FOUNDATIONS FOR families

Promoting excellence in early childhood education to support families and strengthen communities.
WELCOME

Region V Head Start Conference
October 2017

“Building the Fiscal Capacity of Community Child Care Providers”

A practical and comprehensive fiscal approach covering strategies for staffing, accountability, contracting and partnering, and a defensible payment rate.

Linda Dunphy
Senior Consultant, Foundations for Families
Foundation for Families is a woman-owned consulting, training and technical assistance company that provides services to the birth to eight early education and care community.

**What We Do?**
1. Organizational Development Consulting
2. Grant Writing
3. Head Start/Early Head Start Consulting
4. Training and Professional Development
5. Community Child Care Consulting

**Where Do We Work?**

![Map of the United States](image)

**How Can We Help?**
- Community Assessment & Wage Studies
- DRS response and risk mitigation
- Fiscal Consulting
- Governance training
- HSPPS training and compliance
- Monitoring preparation and response to findings
- Program design
- Proposal writing
- Professional development and coaching
- Start-up implementation
- