



Our LFO General Information Meeting

13 December 2022



Agenda for today



1. SOME HIGHLIGHTS FROM THE FIRST SCHOOL TERM 2022-2023
2. LOOKING BACK: KEY HIGHLIGHTS FROM 2015 - 2022
2. EXPLAINING OUR MODEL, FINANCING AND PERSPECTIVES
3. BUDGET 2023 – WHAT'S TO KNOW
4. REAL ESTATE
5. WHAT'S NEXT

1. QUELQUES TEMPS FORTS DU PREMIER TRIMESTRE SCOLAIRE 2022-2023
2. HISTOIRE ECONOMIQUE DU LFO - 2015 - 2022
3. NOTRE MODÈLE, NOTRE FINANCEMENT ET LES TRAVAUX/REFLEXIONS EN COURS
4. BUDGET 2023 – CE QU'IL FAUT SAVOIR
5. IMMOBILIER
6. ET APRÈS

Reminder: LFO Board members



8 Parent representatives (and subs)

- Stephane Roelly (Sub. Gautier Rousseau)
- David Grabowski, treasurer (Sub. Alexandra Cournot)
- Jérôme Nerrant (Sub. Coralie Denisey)
- Marc Jumbert, Pdt (Sub. Florence Michel)
- Karen-Sofie Stenzel, VP (Sub. Lene Fredly Rousseau)
- Cecilie Koppang (Sub. Melanie Devergez)
- Margarida Caeiro (Sub. Rita Bildøy)
- Annabelle Lefébure-Henriksen, VP (Sub. Merete Caubet)

School Management

- Karine Richard Brun, Head of LFO
- Knut Sørli, Executive director
- Muriel Serra, Head of primary school and kindergarten
- Head of finances and HR (tbd)

Staff representatives

- Emmanuel Magagnin, representative for AEFÉ employed staff
- Isabelle Musso Steen, repr. for teacher union (Utd.forbundet)
- Gaspard Levavasseur, repr. for school staff union (SLF)
- Franck Tabone / Isabelle Monceyron / Thibault Terral, teacher repr. from School Council

French Embassy representative

- Sophie Delporte, French Cultural attaché

Presenting today



Karine Richard-Brun
Proviseur

Marc Jumbert
Chair

Karen-Sofie Stenzel
Vice Chair

Muriel Serra
Directeur

**Annabelle Lefébure-
Henriksen**
Vice Chair

David Grabowski
Treasurer

Knut Sørli
Directeur exécutif

Some rules & information



- Q&A space after each item. Annabelle Lefébure-Henriksen to steer speaking time
- Participation on teams limited to chat. Karen-Sophie Stenzel will follow the chat
- Please, all, contribute, to avoid halo effect
- We stick to the agenda and steer time accordingly. End of meeting at 18.30

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- 1. 17.40 – 17.50: SOME HIGHLIGHTS FROM THE FIRST SCHOOL TERM 2022-2023**
2. 17.50 – 18.10: LOOKING BACK: KEY HIGHLIGHTS FROM 2015 - 2022
3. 18.10 – 18.40: EXPLAINING OUR MODEL, FINANCING AND PERSPECTIVES
4. 18.40 – 19.10: BUDGET 2023 – WHAT'S TO KNOW
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School highlights (1/2)

MATERNELLE	AES	ELEMENTAIRE
CYCLE UNIQUE DES APPRENTISSAGES PREMIERS	UN CAMPAGNE D'ACTIVITES RICHES et ATTRACTIVES	ACQUISITION DES CONNAISSANCES - COMPETENCES FONDAMENTALES CYCLES 2-3
<ul style="list-style-type: none"> - <u>DONNER ENVIE</u> <input type="checkbox"/> D'apprendre et de progresser <input type="checkbox"/> D'affirmer et d'épanouir sa personnalité <input type="checkbox"/> Exercer sa curiosité sur le monde <input type="checkbox"/> Collaborer avec les autres - <u>RESPECTER LE RYTHME DE DEVELOPPEMENT DE CHACUN</u> 	<ul style="list-style-type: none"> - <u>LES ACTIVITES DE L'APRES-MIDI</u> <input type="checkbox"/> 363 inscriptions <input type="checkbox"/> Un choix de 18 à 22 activités <input type="checkbox"/> Plébiscite des usagers et des parents - <u>LES VACANCES SCOLAIRES</u> <input type="checkbox"/> 41 élémentaire + 84 maternelle <input type="checkbox"/> 38 élémentaire + 85 maternelle 	<ul style="list-style-type: none"> - <u>LE SOCLE COMMUN - 5 domaines:</u> <input type="checkbox"/> Les langages pour penser/communiquer <input type="checkbox"/> Les méthodes et outils pour apprendre <input type="checkbox"/> La formation de la personne et du citoyen <input type="checkbox"/> Les systèmes naturels et techniques <input type="checkbox"/> Les représentations du monde et l'activité humaine - <u>QUELQUES PROJETS:</u> Echos d'escal, Route du Rhum, Fenêtre sur ma ville, ...
FIN DU TRIMESTRE	FIN DU SEMESTRE	FIN DU TRIMESTRE
- Chants, spectacles et goûters	- Tâche finale – Réalisations de classe	- Tâche finale – Réalisations de classe
POUR TOUS		
LE NOEL DU LFO: chants et temps festif autour du sapin de Noël. La communauté réunie autour des enfants avec la contribution des parents!		

School highlights (2/2)



COLLEGE	LYCEE
<p>- <u>EXAMEN DIPLÔME NATIONAL DU BREVET</u> (inscriptions + aménagements)</p>	<p>- <u>EXAMEN DU BACCALAUREAT</u> (inscriptions + aménagements)</p> <p>Certification CAMBRIDGE Certification DELE</p>
<p>- <u>QUELQUES PROJETS ... :</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> E3D actions de développement durable (tout les niveaux du collège), <input type="checkbox"/> « Mon beau sapin en PC » et activités de NOEL, <input type="checkbox"/> « Este es mi Mexico » 4è – 3è, <input type="checkbox"/> Orchestre du monde de l'AEFE, <input type="checkbox"/> Les JIJ: Jeux Internationaux de la Jeunesse, 	<p>- <u>QUELQUES PROJETS ...:</u></p> <ul style="list-style-type: none"> <input type="checkbox"/> Forum des métiers, <input type="checkbox"/> Plaidoiries de Caen, <input type="checkbox"/> Forum des métiers, <input type="checkbox"/> Echanges ADN plateforme AEFÉ: 6 élèves inscrits, <input type="checkbox"/> Bleuets de France: commémorations du 11 novembre, <input type="checkbox"/> Le Concours général des Lycées,
<p>- <u>COMITE D'EDUCATION SANTE CITOYENNETE ET DEVELOPPEMENT DURABLE: ACTIONS d'EDUCATION ET DE PREVENTION (CESC)</u></p> <p>- SANTE - CITOYENNETE - BIEN ETRE - SECURITE - ENVIRONNEMENT</p>	
<p>LE PROJET D'ETABLISSEMENT 2023-2025:</p> <p>- Mise en commun des équipes - Travaux sur les parcours - Association des délégués parents d'élèves et membres du Conseil de Gestion</p>	

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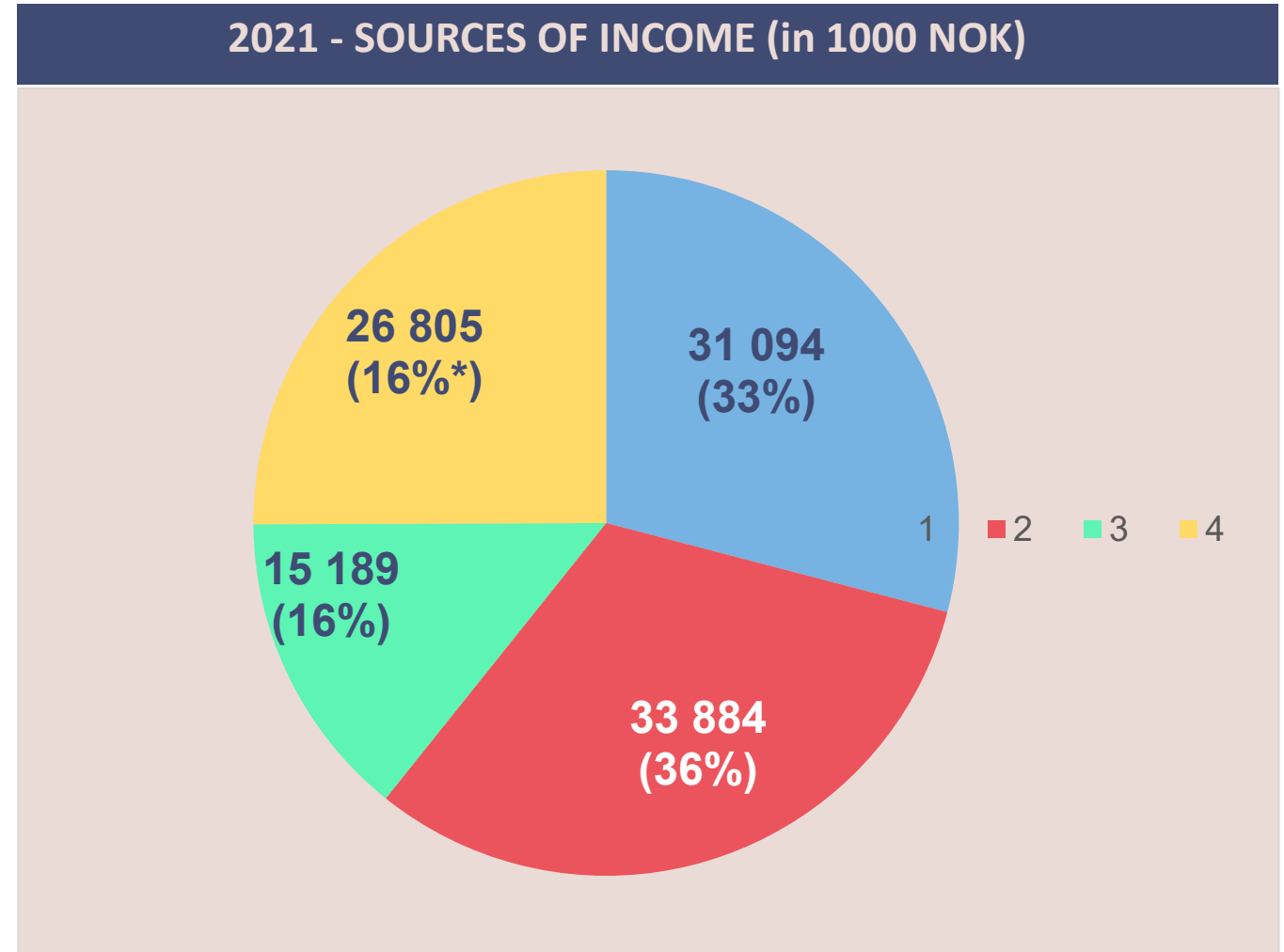
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Reminder: How is LFO financed?

- **Main sources of financing are tuition fees and Norwegian state support alike**
- AEFÉ contributed netto with approx 15 MNOK, after payback of school contribution
- Oslo finances kindergarten with 15MNOK



* Approx 15MNOK net contribution after payback to AEFÉ, hence 16%

In short to explain our financial challenge



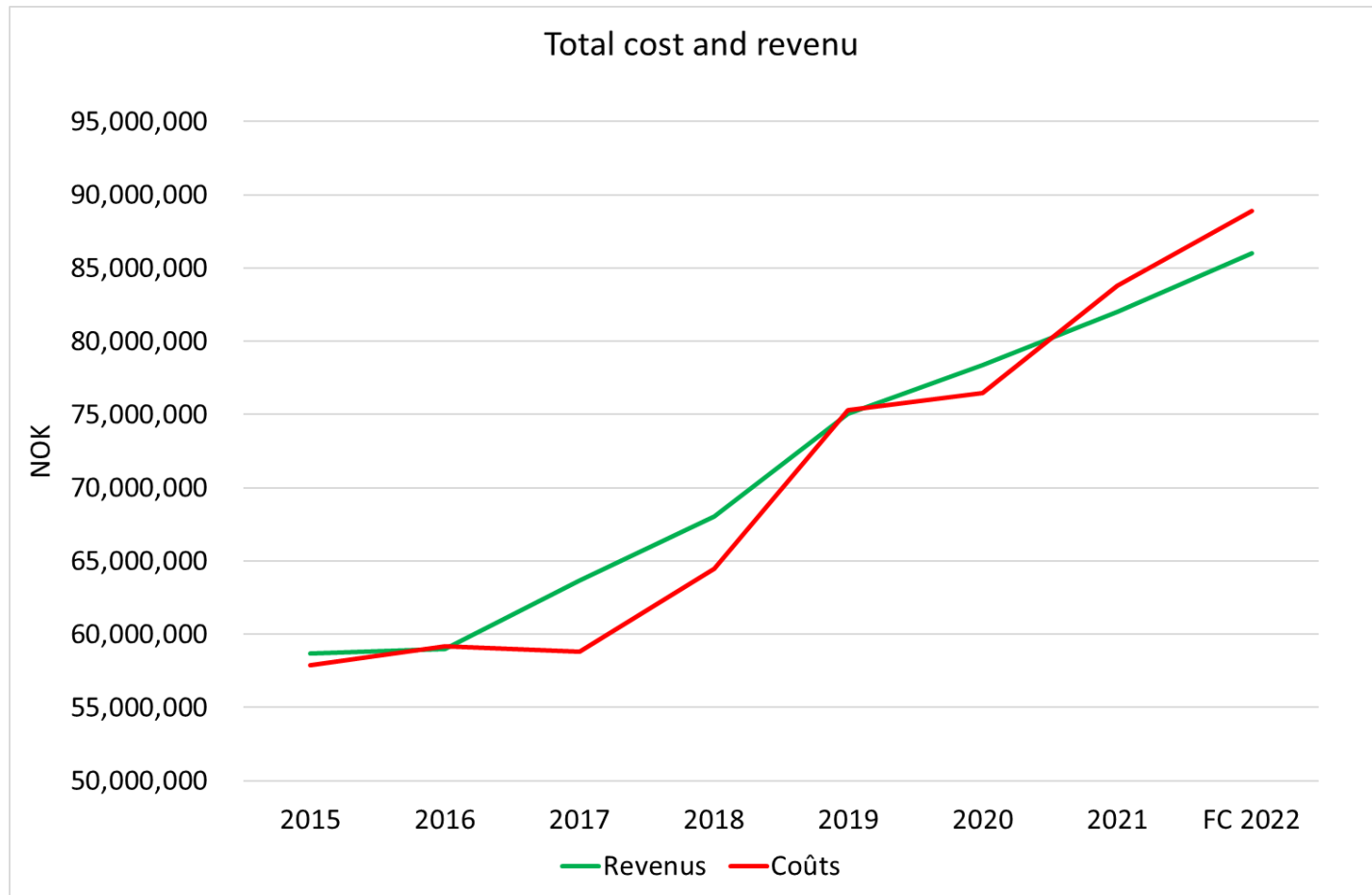
Our number of pupils has grown

Yet, a large part of our revenues do not increase with our number of pupils

Still, our costs have on their end kept growing, mainly staff and real estate

Hence we are structurally struggling.

