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# Early Childhood Education

— November 1 , 2017 —

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# Contracts in BUSD ECE Program

The Child Development Programs hold contracts with California Department of Education. BUSD has two contracts.

## California State Preschool Program (CSPP)



Serves two years nine months, three, and four year old children until they enter Transitional Kindergarten or Kindergarten (Franklin, Hopkins, and King CDC)

## General Child Care (CCTR)



Serves school age children (BEARS at 7 elementary sites)

# Understanding Our State Contract Content

Once California Department of Education (CDE) has approved your contract, agencies receive a contract which states:

- **Maximum Reimbursable Amount (MRA),**
- **Maximum Rate or Standard Reimbursement Rate (SRR),** which is the rate the State reimburses an agency per child, per day to provide services,
- **Minimum Days of Operation (MDO)** the agency will provide services in a fiscal year, and
- The minimum **Child Days of Enrollment (cde),** which is the amount of child days of attendance an agency must have in order to earn their MRA.

# BUSD CSPP and CCTR Contract Information

Below is the information for our 2017-2018 **CSPP** and **CCTR** Contracts

<b>CSPP</b>	Maximum Reimbursement Amount (MRA)	\$2,988,128
	Standard Reimbursement Rate (SRR)	\$49.10
	Minimum Days of Operations (MDO)	240 days
	Child Days of Enrollment (cde)	60,858

<b>CCTR</b>	Maximum Reimbursement Amount (MRA)	\$1,842,216
	Standard Reimbursement Rate (SRR)	\$48.51
	Minimum Days of Operations (MDO)	240 days
	Child Days of Enrollment (cde)	37,976

# How We Earn Our MRA

Earning our MRA contract is contingent upon operating the full MDO and earning cdes. The cdes are calculated by the number of hours and number of days a child is enrolled in a program.



\*up to 3.5 hrs earn 0.6193 of every 1 day enrolled

# Potential Earnings Per Child

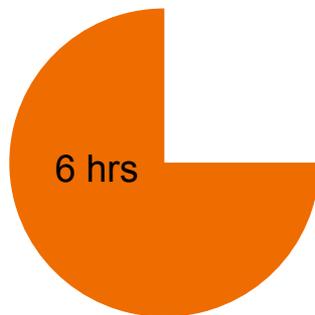
Based on families' eligibility and need, our preschool programs offer services in the following categories:

## Part Day Program



*\$5,777 per student/year*

## $\frac{3}{4}$ Program



*\$8,838 per student/year*

## Full-Day Program



*\$11,784 per student/year*

# History of Preschool Earning

Fiscal Year	Contract Under Earnings	Under Earnings by Child Equivalence
2013-14	(\$9,705)	1 full-time student
2014-15	(\$72,603)	15 half-time students
2015-16*	(\$170,973.65)	35 half-time students
2016-17	(\$98,022.38)	19 half-time students

*\* In the Spring of FY 15-16, we proposed the closure of a part-day classroom, which went into effect in FY 2016-17*

# We Did Not Meet Our Contract in 2016-2017

Under earnings for CSPP	\$98,022
Under earnings for CCTR	\$181,016
Total Under earnings:	\$279,038

**The District contribution was \$277,925**

# Factors Contributing to Under Earnings in FY 16-17

1. First quarter earnings were low due to turnover in enrollment staff during peak enrollment period
2. Continued trend of shifting demographics with fewer Bay Area families meeting income eligibility requirements
3. Families opting to send their children to TK programs, which are free of charge
4. Insufficient outreach

# Earning our FY 17-18 MRA

First Quarter Earning projects that we are meeting our contract by 80%, which is consistent with prior years due to the fact that:

- There is no part-day program enrollment in July and August
- There is significant turnover in August when students leave for TK/Kindergarten and we are enrolling new students

## Next Steps...

1. Enroll students in the part-day and full-day program at Franklin Preschool
2. Enroll Special Education students in the CSPP program, which will increase our total child days of enrollment (cdes) moving forward
3. Closely monitor enrollment trends in moving forward

# What would it mean to cut \$127,404?

The \$127,404 is no longer funding a classroom (total cost approximately \$250,000)

The funds are being used to;

- Offset the increasing cost of Teacher/IA salaries and benefits
- Offset the increasing nutrition program costs
- Support in funding additional support staff (2.6 IA and 1.0 FTE Custodian)

# Scenario 1

Cut \$127,404 district contribution *and* close a part-day program classroom.

