$ 600,000
Auditory 50% Expansion			-	-	-	100,000			\$ 100,000
Auditory 50% Equipment			-	-	-	100,000			\$ 100,000
TOTAL REVENUE, PER PROGRAM CENTER			\$1,390,000	\$958,750	\$695,000	\$484,800			\$3,128,550
SURPLUS/(DEFICIT)			309,985	265,276	(30,500)	78			\$15,839
Surplus (Deficit) per student			\$3,099	\$10,611	-\$305	\$1,112			\$158
Surplus (Deficit) per staff			\$3,099	\$10,611	-\$305	\$1,112			\$158
Surplus (Deficit) as a % of Total Costs			3%	4%	-1%	0%			1%
Overhead Costs (% of Direct Costs)			14.54%	9.48%	13.88%	7.14%			12.05%
			28.88%	23.81%	28.44%	25.55%			26.85%

Strategy 2's ensures all programs are utilized. The strategy's revenue and expenses are driven by a combination of cost reduction, increased enrollment, higher reimbursement rates, and additional staff increasing revenue by \$390,950. Surplus amounts should be contributed to the OAC or held in a reserve.

Increasing PIEIP Enrollment and institute "suggested" donations: As mentioned in Strategy 1, additional enrollment increases yearly county and federal funding by \$184,620, compared to its baseline budget, and provides enough revenue for an additional therapist.

Additionally, the program should institute a "suggested donation" of \$45 a month for all families ([(\$300*\$15]/100). The payment is not mandatory and those able to pay can utilize the payment as a tax write-off. The total \$54,000 donation should be utilized to offset OAC's deficit. Any additional amount should be placed in a reserve.

This suggested donation could deter families from utilizing PIEIP service, fearing judgement from not affording the \$45 monthly suggested donation. Additionally, because of its suggestive nature, enforcement could be lax, lowering the predicted \$54,000 in revenue. This would not affect PIEIP but could constrain covering OAC's deficit.

Lower PSCP art supplies and teaching aids per classroom expense: PSCP 2020 baseline budget demonstrates that its current student count is sufficient to generate a surplus. Additionally, because part-time classes are half as long and utilize less supplies, the art and teaching aids should reduce its expense to average \$4,000 a class.

PSCP's surplus of \$356,276 (\$115,276 before grants) should be allocated toward OAC to cover its deficit. If OAC is covered by another program or has a remaining surplus, PSCP should place the remaining amount in a reserve to safeguard against potential reductions in funding.

Expand OAC: If CHS must have Consulting and educating outside organizations are, CHS should expand OAC and cut travel costs. Hiring additional consultants increases expenses by \$286,367 and increases revenue by \$126,646 compared to the baseline budget. Limiting travel to \$1,000 per consultant and utilizing online platforms for client meetings lowers program expenses by \$5,000 compared to CHS's baseline budget. Despite its revenue increase and cost reduction in, OAC will have a deficit of \$(30,500) and must rely on other programs to supplement its overhead costs and reduce CHS's reserves or ability to invest in its programs.

Expanding AP: AP should utilize the Rubenstein restricted grants to expand the program. The AP expansion increases baseline budget costs by \$184,023. The AP receives \$70,400 from additional insurance reimbursements and breaks-even, without grants dependence, by meeting with 89 patients a month, compared to the baseline budget.

Strategy 3: Increase PSCP enrollment, Eliminate OAC, and Expand AP

With grants

The Cascadia Hearing School AY 2020		Program Centers					Overhead Centers			TOTAL
Baseline Budget		Early Intervention	Pre-School Program	Outreach Program	Audiology Services	Communications, Fundraising, and Development Office	General Management			
CATEGORY	Cost Type Allocation	Program	Program	Program	Program	Program	Program	Program	Program	
Students per year		83	38		80				300	
Full-time Students		-	30						30	
Part-Time Students										
Staff										
Full-time Staff	(23,750)	9	4		2	5	3		23	
Part-Time			3						3	
Square Footage		5,000	12,500		5,000	1,250	1,250		25,000	
PROGRAM AND OVERHEAD COSTS										
Salaries		\$ 637,200	\$ 426,750		\$ 200,000	\$ 355,000	\$ 250,000		\$ 1,669,000	
Payroll/Fringe Expenses										
Subtotal		\$ 180,947	\$ 95,140		\$ 51,100	\$ 100,708	\$ 67,325		\$ 495,220	
Program Expenses										
Salaries		\$ 6,750	\$ 46,500		\$ 103,000	\$ (816,800)	\$ -		\$ (869,650)	
Building Expenses										
Subtotal		\$ 5,000	\$ 12,500		\$ 5,000	\$ 1,250	\$ 118,250		\$ 142,000	
TOTAL COST, per Program or Overhead Center		\$ 639,947	\$ 585,250		\$ 358,100	\$ (189,843)	\$ 435,875		\$ 1,445,875	
DIRECT COST, per student		\$9,099	\$9,882		\$3,811					
Overhead Costs Allocated to Program Center		\$92,216	\$92,884		\$179,600					
General Management	that	(95,966)	(42,851)		(21,326)	159,943			-	
Communications, Fundraising, and Development Office	that	201,525	119,233		58,127		(435,875)		-	
TOTAL COST, PER PROGRAM CENTER		\$ 859,507	\$ 654,472		\$ 356,891	\$ -	\$ -		\$ 1,445,875	
TOTAL COST per Student		40%	54%		10%				50%	
TOTAL COST per Staff		\$11,054	\$10,600		\$4,267					
TOTAL COST per sq ft		\$19,612	\$91,400		\$197,240					
GOVERNMENT SUPPORT AND TUITION										
Tuition/Reimbursement										
Salaries		\$ 807,380	\$ 836,719		\$ 297,600				\$ 2,435,899	
Grants										
Rubenstein		250,000	250,000						\$ 500,000	
Auditory 50% Expansion		-	-		150,000				\$ 150,000	
Auditory 50% Equipment		-	-		150,000				\$ 150,000	
TOTAL REVENUE, PER PROGRAM CENTER		\$1,057,380	\$1,093,719		\$447,600				\$2,435,899	
SURPLUS/(DEFICIT)		198,873	432,247		101,709				649,829	
Revenue (Deficit) per student		11,179	12,017		4,019				21	
Revenue (Deficit) per staff		17,319	61,750		30,839				274,219	
Revenue (Deficit) as a % of Total Costs		14	46		26				81	
Overhead Costs (% of Direct Costs)		19.95%	12.67%		10.28%				15.03%	
		28.39%	22.29%		25.55%				25.02%	

Without grants

The Cascadia Hearing School AY 2020		Program Centers					Overhead Centers			TOTAL
Baseline Budget		Early Intervention	Pre-School Program	Outreach Program	Audiology Services	Communications, Fundraising, and Development Office	General Management			
CATEGORY	Cost Type Allocation									
TOTAL COST, per Program or Overhead Center		\$ 653,947	\$ 585,250		\$ 364,100	\$ (189,843)	\$ 435,875		\$ 1,445,875	
DIRECT COST, per student		\$8,099	\$8,882		\$3,811					
Overhead Costs Allocated to Program Center		\$92,216	\$92,884		\$179,600					
General Management	that	(95,966)	(42,851)		(21,326)	159,943				
Communications, Fundraising, and Development Office	that	201,525	119,233		58,127		(435,875)			
TOTAL COST, PER PROGRAM CENTER		\$ 859,507	\$ 654,472		\$ 356,891	\$ -	\$ -		\$ 1,445,875	
TOTAL COST per Student		40%	54%		10%				50%	
TOTAL COST per Staff		\$11,054	\$10,600		\$4,267					
TOTAL COST per Sq ft		\$19,612	\$91,400		\$197,240					
GOVERNMENT SUPPORT AND TUITION										
Tuition/Reimbursement										
Tuition Payment									\$ 196,675	
Service Revenue									\$ 863,325	
Charity Funding		647,400							\$ 647,400	
EDA - 60% Family Eligible		253,800							\$ 253,800	
OP- FT - 60%				365,625					\$ 365,625	
OP- FT - 60%				278,219					\$ 278,219	
Insurance - 67% Reimburse						287,600			\$ 287,600	
Balances		\$ 302,280	\$ 638,719		\$ 217,625				\$ 1,158,624	
Grants										
Rubenstein									\$ 500,000	
Auditory 50% Expansion					150,000				\$ 150,000	
Auditory 50% Equipment					150,000				\$ 150,000	
TOTAL REVENUE, PER PROGRAM CENTER		\$961,080	\$936,719		\$297,600				\$2,435,899	
SURPLUS/(DEFICIT)										
Revenue (Deficit) per student		(14,127)	182,247		1,709				169,539	
Revenue (Deficit) per staff		11,144	12,017		4,019				27,179	
Revenue (Deficit) as a % of Total Costs		(10.436)	26.035		889				19.612	
Revenue (Deficit) as a % of Direct Costs		(9)	46		1				81	
Overhead Costs (% of Direct Costs)		19.95%	12.67%		10.28%				15.03%	
		28.39%	22.29%		25.55%				25.02%	

Strategy 3's revenue and expenses are driven by increased enrollment and staff, lowering baseline cost by \$18,771 and providing \$335,060 less revenue. PIEIP deficit should be covered by other program surpluses.

PIEIP remains the same: PIEIP maintains its low student to therapist ratio ensuring individualized treatment. PIEIP's budget is unchanged with its \$155,873 surplus. However, without grant funding, PIEIP has a deficit of \$(94,127) and will need other programs' surpluses to cover its deficit.

Increasing PSCP enrollment: Increasing PSCP's enrollment to include an additional 10 part-time and full-time DHH students, reallocating lead therapist time toward PSCP and absorbing space from OAC, increases costs by \$31,161 compared to CHS's baseline budget. OPI reimbursements increase and provide additional revenue of \$127,969 compared to the baseline budget. PSCP creates a \$432,247 surplus, or \$182,247 before any grant contributions. Its surplus should cover PIEIP's with any additional amounts held in a reserve.

Eliminating OAC: OAC's baseline deficit is 50% of total costs and its service revenue cannot cover its costs. Eliminating this program ensures a centralized focus on community issues and prevents CHS from overextending its resources.

Expanding AP: AP should take advantage of the Rubenstein restricted grants. By having 93 patients per month, this strategy roughly breaks even without future grant reliance.

Conclusion:

All proposed strategies consider each program's viability with and without grant funding. Surpluses without grant funding signify that the program can sustain itself once grants expire. Strategy 1 is recommended over all other strategies. Strategy 1's adjustments ensure that programs surpluses before grant usage. Strategy 1's reliance on government and insurance funding ensures CHS equitably provides services to DHH families that cannot otherwise afford treatment. CHS should place Strategy 1 program surpluses in a reserve to safeguard against potential reductions in government funding or insurance reimbursements.

Strategy 2 and 3 both create a CHS budget surplus. However, each strategy has a program relying on intraorganizational funding before grant use threatening CHS's continuation. Strategy 2 focuses on maintaining all programs, reducing program expenses, and expanding OAC. Consequently, OAC's expansion creates a deficit where PIEIP's "suggested donation," could cover, presuming all families pay. Strategy 3 eliminates OAC, but CHS's PIEIP remains unchanged. PIEIP's grant reliance ensures future deficits with PSCP and AP covering its costs consequently reducing CHS's budget in half. Both strategies create issues and reinforce Strategy 1 as the best option for CHS.