LFO costs have been exceeding its revenues since 2019, showing structural weaknesses

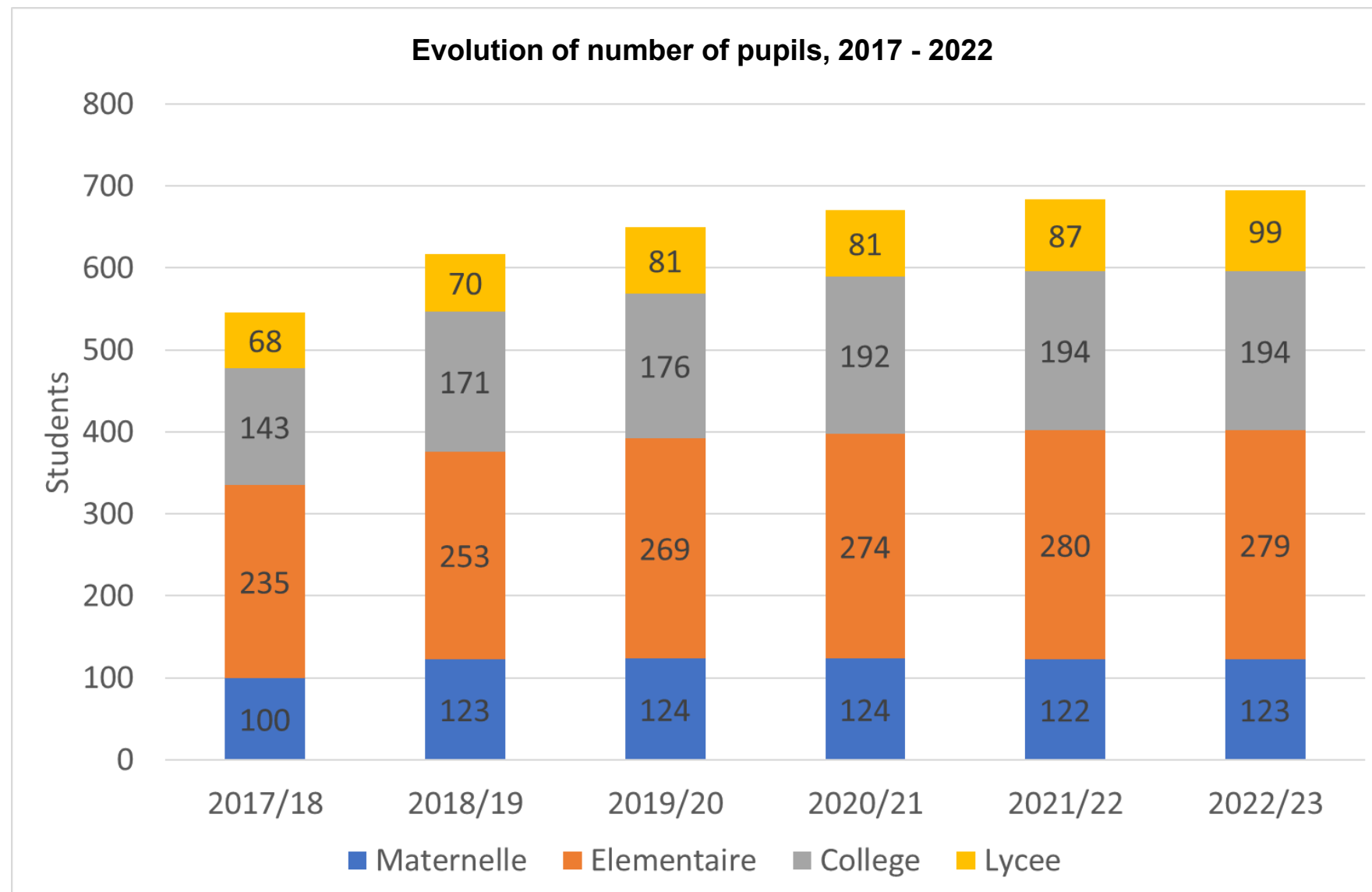


- Costs structurally higher than revenues **since 2019**
- Covid effect contributed to disguise structural issues in 2020 (ref. sparing on real estate cost and limited increase in staff)
- **Gap even more visible on a «per pupil» basis**

The LFO has been increasing its number of pupils since 2018, as a sign of its attractiveness



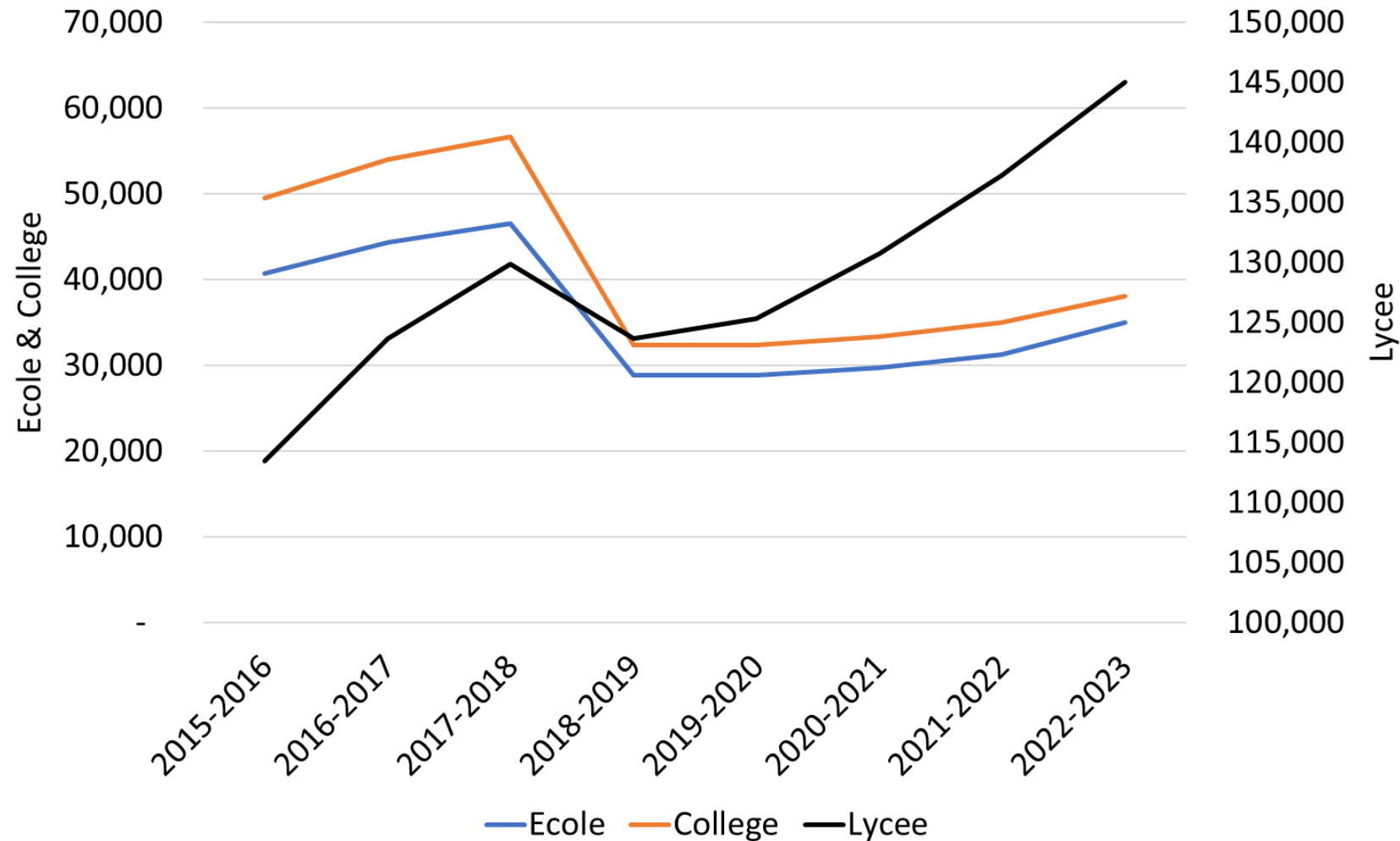
- LFO increased its number of pupils by 13% in 2018
- All in all, +27% between 2018 and 2022
- Highest increase at middle and high school level over the period: 35% and 45%



