



# Presentation to San Francisco Child Care Planning & Advisory Council

April 11, 2018

# San Francisco Context



# SF Office of Early Care & Education (OECE)



**Vision:** Every child in San Francisco from birth to age five has access to high quality and affordable early care and education.

**Mission:** The San Francisco Office of Early Care and Education leverages federal and state funding, aligns local resources, supports the early care and education workforce and increases capacity to build a high quality, affordable, data driven and streamlined early care and education system for children 0-5 and their families.

## **Goals:**

- Align, coordinate, increase funding;
- Support and empower the workforce;
- Forge an effective early care and education system.

## **Approach:**

- Access, quality, compensation

# Early Childhood Profile

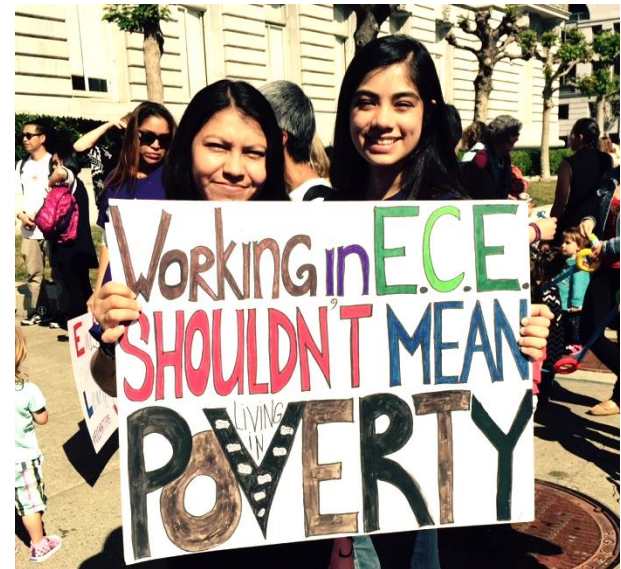
- **44,387 children** under 5 years of age
- **Diverse backgrounds**, significantly more so than adult population
- Concentrations of very low income and very high income households
- **Growing economic and racial disparity**
- 1 in 10 children citywide lives in poverty
- 1 in 3 children in our Bayview neighborhood lives in poverty
- **92% participation** rate in curriculum-based preschool or transitional k (compared with 48% statewide) due, in part, to high level of local funding
- **2/3rds of children demonstrate k readiness**
- **Disparate readiness** among African-American, Latino, English Language Learners, children with special needs, homeless children, and children involved in the child protective system
- **Over 2,700 subsidy eligible** children on SF3C as of February 2018
- 794 infants, 925 toddlers, 804 preschoolers

# Supporting ECE Professionals

**High-quality early childhood programs** depend on a professional, well-compensated, and skilled workforce, but early childhood educators remain underpaid and undervalued in the current U.S. early childhood education system.

## Key Challenges:

- Child care workers and preschool teachers are in the bottom quintile of annual salaries in the United States, averaging less than \$30,000 per year.
- Child care workers are also less likely to have benefits compared with similar workers in other industries.
- When the adults working in early childhood programs face stress associated with poverty and income volatility, the children they serve are affected as well.



## Citywide Plan for Early Care & Education Endorsed Recommendations

Birth-to-Five  
Approach

Racial Equity  
and Diversity

Quality  
Improvement

Family  
Engagement

Professional  
Development  
and  
Workforce

Financing  
Models

## Key Concepts

Early Learning Scholarship

Connections

*Improving Family & Provider Experience*

## Initial System Improvement Strategies

①  
Pay fairer rates  
to providers

②  
Ensure  
continuity  
of care for  
families

③  
Reduce  
redundant  
paperwork  
and reporting

④  
Improve family  
outreach and  
matching  
system

# 2017-2018 Budget Proposal



# Mayor's Budget Instructions for FY 18/19 and FY 19/20



- For FY 18/19, agencies are to propose ongoing General Fund reductions of 2.5%
- For FY 19/20, agencies are to propose ongoing General Fund reductions of an *additional* 2.5%
- Agencies should not add staff or FTE

## **Agencies are asked to reflect on the Citywide Strategic Initiatives:**

- Residents and families that thrive
- Clean, safe, and livable communities
- Diverse, equitable, and inclusive City



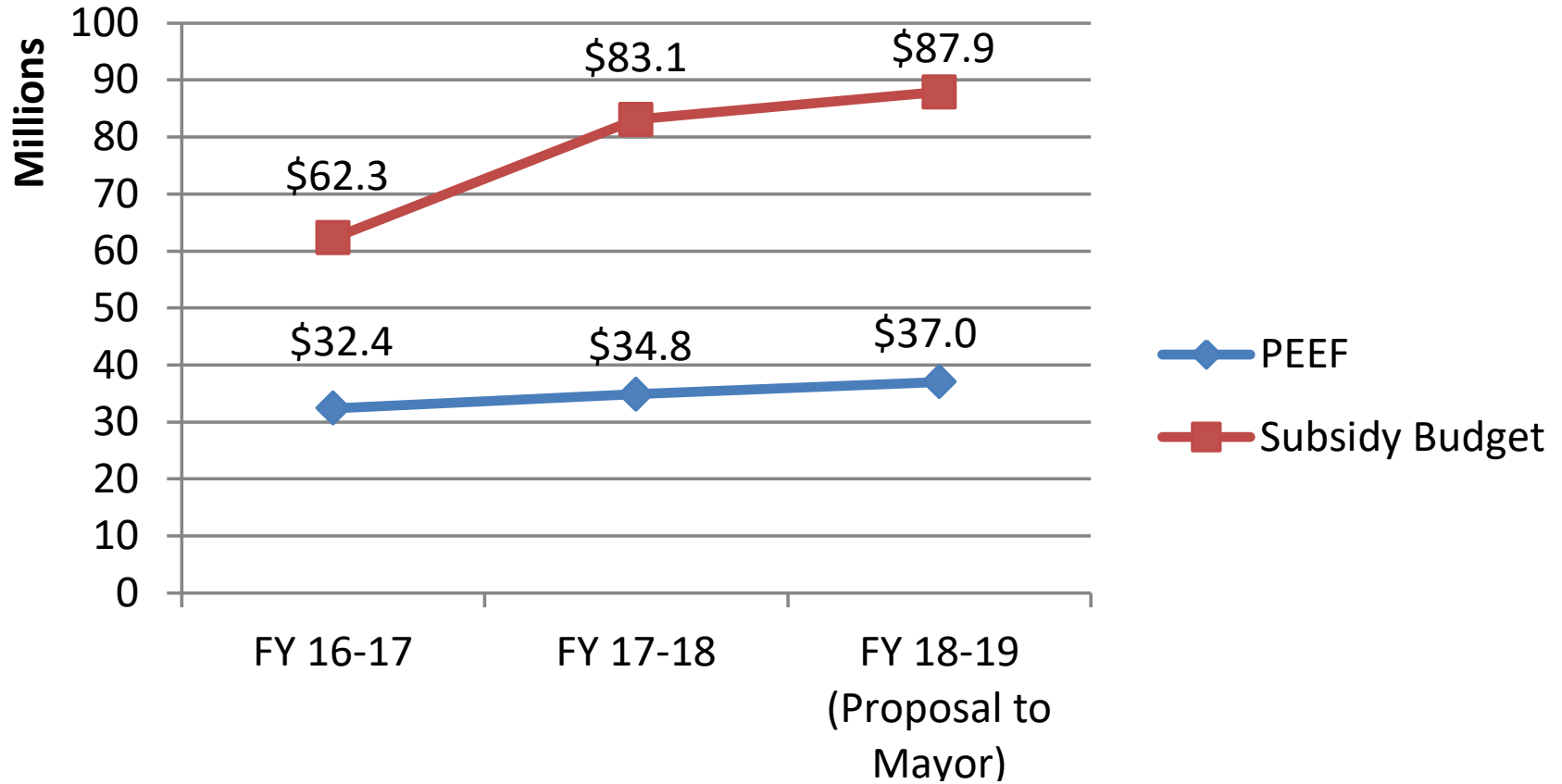
# Looking Back: FY17-18 Highlights

- Issued 14 Funding Opportunities
  - For direct ECE services, quality improvement supports and other vital programs representing \$100 million
  - Engaged with Integrated Service Agency (ISA) partners, Children's Council of San Francisco and Wu Yee Children's Services, on ELS implementation
- Launched Innovative Early Learning Scholarship Program on July 1, 2017
- Continued to Implement Preschool for All and promote preschool access
  - Continued Preschool for All tuition credit program
  - Launched the inaugural San Francisco Preschool Fair in January 2018.
- Explored How to Improve Customer Service to Families Seeking Financial Assistance with Child Care Expenses
  - Engaged with Start Up in Residence partnership to envision an improved data infrastructure to better match family needs to programs and funding.

