



**OFFICE OF EARLY CARE AND EDUCATION**  
**AND**  
**CHILD CARE PLANNING & ADVISORY COUNCIL**  
**Ad-Hoc Workforce Compensation Committee Meeting**

Wednesday, February 27, 2019  
6:30 - 8:30pm  
Children's Council, 445 Church St, San Francisco, Room 120

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**AGENDA**

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**Committee Charge:** To evaluate the cost of closing the gap between current ECE compensation and parity with SFUSD TK3 staff- the target set in the SF ECE plan, and recommend a method of how Prop C funding can be used by OECE to increase ECE educator compensation and improve work environments.

**Meeting objectives:**

- Understand how assumptions work in the Early Learning Scholarship (ELS) system
- Review & evaluate assumptions made to date

**Welcome, Introductions, & Agenda Review**

**Reviewing assumptions of cost of care, Jeanna Capito**

A look at by category:

- o What were the assumptions?
- o What are adjusted assumptions?
- o What's missing?

(Presentation Attached)

Discussion/Questions raised during presentation:

- If the assumptions are based on adult-child ratios other things that should be considered are release time (time off the floor, breaks, lunches, opening, and closing) and how floaters support those times and how substitutes cover teachers during leaves
- Clarifying questions about toddler age (24-36 months in CA)
- Clarifying questions about staffing patterns and personnel. How does the model account for centers that are paying staffing agencies for support of their centers? Current model uses minimum wage of how substitutes are paid, not an accurate depiction of the current state. Something else to consider is that the current model doesn't take into account for any teacher vacancies.
- Suggestions to bump up vacation and sick days

## **Next Steps**

### **Focus of Next Workforce Compensation Ad Hoc Committee Meetings**

- Next meeting: Wednesday, March 27

## **Adjournment**

# Reviewing Rate Development

Prop C Committee Discussion

February 27<sup>th</sup>, 2019

## Discussion Points

- What was the approach of the Comprehensive Fiscal Analysis?
- What assumptions are underlying in the Revenue and Expense model?
- What modifications and updates are under way, for FY20 rates?



## Understanding the Cost of Quality in San Francisco

## Quality Frame

- Revenue and expense model uses Bay Area Quality Rating and Improvement System as quality frame
- Early Learning Scholarship rates are based on the cost per child (infant, toddler or preschooler) to deliver Tier 3 in San Francisco
- Include local practice modifications:
  - Infant group size of 9 (BA-QRIS allows up to 12)
  - Preschool ratio of 1:8 (BA-QRIS allows 1:12)
  - Opt in for PFA site, which tied to any PFA specific requirements

# Ratio and Group Size

		Center-based Ratios/Group Size			
Age Group	Group Size	QRIS Tier 3	SF Practice	CA Title 22 regs	NAEYC (group max)
Infants (0-24 mos.)	9	1:3 (12)	1:3 (9)	1:4 (16)	2:8
Toddlers (24 - 36 mos.)	12	1:6 (12)	1:6 (12)	1:6 (18)	2:10
Preschoolers (3-5 years)	24	1:12 (24)	1:8 (24)	1:12 (36)	2:10

California Regulations for FCC Homes:		
Age of Children	Small Home	Total Children
4 infants (0-24 mos.)	1 provider	4
3 infants; 3 other ages	1 provider	6
Large Home		
3 infants; 9 others	Provider + Asst	12
No infants; 12 others	Provider + Asst	12

## Assumptions:

### Center Based

- The most commonly occurring size center and composition of children (in SF) was used to compare per child revenue to per child expense
- The center size and composition is 69 children: 9 infants, 12 toddlers, 48 preschoolers



## Assumptions:

### Family Child Care

- The small FCC has 6 children: 2 infants, 2 toddlers, 2 preschoolers.
- The large FCC has 12 children: 2 infants, 3 toddlers, 7 preschoolers.
- The FCC owner/provider does not receive a salary in the way center-based staff do. Their “salary” is the net annual revenue, from which they take a monthly draw.
- The typical SF FCC provider works 65 hours per week, drawing about \$10.70 an hour as revenue. OECE used a higher salary in the rate calculation.
- ELS rates were created by using a weighted average of rates for a small FCC and rates for a large FCC.

## Costs: Personnel

- **Wages**
  - Child Care Workers, Lead Teacher, Preschool Teachers, Teacher Aides, Floaters, Substitutes, Assistant Teachers, Staff Supervisors
  - Administrators, Child Care Center/Program Director, and Financial Manager
  - Office and Administrative Support Workers
- **Benefits**

## Wages: Staffing Pattern

- **ECE Program Director** (50% time if < 50 children, then full-time)
- **ECE Staff Supervisor** (1 per 12 teaching staff)
- **Financial Manager** (25% if <30 children, 50% up to 60 children, then full-time)
- **Administrative assistant** (50% if <60 children, then 1 per 60 children)
- **Lead Teachers** (1 per classroom)
- **Assistant Teachers** (1 per classroom and 2 per Infant room to meet ratio requirements for BA-QRIS Tier 3)
- **Teacher Aides** (1 per infant room and 2 per Preschool room to match the San Francisco practice of staffing over-ratio in preschool rooms)
- **Floater**

## Benefits: Full Mandatory and Discretionary

- Salary and Benefits are 66% of the total budget
  - Salary 49.7%
  - Benefits 16.7%
- Benefits are 34% of salary
- Model includes 100% expense coverage for the discretionary benefit amount
  
- Salary and Benefits are slated to move to 71% of the budget in the next iteration, with the increases in salary points

## Benefits: Release Time

- Model includes expenses to cover:
  - 21 hours professional development per position
  - 10 days staff leave (vacation)
  - 10 days sick leave
- Release time: coverage, reflection and QRIS activities
  - In Tier 1, it is minimum coverage for opening/closing and breaks = .8FTE Floater
  - In Tier 3 includes reflection and QRIS activities, doubles floater time, 1.6 FTE

Costs:  
Non  
Personnel

## Education Program for Children and Staff

- Child - food/food related, classroom/child supplies, laundry, tuition assistance, parent activities, field trips, family transportation, child assessment materials, ongoing costs of additional quality-related materials
- Staff - professional consultants, training/professional development/conferences, staff travel

Costs:  
Non  
Personnel

- **Occupancy:** rent/lease or mortgage, real estate taxes, maintenance, janitorial, repairs and other occupancy-related costs
- **Administration and Management:** office supplies, telephone, internet, insurance, legal and professional fees, permits, fundraising, memberships, administration fees