This can be tracked down to a drop in the school fees, that made school more accessible. Yet it reduced its revenues, per pupil.

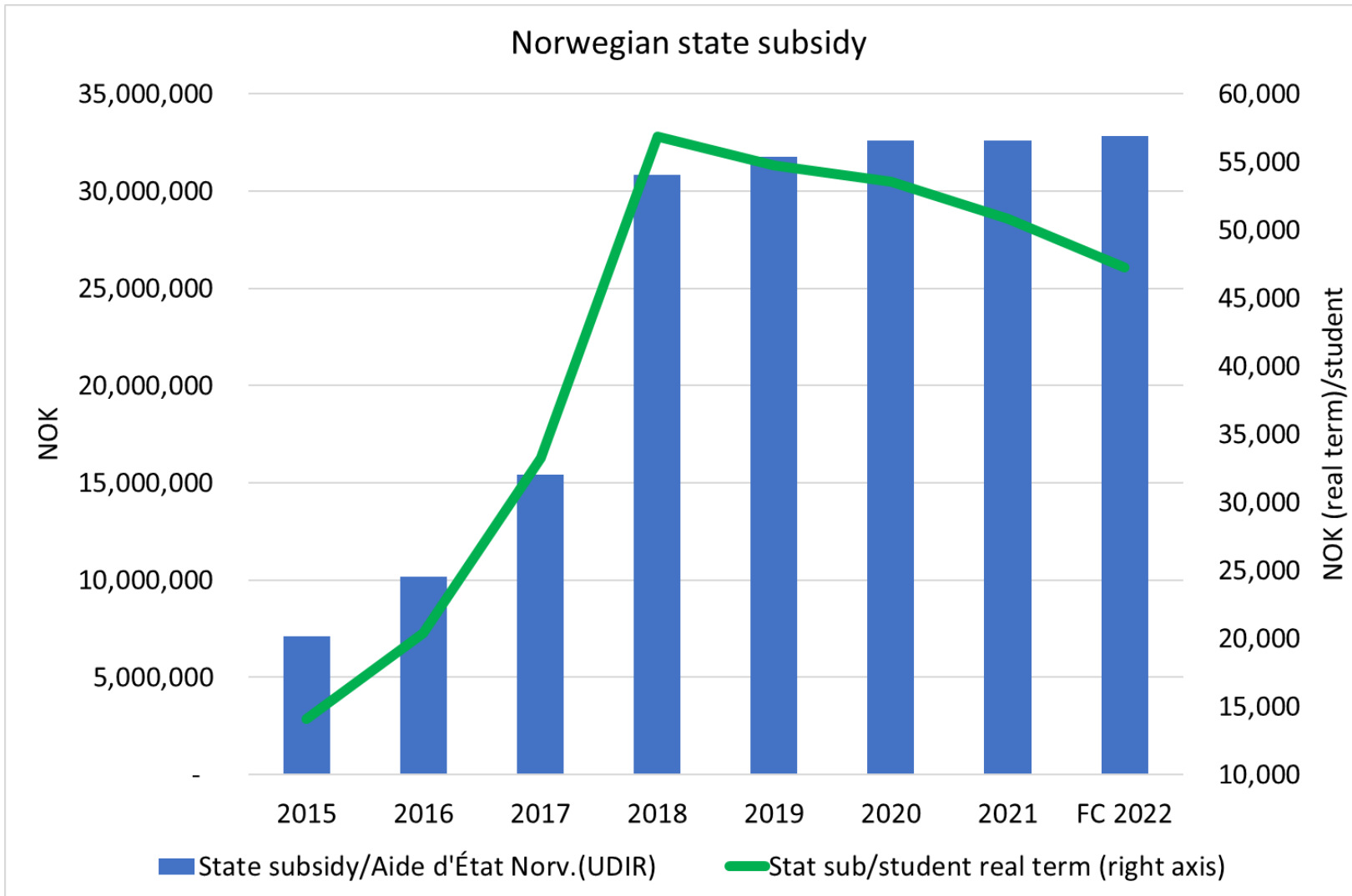


Evolution of LFO tuition fees, 2015 - 2022



- School fees for Primary and Middle school dropped by over 30%, while high school dropped more moderately
- Still today, fees for primary and middle school are still over a third lower than inflation adjusted 2017 rates