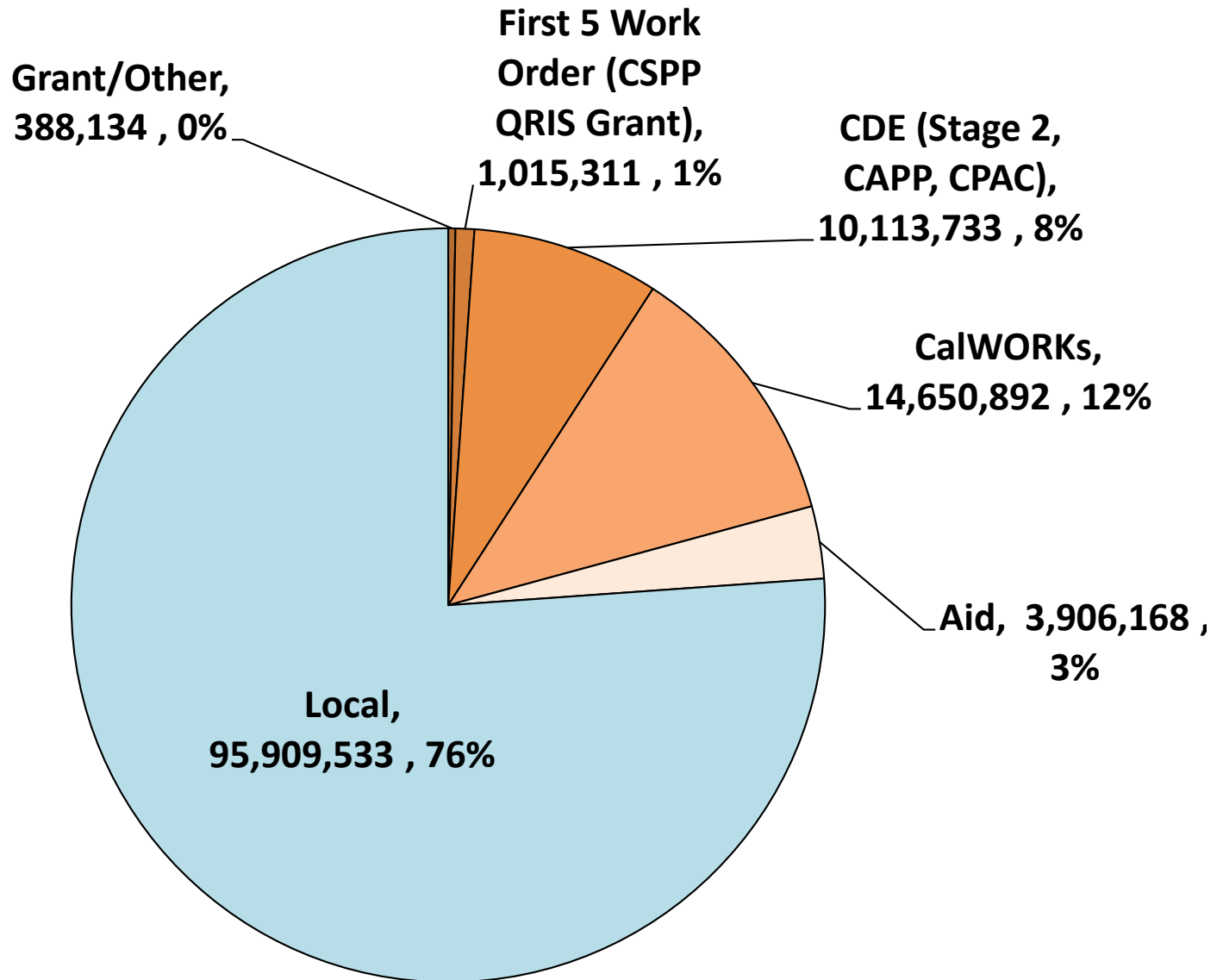
## FY 18-19 Budgeting Picture

- Top priority is to increase funding for partners and services
  - 2.5% Cost of Doing Business increase for contractors
  - 2.5% increase in Tier 3 reimbursement rates across all programs
  - Exploring addition increases to preschool reimbursement and RMR overlay
- Continuing to increase the implementation, scope and reach of the Early Learning Scholarship program
- Redesigning the child care “waitlist” to improve customer service and to better match families to programs and financial assistance
- Exploring grants and public-private partnership opportunities to further expand funding and services.

