Kindergarten Readiness and DEC Year in Review

Challenges, Opportunities, and Achievements
Kindergarten readiness strongly predicts future academic outcomes

Note. N=272-289. The following variables were entered as controls: English Learner status and special education status (measured throughout the years from 2015 to 2018), gender, race/ethnicity, family income, single parenting, and ECE experiences (measured in 2009).
Family engagement leads to similar outcomes

Note. N=272-289. Scores were estimated given the sociodemographic factors were considered equal and on the average.
Factors Contributing to Readiness

- Gender
- Race
- Family Engagement
- Financial Stability
- Home Language
- Special Needs
- Tired, sick, hungry
- Parental Support & Coping
- Preschool & Transitional Kindergarten
Race and special needs are strong predictors of Kindergarten Readiness of Entering SFUSD Students by Race/Ethnicity and Special Needs, 2009-2023. (Kindergarten Observation Form for 2009 and 2015, Kindergarten Readiness Inventory for 2017-2023)
ECE enrollment is recovering and the age mix has shifted

Enrollment in ELS and TK, 2018-19 vs. 2022-23
(DEC and SFUSD administrative data)

- Infant: +44%
- Toddler: -35%
- Prek: +5%
- TK: +151%
San Francisco still leads the nation in preschool enrollment
DEC Expanded its ELS network

Number of Sites in ELS

<table>
<thead>
<tr>
<th></th>
<th>2018-19</th>
<th>2022-23</th>
<th>+19%</th>
<th>+13%</th>
<th>+17%</th>
</tr>
</thead>
<tbody>
<tr>
<td>FCCs</td>
<td>248</td>
<td>295</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Centers</td>
<td>154</td>
<td>174</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>402</td>
<td>469</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

2022-23 Facilities Activity

<table>
<thead>
<tr>
<th>2022-23 Facilities Activity</th>
<th>Center-Based Grants</th>
<th>Family Childcare Grants</th>
<th>New Infant and Toddler Spaces Planned</th>
<th>New Preschool Spaces Planned</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of Grants Supporting New Spaces</td>
<td>14</td>
<td>3</td>
<td>323</td>
<td>229</td>
</tr>
<tr>
<td>Total Grant Funding Awarded Supporting New Spaces</td>
<td>$13,140,380</td>
<td>$38,443</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The ECE “wait list” is much smaller
DEC boosted early educator wages for teachers serving highest need students

Impact of EESSG on ECE Teacher Wages

<table>
<thead>
<tr>
<th>Role</th>
<th>Average Hourly Wage, Pre-EESSG</th>
<th>Average Hourly Wage, Post-EESSG</th>
<th>% Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Assistant Teacher/Floater</td>
<td>$20.03</td>
<td>$29.45</td>
<td>+47%</td>
</tr>
<tr>
<td>Teacher/Co-Teacher</td>
<td>$24.73</td>
<td>$32.77</td>
<td>+31%</td>
</tr>
<tr>
<td>Lead/Co-Lead Teacher</td>
<td>$27.73</td>
<td>$37.04</td>
<td>+34%</td>
</tr>
</tbody>
</table>

314 Assistant Teachers/Floaters
258 Teachers/Co-Teachers
320 Lead/Co-Lead Teachers
892 Total Educators*

* 974 educators, including new hires, at year end
CARES 3.0 stipends also substantially raised early educator compensation

Average CARES 3.0 Stipend Awards (Annualized)

- 832 Assistant Teachers/Floaters: $11,637
- 292 Teachers/Co-Teachers: $9,981
- 190 Lead/Co-Lead Teachers: $11,054
- 304 Family Child Care Owners: $16,403
- 97 Others: $11,404

1,632 Total Educators
Compensation initiatives have stabilized the workforce, improved conditions for educators

- **71% EESSG, 85% CARES 3.0**: I am more financially stable
- **70% EESSG, 83% CARES 3.0**: There has been a positive change in the working environment and culture.
- **72% EESSG, 83% CARES 3.0**: My work-life balance has improved.
- **16% EESSG, 19% CARES 3.0**: Likely find a job outside of the ECE field in next 2 years
- **74% EESSG, 83% CARES 3.0**: Likely remain at current employer in next 2 years
Budget Timeline

- Complete Public Presentation: Budget Priorities
- Complete Technology project proposals due
- **February 13/14** Public Presentation: Expenditure Plan
- February 21 Department Phase Budget Submission
- May 31 Mayor proposes Citywide Budget
- May/June Department presentations to BOS
- July 31 Last day for BOS to adopt budget
DEC Budget Priorities

Continuing a strong foundation

- Continue DEC’s historic and first-of-its-kind investment in ECE Workforce Compensation (CARES 3.0 & EESSG)
- Preserve access through local Early Learning Subsidies for low-middle class families up to 110% AMI
- Fund improvements, maintenance, and new construction of early learning family childcare homes and centers
- Maintain investment in Family Resource Centers (entering a new funding cycle)
Narrowing the K-Readiness Gap

**Infant & Toddler Wellbeing**
High-quality, culturally and linguistically responsive infant & toddler early care and education ("ECE") is accessible and affordable.

**Workforce Quality & Capacity**
San Francisco early educators serving the most vulnerable children are highly educated and fairly paid with a workforce that reflects the community.

**Inclusion**
Developmental delays and learning differences are identified early, and families are supported in accessing identified interventions in a timely way.

Connecting resources and systems so that caregivers feel informed, engaged, and empowered to support their young children through the most formative years.
As of today DEC has a total of 44 employees hired, an increase of 8 employees compared to a year ago.

DEC is continuing its recruitment efforts to fill vacancies as quickly as possible.

DEC’s plan is to complete essential hiring by the end of 2024 (65 FTEs).

Budget requests total of 69.95 FTEs of which 4.95 FTEs are for temporary staff.
All DEC Positions are Essential

Salary & Benefits Expense as a Share (%) of Department Budgets
All San Francisco Departments FY24

DEC has the LOWEST salary & benefit percent of any department in the City.

Based on FY24 department budgets
Mayor’s Budget Instructions

- General Fund departments requested to make 10% cuts in FY24-25 and 10% cuts in FY25-26 with an additional 5% contingency identified.

- No new FTEs (discouraged for non-GF departments with rigorous justification required for consideration)

- Departments asked to hold non-essential vacancies for savings
Key Budgetary Changes

- In total, DEC’s funding sources remain relatively steady through this budget cycle (2.1% decline in FY26 versus FY24), with incremental growth in PEEF and State/Fed Subsidies offsetting declines in Prop C, Prop 10, and Childcare Capital.

- Use of Prop C Interest in FY25 credits a $10M reduction in the ECE baseline/General Fund support; use of interest is phased out in FY26, and general fund is restored.

- MBO’s requested General Fund is cut $1,380,000 per year for FY24-25 and FY25-26 (Baseline implications have not been addressed at this time).

- DEC standardized its approach to use of fund balance across ECE and CFC, resulting in a $714k reduction in Prop 10 balance appearing in budget versus prior AAO ($6.7M Prop 10 balance expected to be applied across FY25 & FY26).

- DEC to become performing department for the Early Childhood Mental Health Consultation Initiative (previously DCYF, HSA and DEC work ordered funding to DPH), resulting in an increase in workorder revenues ($2.7M) and a decrease in workorder expenditures ($2M).

- Some changes anticipated prior to final department submission 2/21/24.
DEC expenditure capacity is growing quickly

- Expenditures in FY23 increased 63% over CFC+OECE in FY22
- DEC currently has 44 FTEs hired.