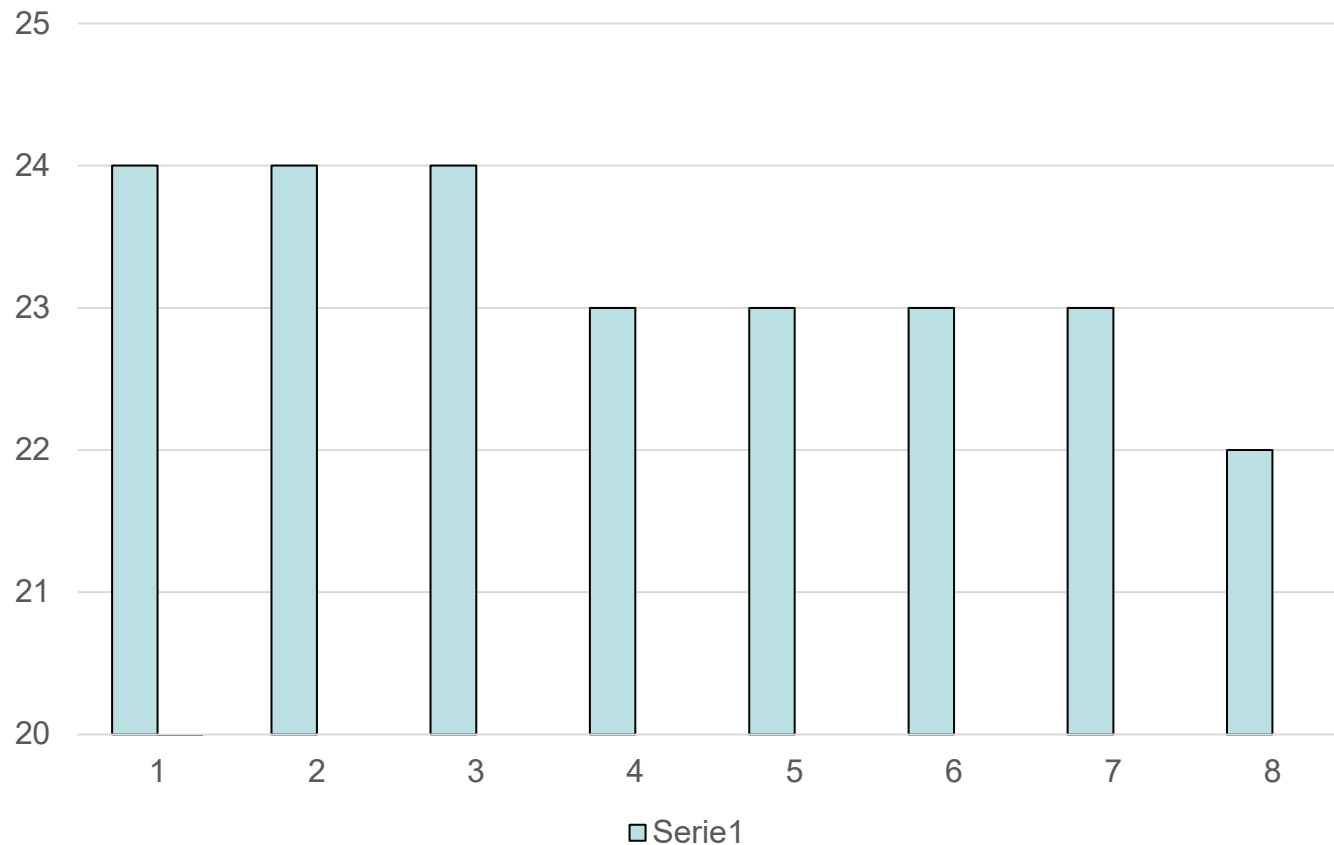
Another source of income went up, but down significantly per student: the subsidy from Norwegian state



- 5MNOK increase in 2017, 15MNOK increase in 2018
- Since then, stagnation, and in practice drop per student (-12%)

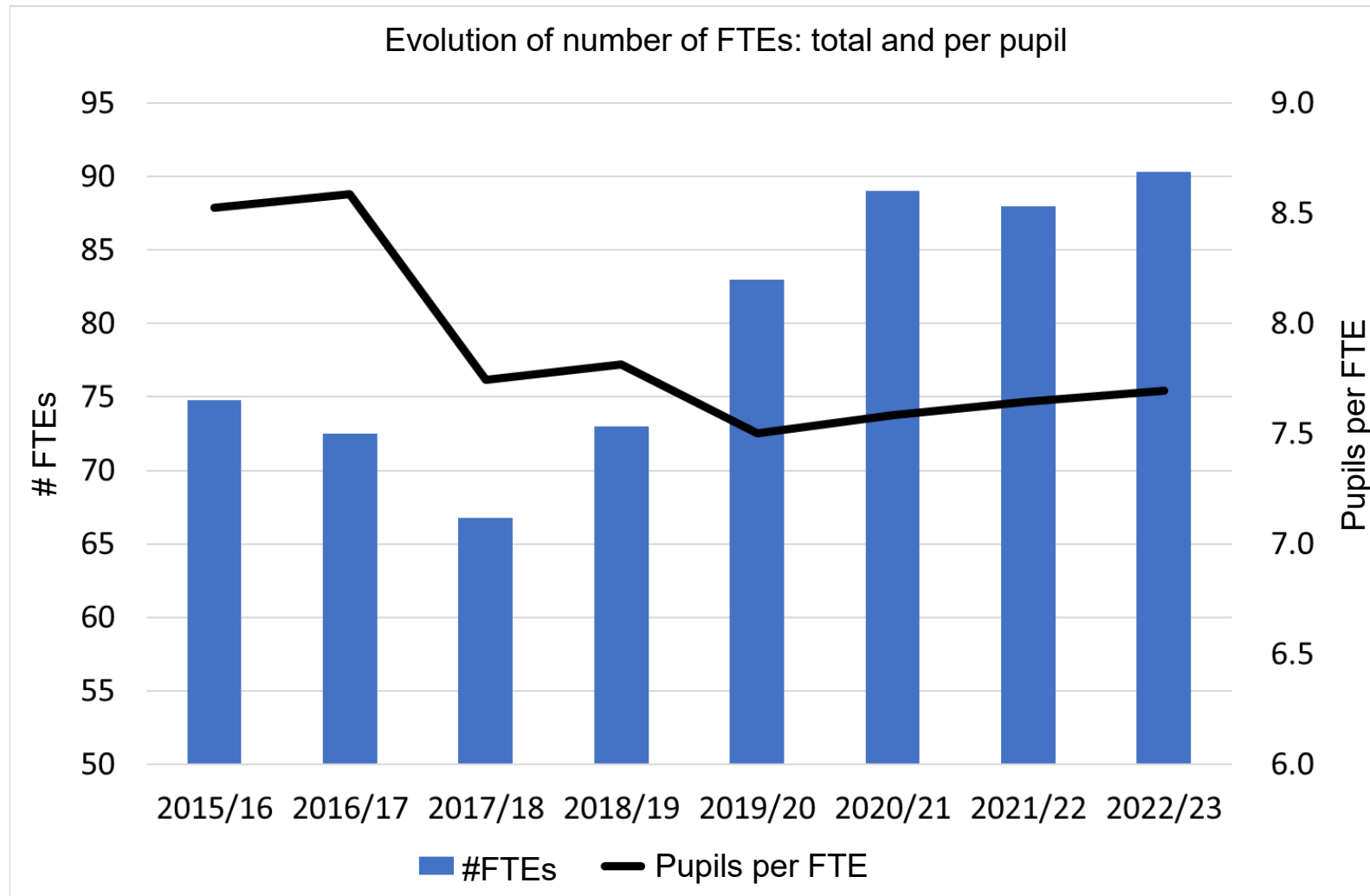
AEFE funding did not increase over the period, on the contrary

Evolution of AEFE staff over the period 2015 - 2022
(in FTEs, teachers and management)



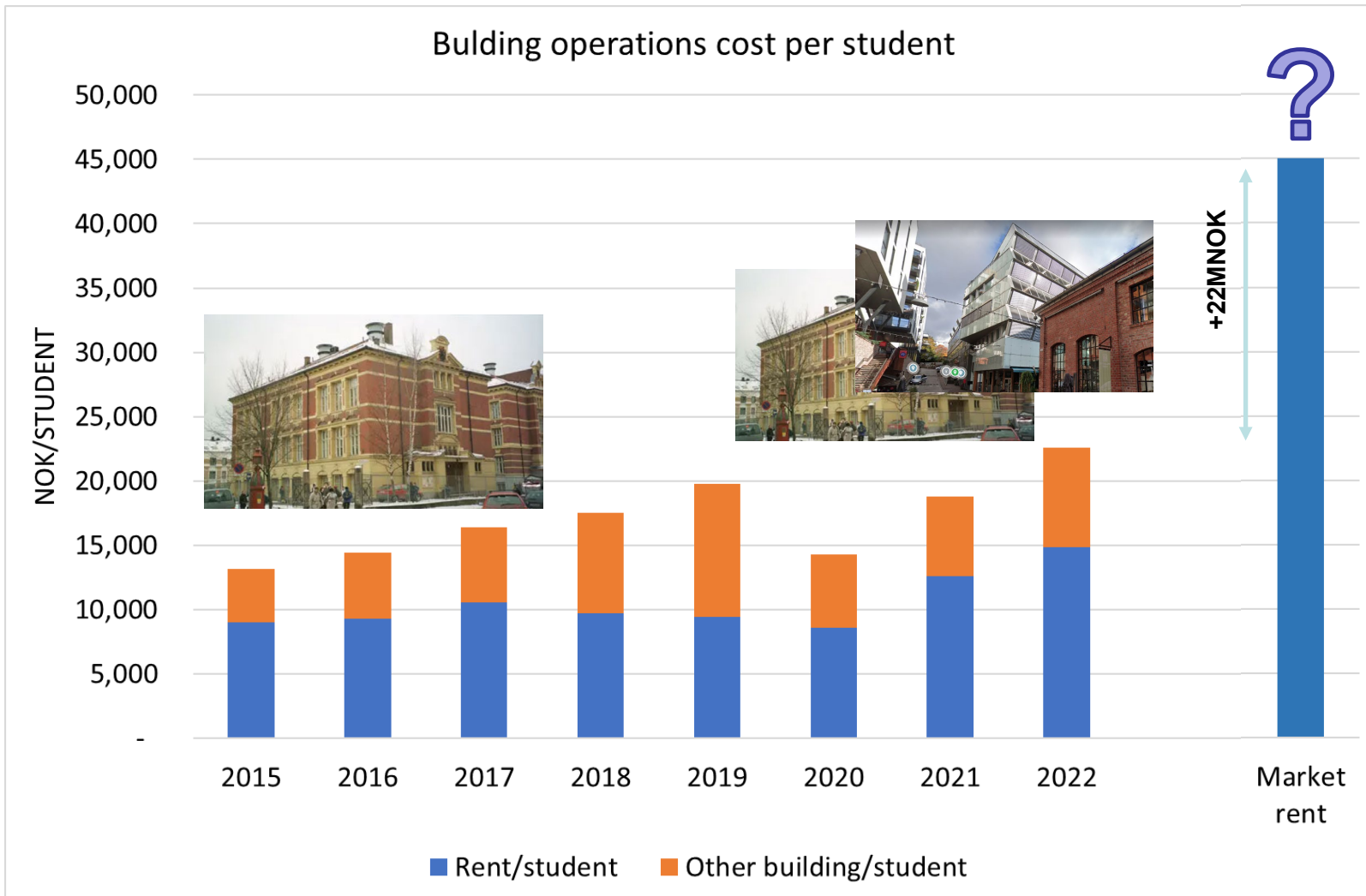
- From 24 FTEs in 2015, we are now down to 22 FTEs (even with +27% extra pupils)
- The AEFE also contributes with additional grants, such as IT development of 0,8 M NOK in 2021, to buy computers to the pupils.
- AEFE also provides support for French families as well as lifelong learning for the staff

Since 2018, staff costs have been increasing disproportionnally with number of students



- Staff costs increased by 67% while number of pupils increased by 27% over the period
- From around 8,75 pupils by FTE in 2016, we are now down to approx 7,75.

Rent of Vulkan from 2021 has really increased our real estate costs, which up to recently have been abnormally low



- Sq. meter cost at Skovveien is around 1 350kr, when market standard is closer to 3 000 kr.
- 2019 started increase of building costs due to renting of external venues for high school pupils
- Costs went up again from 2021 due to Vulkan rented at market price
- Next step: All our real estate at market price. Unsustainable.

In short



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LFO is one of 150+ contracted schools (établissements conventionnés) within the AEFE 500+ schools network



French State Managed School

Etablissement en Gestion Directe

68 such French public schools located internationally.
In «strategic cities»

Strengths:

- Robustness of state guarantee
- «French public school»

Weaknesses:

- No trend to increase their number

French State Contracted School

Etablissement conventionnée AEFE

162 such schools, registered locally who have a contract with the French State (AEFE)

Strengths:

- Support from AEFE (staff, subsidies)
- AEFE trend towards more flexibility

Weaknesses:

- Certain constraints
- Keeping resources always a fight

French State Partner School

Etablissement partenaire AEFE

332 such schools, registered locally who have a partnership with the French State (AEFE)

Strengths:

- Greater level of flexibility
- Increased simplicity in management of staff (all managed locally)

Weaknesses:

- Highly dependent on robust local body governance
- Less AEFE support, often goes with higher tuition fees

LFO

In Norway, LFO is one of its kind, in a schooling system with several school profiles



Public Norwegian Schools

Regulated under the Education Act.

Access to all public services as full part of the Norwegian educational system

Schools registered under the Independent Schools Act ([Friskoleloven](#))

Receive state support against respecting a set of conditions, must mainly be either alternative pedagogy, international curriculum or faith.

Example of schools:

Steinerskole, Montessori, NTG-U, Kristelig Gymnasium, Skagerak International School