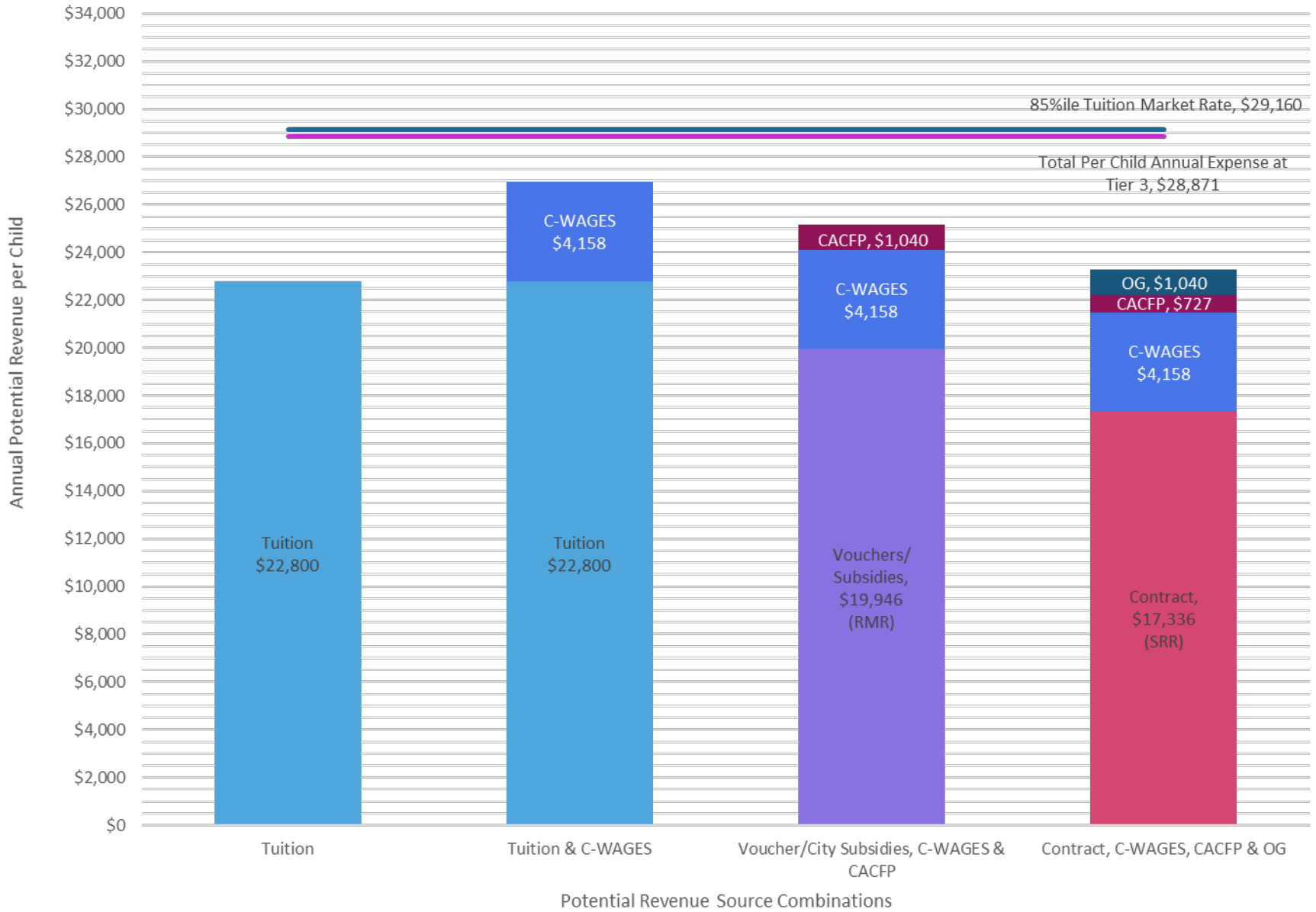
## Updating the Model

- Wage updates
- Updating all the expense lines
- Explored other updates: transportation stipend, higher discretionary amount, substitutes at private agency rate
- Updated according to new QRIS standards (state level changes)
- Working on a SFUSD parity iteration
- Review data on center size
- Discussion on wage compensation and how the rate driven by quality, but possibly not funding all children has impacted program revenue – solutions?