**DEC EXPENDITURE TRAJECTORY**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Actual</th>
<th>Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY20-21...</td>
<td>$158M</td>
<td></td>
</tr>
<tr>
<td>FY21-22...</td>
<td>$161M</td>
<td></td>
</tr>
<tr>
<td>FY22-23...</td>
<td>$263M</td>
<td></td>
</tr>
<tr>
<td>FY23-24...</td>
<td></td>
<td>$345M</td>
</tr>
</tbody>
</table>

Filled FTEs¹

- FY20-21...: 31 FTEs
- FY21-22...: 31 FTEs
- FY22-23...: 32 FTEs
- FY23-24...: 37 FTEs

1. Number of filled FTEs at the beginning of each fiscal year
2. FY23-24 FTEs based on People & Pay 10/13/23 pay period end date
3. FY23 Expenditure reconciled to final FY23 CBO expenses
DEC Proposed Budget - DRAFT
FY25 & FY26 Proposed Uses

DEC Funding Uses

<table>
<thead>
<tr>
<th>CBOs</th>
<th>Prop C Tax</th>
<th>Salary &amp; Benefits</th>
<th>IDS</th>
<th>Non Professional Services</th>
<th>Materials &amp; Supplies</th>
<th>BOS Reserve</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

FY24 $345.5
FY25 $337.4
FY26 $338.4
DEC Proposed Budget - DRAFT

Expenditure Breakdown

FY25 Proposed Expenditure Breakdown

- Early Learning: 75%
- Administration: 14%
- Evaluation, Policy & Communications: 2%
- Child Family Wellbeing: 9%

FY26 Proposed Expenditure Breakdown

- Early Learning: 76%
- Administration: 14%
- Evaluation, Policy & Communications: 1%
- Child Family Wellbeing: 9%
## DEC Proposed Budget - DRAFT

### Proposed Budget – Summary by Div.

<table>
<thead>
<tr>
<th>Program</th>
<th>FY25</th>
<th>FY26</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Child Family Wellbeing</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child Health</td>
<td>12.2</td>
<td>12.2</td>
<td>---</td>
</tr>
<tr>
<td>Family Support</td>
<td>19.1</td>
<td>18.6</td>
<td>4.9&lt;sup&gt;1&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Early Learning</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Workforce Development</td>
<td>71.5</td>
<td>71.2</td>
<td>30.0&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Childcare Capital / Expansion</td>
<td>13.8</td>
<td>13.8</td>
<td>34.0&lt;sup&gt;2&lt;/sup&gt;</td>
</tr>
<tr>
<td>Training &amp; Technical Assistance</td>
<td>9.3</td>
<td>10.1</td>
<td>---</td>
</tr>
<tr>
<td>Access &amp; Enrollment</td>
<td>159.4</td>
<td>161.8</td>
<td>---</td>
</tr>
<tr>
<td><strong>Evaluation, Policy &amp; Communications</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Policy &amp; Communications</td>
<td>2.8</td>
<td>1.0</td>
<td>---</td>
</tr>
<tr>
<td>Data &amp; Evaluation</td>
<td>2.3</td>
<td>3.0</td>
<td>1.7&lt;sup&gt;1&lt;/sup&gt;</td>
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<tr>
<td><strong>TOTAL – DEC Non-Admin Proposed Budget</strong></td>
<td>290.5</td>
<td>291.5</td>
<td>70.6</td>
</tr>
</tbody>
</table>

---

1 Use of Prop 10 fund balance
2 Use of Prop C balance (OTO funds)
3 Use of rounding may result in a difference in subtotal versus the sum of initiatives listed
### DEC Proposed Budget - DRAFT

#### Division Budget by Funding Source

<table>
<thead>
<tr>
<th>DEC FY25 Budget Area (2.13.24)</th>
<th>FY25 Budget</th>
<th>WO</th>
<th>Prop 10</th>
<th>GF</th>
<th>PEEF</th>
<th>Baby C</th>
<th>State/Fed</th>
<th>Other</th>
<th>Balance/carry</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Program Budget</td>
<td>$290,484,743</td>
<td>$57,573,195</td>
<td>$1,533,260</td>
<td>$12,799,856</td>
<td>$41,078,368</td>
<td>$159,543,702</td>
<td>$15,456,862</td>
<td>$2,500,000</td>
<td>$37,884,733</td>
<td>$328,369,476</td>
</tr>
</tbody>
</table>

**Subtotal - Family Child Wellbeing**
- $31,538,378
- $17,004,036
- $1,413,260
- $5,500,000
- $3,911,082
- $3,500,000
- $2,164,733
- $33,453,111

**Child Health**
- $12,133,165
- $2,694,090
- $577,993
- $1,500,000
- $3,911,082
- $3,500,000
- $12,183,165

**Family Support**
- $19,145,213
- $14,209,946
- $836,267
- $4,000,000
- $2,164,733
- $21,099,946

**Subtotal - Early Learning**
- $254,027,555
- $40,551,663
- $7,299,856
- $36,050,257
- $152,159,317
- $15,456,862
- $2,500,000
- $34,000,000
- $288,027,555

**Workforce Development**
- $71,489,249
- $693,215
- $587,840
- $71,000,000
- $489,249
- $15,000,000
- $86,489,249

**Childcare Capital/Expansion**
- $13,780,185
- $693,215
- $587,840
- $10,000,000
- $2,500,000
- $17,000,000
- $30,780,185

**Training & Technical Assistance**
- $3,339,636
- $650,833
- $650,727
- $1,538,016
- $9,339,636

**Access & Enrollment**
- $159,418,885
- $39,208,445
- $6,711,996
- $29,199,530
- $71,159,317
- $13,129,597
- $2,000,000
- $161,418,885

**Subtotal - Evaluations, Policy & Communications**
- $5,128,410
- $17,496
- $120,000
- $1,117,029
- $3,873,885
- $1,720,000
- $6,048,410

**Policy & Communications**
- $2,818,885
- $2,818,885
- $2,818,885
- $2,818,885

**Data & Evaluation**
- $2,309,525
- $17,496
- $120,000
- $1,117,029
- $1,055,000
- $1,720,000
- $4,029,525

1 Use of fund balance reflects anticipated FY25 only
Division Details:
Child Family Wellbeing

- Child Health
- Family Support
- Planning & Cross-Sector
Child Family Wellbeing Priorities

- Implementing the fourth funding cycle of the Family Resource Center Initiative
- Establishing and growing a system of early identification and early intervention
- Completing hiring of programmatic staff for the division
- Bolstering partnerships with pediatric sector and supporting cross-sector initiatives between family support, early care and education, health and mental health.
### DEC Proposed Budget - DRAFT

## Child Family Wellbeing Budget

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY25</td>
</tr>
<tr>
<td><strong>Child Health</strong></td>
<td></td>
</tr>
<tr>
<td>Early Learning Mental Health Supports</td>
<td>5.9(^1)</td>
</tr>
<tr>
<td>(Mental health consultation &amp; inclusion coaching)</td>
<td></td>
</tr>
<tr>
<td>Developmental screening data systems and early intervention programs</td>
<td>6.1</td>
</tr>
<tr>
<td><strong>Family Support</strong></td>
<td></td>
</tr>
<tr>
<td>Family Resource Center (FRC) Initiative</td>
<td>16.4</td>
</tr>
<tr>
<td>Family First Prevention Services Act pilot</td>
<td>2.2</td>
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<tr>
<td>County-based Medi-Cal Administrative Activities</td>
<td>0.5</td>
</tr>
<tr>
<td>SF Family Support Network (training)</td>
<td>0.1</td>
</tr>
<tr>
<td>DPH Workorders (Triple P Parenting Class, FRC health linkages, referrals/training)</td>
<td>0.2</td>
</tr>
<tr>
<td><strong>SUBTOTAL(^3) – Child Family Wellbeing</strong></td>
<td>31.3</td>
</tr>
</tbody>
</table>

---

1. DPH workorder funding not confirmed
2. Use of Prop 10 fund balance applied over two years
3. Use of rounding may result in a difference in subtotal versus the sum of initiatives listed

### Share of Budget

- FY25: 9.3%
- FY26: 9.1%
Division Details: Early Learning

- Workforce Development
- Childcare Capital/Facilities
- Training & Technical Assistance
- Access & Enrollment
Early Learning Priorities

- Workforce – establish a portfolio of programs to support professional development, recruitment and retention of teachers.

- Facilities – maximize construction of new infant and toddler spaces and support conversion of pre-K spaces to infant and toddler.

- Training & technical assistance – standardize practices across coaches to maximize impact to programs.

- Access and Enrollment – respond to immediate needs for Early Childhood Programs to plan for future child enrollment, inform operating costs and provide appropriate levels of funding for the fiscal year, while working towards mid- and long-term refinement of policies to streamline funding and enrollment both from the parent and provider side (develop a model to optimize available funding that will take into consideration enrollment, holding providers harmless, preschool for all and rate increases).
## DEC Proposed Budget - DRAFT

### Early Learning (1/2)

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget ($M)</th>
<th>FY25</th>
<th>FY26</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Workforce Development</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Workforce Compensation</td>
<td>70.9</td>
<td>70.6</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>• PD Pathways</td>
<td>---</td>
<td>---</td>
<td>30.0¹</td>
<td>---</td>
</tr>
<tr>
<td>• Tuition Support</td>
<td>---</td>
<td>---</td>
<td>5.0¹</td>
<td>---</td>
</tr>
<tr>
<td>• Permit Advising + Registry</td>
<td>0.6</td>
<td>0.6</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td><strong>Childcare Capital/Facilities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>• Site Expansion, Renovation &amp; Repair</td>
<td>13.1</td>
<td>13.1</td>
<td>---</td>
<td>20.0¹</td>
</tr>
<tr>
<td>• Infant &amp; Toddler Expansion</td>
<td>---</td>
<td>---</td>
<td></td>
<td>14.0¹</td>
</tr>
<tr>
<td>• DEC Childcare Sites</td>
<td>0.6</td>
<td>0.6</td>
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<td></td>
</tr>
</tbody>
</table>

¹ Use of Prop C balance (OTO funds)
# DEC Proposed Budget - DRAFT
## Early Learning (2/2)

### Training & Technically Assistance
- QRIS Block Grant: $0.8 $0.8 $---
- Training & Technical Assistance + Assessments: $8.5 $9.3 $---

### Access & Enrollment
- Enrollment - Local: $121.1 $122.0 $---
- Enrollment – State/Fed: $32.1 $32.1 $---
- Access (e.g., Help Desk, R&R, Homeless Case Management, Emergency Backup Childcare): $6.2 $7.6 $3.0

### SUBTOTAL² – Early Learning

<table>
<thead>
<tr>
<th></th>
<th>FY25</th>
<th>FY26</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SUBTOTAL²</strong></td>
<td>254.1</td>
<td>256.8</td>
<td>72.0</td>
</tr>
</tbody>
</table>

### Share of Budget

- **FY25:** 75.2%
- **FY26:** 75.8%

---

1. Use of Prop C balance (OTO funds)
2. Use of rounding may result in a difference in subtotal versus the sum of initiatives listed.
Division Details: Evaluation, Policy and Communications

- Policy, Communications & Strategic Partnerships
- Data & Evaluation
DEC Proposed Budget - DRAFT

Evaluation, Policy and Communications Priorities

• Executing fully funded data and evaluation services contracts awarded through RFP in FY24, which will enable external program evaluation of all major initiatives, facilitate planning and development of new data systems to support initiatives, establish best-practice standards and protocols for data governance across programs, and strengthen DEC’s tracking of population-level outcomes in kindergarten readiness and family outcomes.

• Ramping up DEC’s data warehousing capabilities by integrating child, family, and program participation data from three internal and external early care and education (ECE) subsidy data systems to facilitate timely, unified reporting related to ECE enrollment.