Schools operating pursuant to Section 2-12 or Ch. 3 of the Education Act

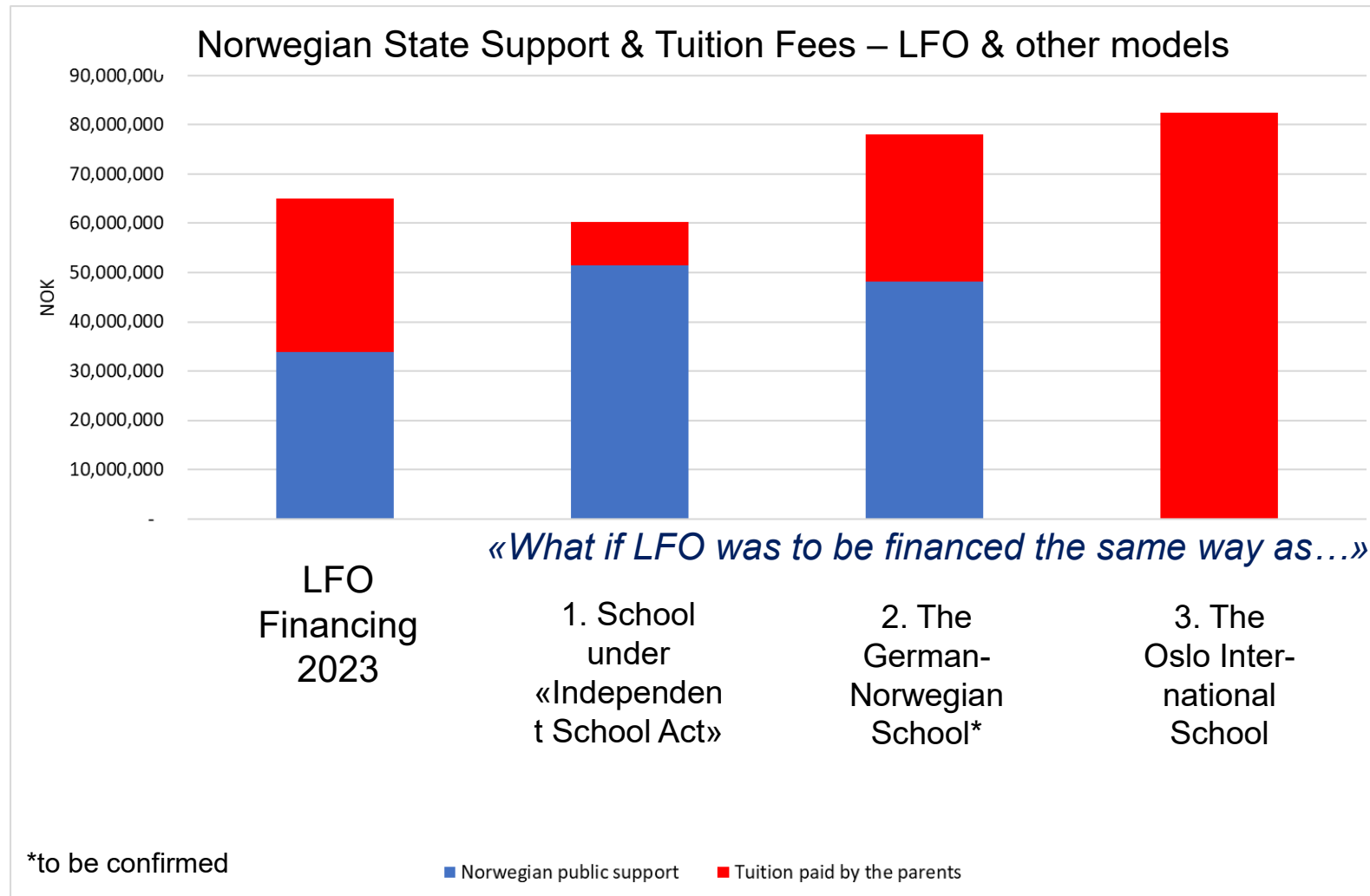
Right to operate conditioned they fulfill a set of requirements from the Education Act.

No support nor access to public services is associated with this acknowledgement, only the right to operate. **Support depending on specific school agreement.**

Example of schools:

Den franske skolen, Stavanger, Bergen & Oslo International School, German-Norwegian School

In order to cover our financial gap, we have long been looking for ways to adapt our financial model



1. Unconclusive attempt to get recognised under Friskoleloven
 - Legal issues
 - Still, «cap» on tuition fees, not solving our real estate problem
2. Focusing now on our bilateral interstate agreement
 - Current focus on our agreement, request for increase and fair treatment
 - Reference to conditions for the German-Norwegian school (% per pupil + real estate coverage)

Our current structured efforts include 6 distinctive workstreams



Min. of Foreign Affairs

- Strong supporters
- Signals on request for reciprocity

Working closely with French Embassy

Min. of Education

- We are not getting through
- Political agenda
- Impression that they are «doing enough»

Parliament

- Positive discussions with Oslo reps
- Nobody knows us
- Dialogue with AP, SP and SV inconclusive

City of Oslo

- Very supportive
- City council from SV
- Part of the problem, part of the solution...

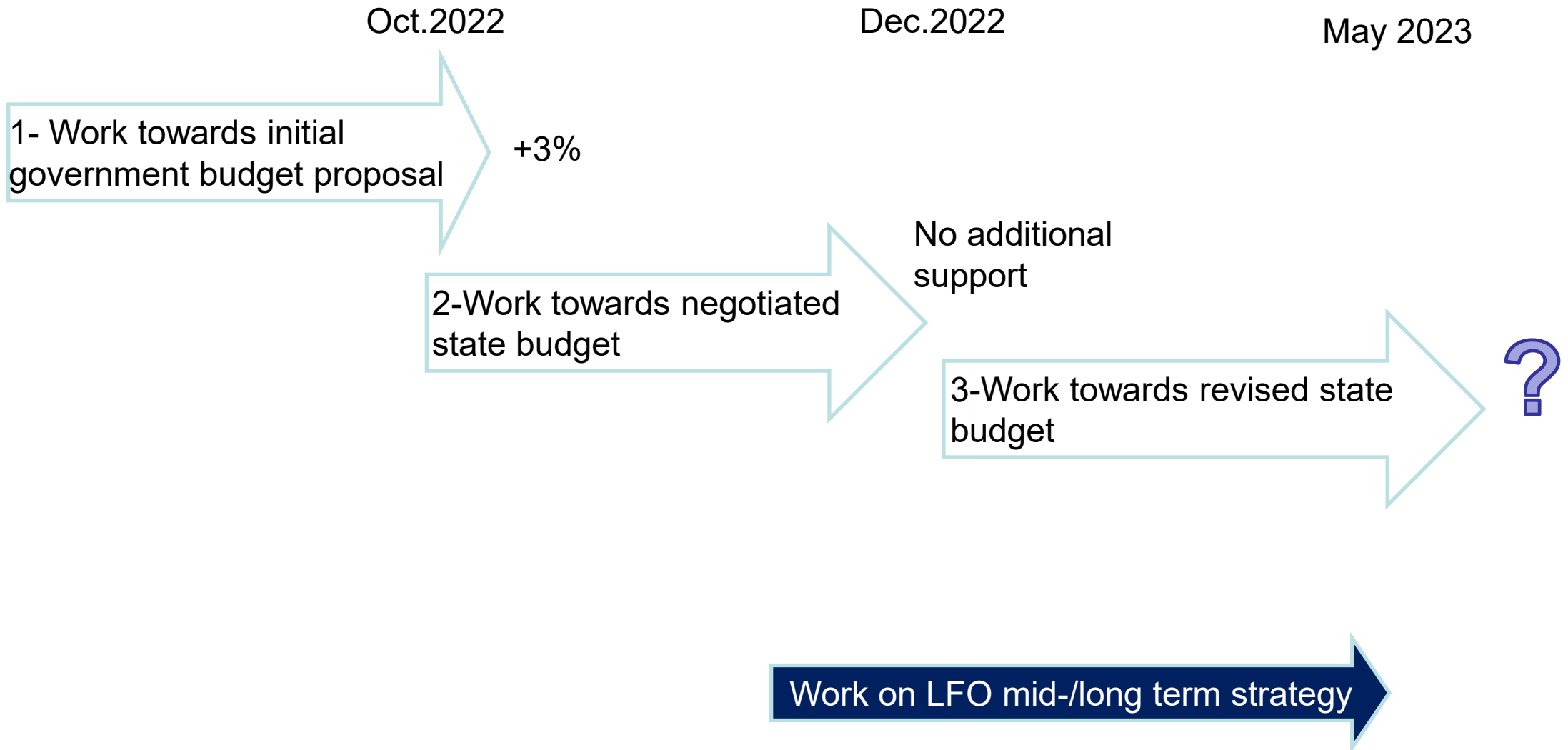
Media

- Limited Coverage by Aftenposten, NRK
- Full article by Avisa Oslo
- Attempt to scale