Impact to ECE	Cost	Savings	Total
Eliminate 48 part-time slots for students	Loss of <i>potential</i> revenue in the amount of \$277,318		<b>\$277,318</b>
Layoff 1 teacher and 2 instructional assistants		Teacher salary: ≈ 70,6102 Instructional Assistant Salaries: ≈ 46,956 each (total: 93,912) Classroom costs: ≈\$25,000	<b>\$189,522</b>
Eliminate district contribution	Loss of revenue in the amount of \$127,404		<b>\$127,404</b>
		Financial impact:	<b>\$215,200</b>

# Non-Monetary Impact

Potential negative impact on:

- Decrease in availability of affordable high-quality child care slots

# Scenario 2

Cut \$127,404 district contribution **and** cutting additional support staff (2.6 FTE Instructional Assistant who provide release time for staff to take breaks and lunches and a 1.0 FTE custodian who works at all three sites during the day to meet federal health and safety guidelines and attend to emergencies)

Impact to ECE	Cost	Savings	Total
Layoff 2.6 FTE Instructional Assistants + 1.0 Custodian		2 Instructional Assistant Salaries: ≈ 46,956 each (total: 93,912) .6 Instructional assistant: \$39,634.81 1.0 FTE Custodian \$65,958	<b>\$199,504</b>
Eliminate district contribution	Loss of revenue in the amount of \$127,404		<b>\$127,404</b>
		Financial impact:	<b>\$ 72,100</b>

# Non-Monetary Impact

Potential negative impact on:

- Quality of service (staff to students ratio, active supervision, teacher/students interactions, health and safety requirements)
- CDE and Community Care Licensing regulations

# Scenario 3

Cut \$127,404 district contribution and increase ECE enrollment to meet the amended contract amount \$2,988,128 so that the ECE program is more self-sustaining.

Impact to ECE	Cost	Savings	Total
Eliminate district contribution	Loss of revenue in the amount of \$127,404		<b>\$127,404</b>
		Financial impact:	<b>\$127,404</b>

# Outreach Strategies

- Kindergarten Readiness Fair - 2020 Vision
- Berkeley Public Libraries
- Kindergarten Fair
- Admissions Office
- BUSD Family Advocates
- Social Media
- Open Houses
- Advertising in our A+ Newsletter

# The “Pilot” and other increases

## AB 833 allows for...

- A higher reimbursement rate per child per day
- Children can enter the program at age 2 years 9 months
- Two years to recertify families
- Families seeking employment and seeking housing are able to receive up to 6.5 hours of care

In January 2017 all State Contracts were given a 5% increase on their Standard Reimbursement Rate (SRR) by the Governor, and again in July 2017, the Governor gave a 13% increase. However, these increases still have not completely bridged the gap between the actual true cost to provide high quality care for children compared to what agencies are being reimbursed by the State.

# Moving Forward...

The current statewide trend is to increase funding for ECE and improve program quality and accessibility:

- Four pilot bills have passed, allowing 9 new counties to increase access and raise the reimbursement rate for program providers
- A Countywide Local Revenue Measure: A local sales tax measure to be placed on the ballot in June 2018, which could generate as much as \$140 million annually, to increase access for students and wage increases for child care workers
- BUSD recommits itself to supporting a Pre-K-13 education continuum and supporting the high quality programs serving our early learners