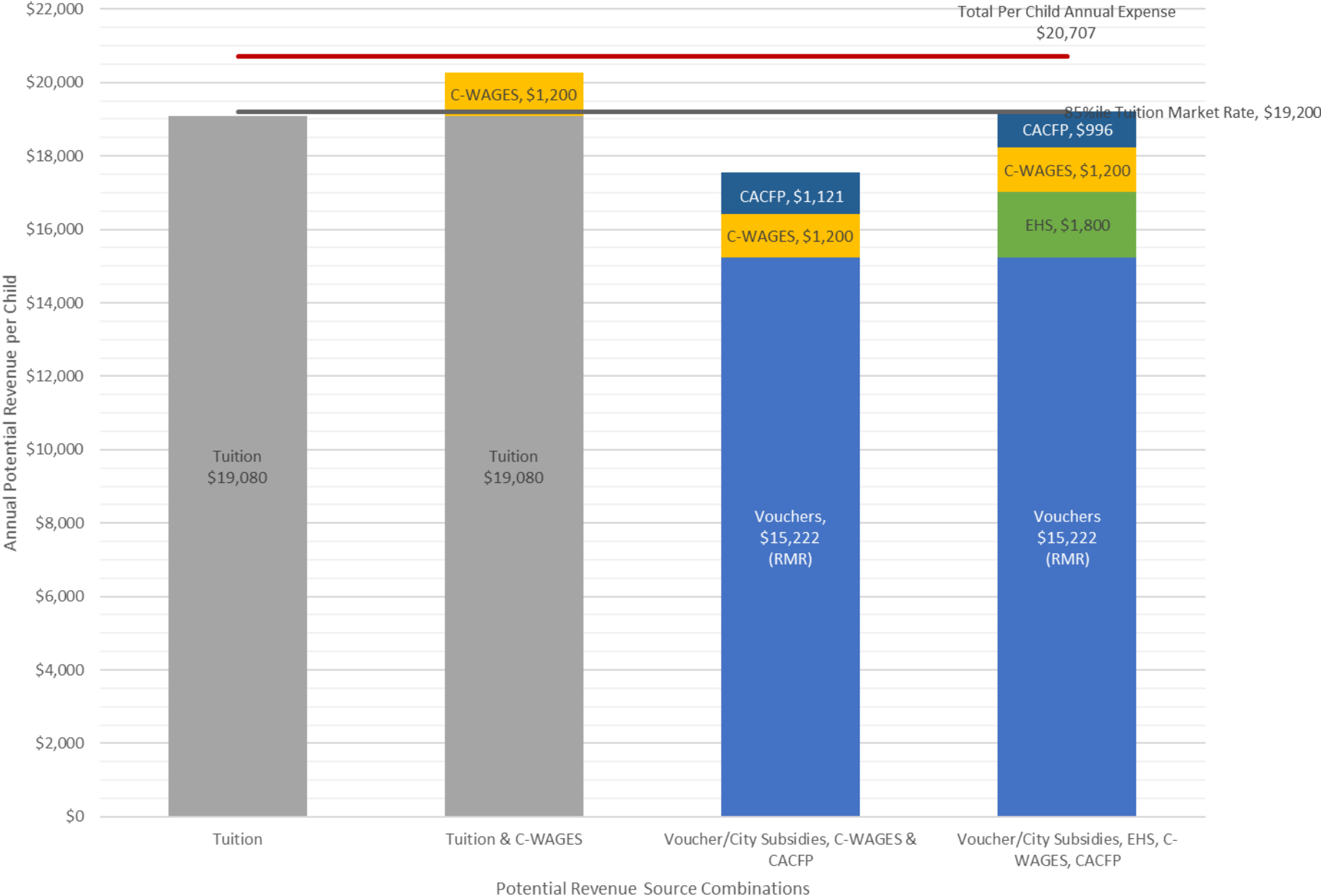


# Questions and Answers on Approach

# Stacked Per Child Revenue Charts with Per Child Expense Rates - Infant



# Stacked Per Child Revenue Charts with Per Child Expense Rates - Infant (FCC)



## Costs: Personnel

## Center- based

<b>Position</b>	<b>Salary</b>	<b>Hourly Rate</b>
<b>ECE Program Director</b>	\$68,350	\$32.86
<b>ECE Staff Supervisor</b>	\$54,694	\$26.30
<b>Financial Manager</b>	\$55,923	\$26.87
<b>Administrative Assistant</b>	\$29,081	\$13.98
<b>Lead Teachers</b>	\$35,551	\$17.53 \$15.78
<b>Teachers/Assistant Teachers</b>	\$31,868	\$15.32
<b>Teacher Aides</b>	\$28,681	\$13.79
<b>Floater-Assistants</b>	\$31,868	\$15.32

Expense data is from the original CFA iterations of the models, 2016.

## Costs: Personnel

## Family Child Care

<b>Position</b>	<b>Salary</b>	<b>Hourly Rate</b>
<b>Owner/Teacher (3120 hours/annually)</b>	<b>\$65,633</b>	<b>\$21.04</b>
<b>Assistant (1 FT for large home)</b>	<b>\$36,463</b>	<b>\$17.53</b>
<b>Addl. Assistant for infants/toddlers (1 FT if &gt;4 infants/toddlers)</b>	<b>\$29,120</b>	<b>\$14.00</b>
<b>Additional Assistant(s) for QRIS assessment and reporting (hr/yr) (.5FTE)</b>	<b>\$14,560</b>	<b>\$14.00</b>

Expense data is from the original CFA iterations of the models, 2016.