Other

- Profiled supporters
- Members of LFO community

Next milestone is revised 2023 budget, earlier if President Macron's visit is confirmed



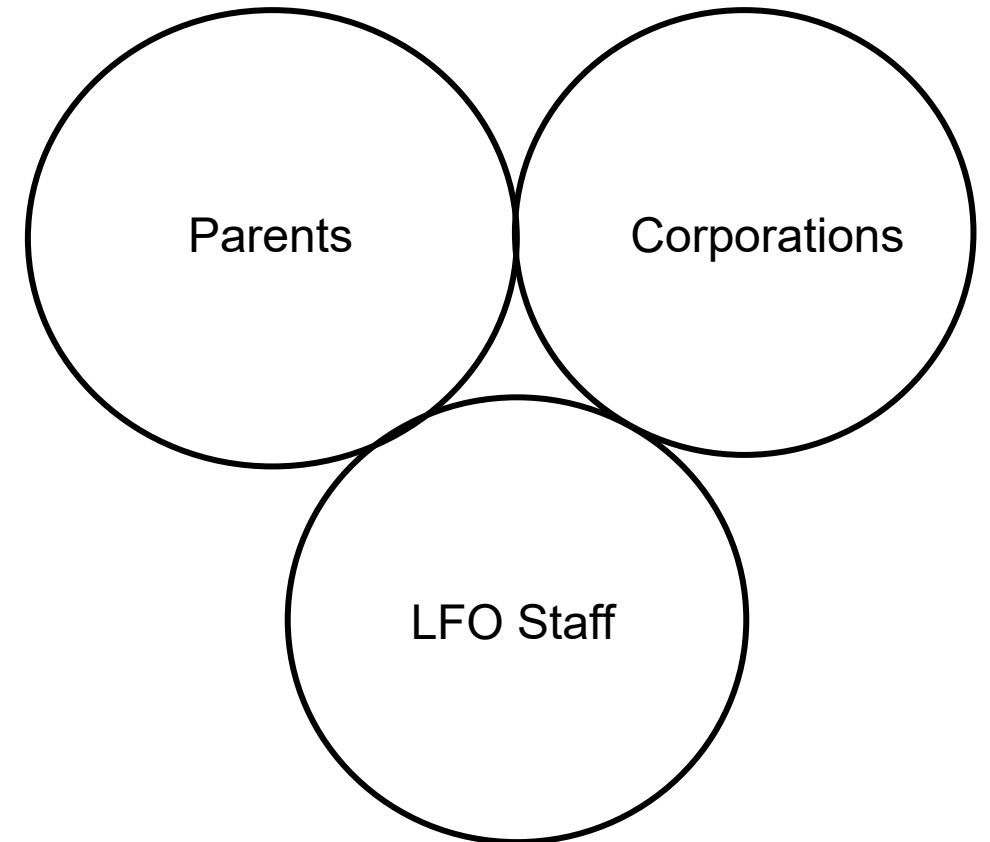
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Our budget aims at restoring our economy, acknowledging new funding is not round the corner

- ◆ Restore financial balance from Financial year 2023 – mainly by ourselves.
- ◆ Arbitrations made for 2023 involving all parties in the board
- ◆ Ensuring good school operation as priority for all



The board has prioritised levers to restore balance



Non negotiable: our pedagogical mission. It is our foundation

Levers prioritised

- Corporate fee
- Cost optimisation
- Tuition & SFO fees

Levers not used:

- Pensions
- Sibling and employee rebates
- Employee payments

Parents are put to contribution through an increase in tuition fees,
equal for all



Detailed increase:

- ◆ Tuition fees to increase in 2023-2024 (monthly increase, based on 10 months payments)
 - **No dedicated increase in Maternelle** (*regulated fee, except for corporations*)
 - **Monthly extra cost for 2023-2024: 350 kr. per pupil in Primaire**
 - **Monthly extra cost for 2023-2024: 380 kr. per pupil in Collège**
 - **Monthly extra cost for 2023-2024: 690 kr. per pupil in Lycee**

- ◆ SFO (études) in primary school to increase by **kr. 72** per child in CE2 and up, by **kr. 180** for CP and CE1 (the latter is assumed covered by the City of Oslo).

Tuition fees applied to corporations are aligned to market practice



- ◆ LFO has two challenges when it comes to corporate fees:
 1. Very few declared corporations versus benchmark for similar institutions in Oslo and in the Nordic countries, indicating risk for under-declaring
 2. Corporate fees much below benchmark

- ◆ Workgroup set up to address risk of under-declaration and better inform on corporate fees

- ◆ Market realignment of corporate fees: kr. 80 000 for primary school, kr. 100 000 for middle school, 220 000 for high school

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Our current school facilities likely welcome us, as-is, until the end of the school year 2024-2025. Still it is far from optimal



SKOVVEIEN

Highly subsidized
rent until:

DEC 2024

4450 m²

431 students

**REHABILITATION
planned for 2025-27**

Rental agreement to be negotiated for
after the rehabilitation.

Likely doubling of rent.

Scope of rehabilitation to be discussed
and planned with Oslo Kommune



MATERNELLE

Authorization of use
extended until

NOV 2025

600m²

126 children

TEMPORARY SOLUTION

Main issues linked to limited outside
space –below Oslo standards.

Requires rotating use
of the school yard.

Neighbourhood opposition



VULKAN 11

Rental
agreement until:

JUNE 2025

1359m²

130 Lycee / 3ème students

TEMPORARY SOLUTION

4-year rental contract
with possibility of exit after 3
years, of sub-letting or for
lease extension

Together with external specialists, we are investigating various real estate solutions, also driven by opportunities



Mono/multisite:

Different solutions are explored:

- ◆ 1 campus for all pupils
- ◆ 2 campuses respecting integrity of maternelle, primaire, college, lycée

Location-wise:

- ◆ Inside Oslo (more opportunities for multilocation, less for one location)
- ◆ Within reasonable distance of city center (more opportunities for single campus)

So far:

- ◆ Some opportunities but very high level of competition
- ◆ Several ongoing dialogues / early studies

Next steps:

- ◆ Gain more insight from LFO families
- ◆ Clarify specification request in line with foreseen future-state for the school
- ◆ Analyse opportunities further and inform / involve along the way

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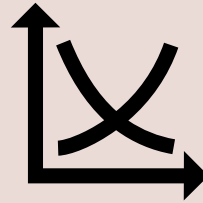


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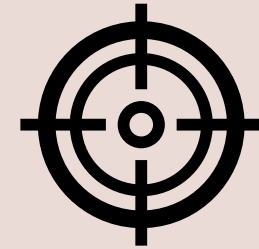
Wishing you happy holidays and looking forward to keeping earning your trust and support going forward



HAPPY HOLIDAYS
SCHOOL RESUMES
WEDNESDAY 4
JANUARY



SEARCH FOR
SUSTAINABLE
FINANCIING
CONTINUES



STRATEGIC
REFLEXIONS TAKING
PLACE. WE WILL KEEP
INVOLVING OUR
ASSEMBLY