# Trends: Public Education and Enrichment Fund & Subsidy Budget (overall)



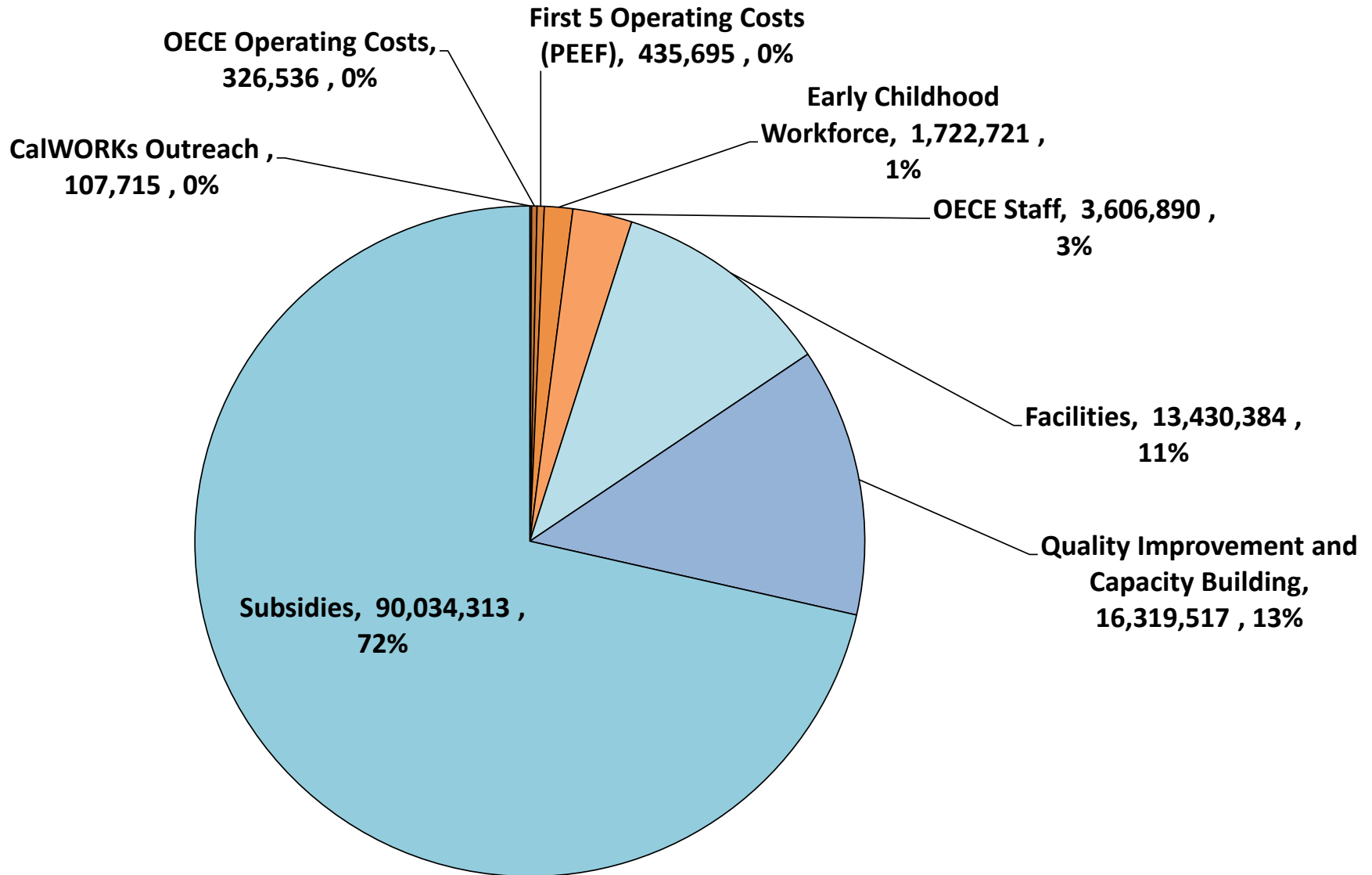
# FY 18-19 Proposed Revenues



# FY 18-19 Proposed Revenues Versus FY 17-18

Fund Source	FY 18	FY 19 (Proposed)	Sum of FY 19 Less FY 18
Aid	2,889,980	3,906,168	1,016,188
CalWORKs	13,611,255	14,650,892	1,039,637
CDE (Stage 2 CalWORKs, CAPP, CPAC)	8,528,240	10,113,733	1,585,493
DCYF Work Order	16,656,064	17,556,064	900,000
Developer Fee	4,079,000	12,279,333	8,200,333
First 5 Work order-CSPP QRIS Grant	628,359	1,015,311	386,952
Grant/Other	80,000	388,134	308,134
OECE-GF	21,372,329	21,524,214	151,884
OECE-GF (Infant & Toddler Addback)	2,000,000	2,000,000	0
OECE-PEEF	35,287,216	36,683,714	1,396,498
OECE-PEEF Reserve	7,788,619	5,215,871	(2,572,748)
Other Work Orders	70,000	100,000	30,000
OECE-GF One Time	706,790	550,337	(156,453)
<b>Grand Total</b>	<b>113,697,853</b>	<b>125,983,772</b>	<b>12,285,919</b>

# FY 18-19 Proposed Expenditures



# FY 18-19 Proposed Expenditures VS. FY 17-18

Program Type	FY 18	FY 19 (Proposed)	Sum of FY 19 Less FY 18
CalWORKs Outreach	107,715	107,715	-
Early Childhood Workforce	1,062,502	1,722,721	660,219
Facilities	5,230,051	13,430,384	8,200,333
First 5 Operating Costs (PEEF)	435,695	435,695	-
OECE Operating Costs	343,507	326,536	(16,971)
OECE Staff	3,438,688	3,606,890	168,203
Quality Improvement and Capacity Building	16,444,921	16,319,517	(125,404)
Subsidies	86,634,774	90,034,313	3,399,539
<b>Grand Total</b>	<b>113,697,853</b>	<b>125,983,772</b>	<b>12,285,919</b>

# FY 18/19 OECE Budget Timeline



Date	Milestone
December 6, 2017	Mayor's budget instructions released
January 8, 2018	HSA budget meeting with community and CBO partners
January 18, 2018	OECE budget meeting with Citizen's Advisory Committee
February 21, 2018	OECE-proposed budget submitted to Mayor
March 22, 2018	OECE/HSA Proposed Budget Overview to Board of Supervisors (BOS)
May 3, 2018	OECE/HSA BOS Presentation #2
June 1, 2018	Mayor submits budget to BOS
June 15, 2018	OECE/HSA BOS Presentation #3
July 24 & 31, 2018	BOS votes on City budget



# Questions & Answers





**Thank you for your partnership!**

April 11, 2018