• Planning a next-generation grants management system to manage increased grant and contract case loads and higher volumes of financial and administrative data; begin transition from outdated, legacy systems by July 1, 2025

• Increasing transparency by sharing DEC program data in interactive, public-facing dashboards on our web site.
Evaluation, Policy and Communications Priorities

- Continuing to build out DEC’s web site, especially those parts that provide information to parents of young children to help them understand child development and navigate the complex web of programs and services for young children and new parents.

- Continuing marketing of DEC and its programs and services to parents of young children through place-based and digital advertising.

- Strengthening information resources for DEC’s grantees to facilitate stronger, more effective program implementation.

- Advancing DEC’s policy platform and leveraging DEC’s experience and expertise to inform state and federal early childhood policies.

- Creating an internal communications infrastructure to strengthen information sharing and collaboration within DEC’s growing staff.

- Share the good news about DEC’s development and impact and get the word out to families about the expanded range of programs available to them through stronger media outreach.

- Document DEC’s impact by gathering stories from the field and disseminating data and research.
# DEC Proposed Budget - DRAFT

## Evaluation, Policy & Communications

<table>
<thead>
<tr>
<th>Program</th>
<th>FY25</th>
<th>FY26</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Communications &amp; Public Engagement</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer relationship software</td>
<td>0.03</td>
<td>0.03</td>
<td>---</td>
</tr>
<tr>
<td>Communications</td>
<td>0.4</td>
<td>0.4</td>
<td>---</td>
</tr>
<tr>
<td>ECE Community Building</td>
<td>0.4</td>
<td>0.4</td>
<td>---</td>
</tr>
<tr>
<td>Dream Keepers Initiatives</td>
<td>2.0</td>
<td>0.6</td>
<td>---</td>
</tr>
<tr>
<td><strong>Data &amp; Evaluation</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>CMAA Implementation Support</td>
<td>0.1</td>
<td>---</td>
<td>---</td>
</tr>
<tr>
<td>Comprehensive Evaluation Services</td>
<td>2.0</td>
<td>2.0</td>
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<tr>
<td>Data warehouses/systems</td>
<td>0.16</td>
<td>0.96</td>
<td>---</td>
</tr>
<tr>
<td>Contract Management</td>
<td>0.3</td>
<td>0.3</td>
<td>1.7(^1)</td>
</tr>
<tr>
<td><strong>SUBTOTAL – Evaluation, Policy &amp; Communications</strong></td>
<td>5.1</td>
<td>4.0</td>
<td>1.7</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Share of Budget</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1.5%</td>
<td>1.2%</td>
<td></td>
</tr>
</tbody>
</table>

\(^1\) Use of previously appropriated funds for new contract management system.
Division Details: Finance & Operations

- Finance
- Operations
Finance & Operations Priorities

- Complete the hiring and onboarding of essential financial support staff. Then develop a program to cross-train the new staff to support budgeting, procurement, contracting, and accounting.

- Develop and standardize departmental fiscal and operational policies and procedures that will streamline workflows for all department staff, as well as support the planning, implementing, and managing of all program initiatives.

- Establish workflows, guidelines, and requirements that will provide transparent contract management, fiscal compliance, and fiscal reporting.

- Develop the department’s long-range sustainability plan.

- Develop internal policies that will provide a safe, fair, and equitable environment for all staff to work.
### DEC Proposed Budget - DRAFT

#### DEC Administration (1/2)

<table>
<thead>
<tr>
<th>Program</th>
<th>Budget ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY25</td>
</tr>
<tr>
<td>Employee Related Costs</td>
<td></td>
</tr>
<tr>
<td>- Staff salaries/benefits (69.95 FTEs)</td>
<td>13.8</td>
</tr>
<tr>
<td>- Travel, training &amp; field expenses</td>
<td>0.3</td>
</tr>
<tr>
<td>- Audit services</td>
<td>0.05</td>
</tr>
<tr>
<td>- Materials &amp; supplies (e.g., postage, copying)</td>
<td>0.5</td>
</tr>
<tr>
<td>- Subscriptions &amp; membership dues</td>
<td>0.05</td>
</tr>
<tr>
<td>- Prop C 15% Tax to GF</td>
<td>28.1</td>
</tr>
<tr>
<td>- Tax Collector (work order)</td>
<td>1.5</td>
</tr>
<tr>
<td>Office Costs</td>
<td></td>
</tr>
<tr>
<td>Prop C Tax</td>
<td></td>
</tr>
</tbody>
</table>
### DEC Proposed Budget - DRAFT

#### DEC Administration (2/2)

<table>
<thead>
<tr>
<th>Program</th>
<th>FY25</th>
<th>FY26</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td>City administration &amp; infrastructure (e.g., city attorney, Controller)</td>
<td>0.7</td>
<td>0.7</td>
<td>---</td>
</tr>
<tr>
<td>Human Resources support</td>
<td>0.5</td>
<td>0.5</td>
<td>---</td>
</tr>
<tr>
<td>Information &amp; technology (e.g. telecom)</td>
<td>0.5</td>
<td>0.5</td>
<td>---</td>
</tr>
<tr>
<td>Rent, renovation, reproduction &amp; mail services</td>
<td>0.7</td>
<td>0.7</td>
<td>4.0</td>
</tr>
<tr>
<td>Unappropriated savings</td>
<td>0.5</td>
<td>0.4</td>
<td>---</td>
</tr>
</tbody>
</table>

**SUBTOTAL - Administration**

<table>
<thead>
<tr>
<th></th>
<th>FY25</th>
<th>FY26</th>
<th>Balance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>47.2</td>
<td>47.1</td>
<td>4.0</td>
</tr>
</tbody>
</table>

**Share of Budget**

- **14.0%**
- **13.9%**
## Prop C Proposed Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2024-25</th>
<th>FY 2025-26</th>
<th>FY25 $</th>
<th>FY26 $</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Benefits</td>
<td>$7,380,979</td>
<td>$7,656,164</td>
<td>71.0</td>
<td>59.7</td>
</tr>
<tr>
<td>Non-Professional Svs</td>
<td>$694,130</td>
<td>$1,494,130</td>
<td>71.0</td>
<td>70.7</td>
</tr>
<tr>
<td>City Grants</td>
<td>$156,405,781</td>
<td>$143,867,755</td>
<td>10.0</td>
<td>10.0</td>
</tr>
<tr>
<td>Materials &amp; Supplies</td>
<td>$267,410</td>
<td>$267,410</td>
<td>0.2</td>
<td>-</td>
</tr>
<tr>
<td>Work Orders</td>
<td>$3,102,703</td>
<td>$2,065,544</td>
<td>3.5</td>
<td>3.5</td>
</tr>
<tr>
<td>15% Tax to GF</td>
<td>$28,100,000</td>
<td>$27,700,000</td>
<td>0.7</td>
<td>-</td>
</tr>
<tr>
<td>BOS Reserve</td>
<td>$1,348,997</td>
<td>$1,348,997</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>$197,300,000</strong></td>
<td><strong>$184,400,000</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Prop C Balance/Reserves - Uses

- Average cost to build 1 ECE slot = $78,7501
- More than 4,100 ELS slots needed2
- Two-year average construction period per slot (preceded by multi-year planning)
- Current community capacity for 300-400 new slots per year

- Recruiting new ECE teachers (more than 1,000 teachers needed to staff new slots)
- Professional development for the workforce (education & permit support)
- Incentivizing Infant & Toddler expertise
- Ensuring diversity of the ECE workforce

1 Estimate in FY24 dollars; costs will increase over time
2 Assumes current population under 5 serving up to 200% AMI
# Next Steps

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>February 21</td>
<td>Department Phase Budget Submission</td>
</tr>
<tr>
<td>May 31</td>
<td>Mayor proposes Citywide Budget</td>
</tr>
<tr>
<td>May/June</td>
<td>Department presentations to BOS</td>
</tr>
<tr>
<td>July 31</td>
<td>Last day for BOS to adopt budget</td>
</tr>
</tbody>
</table>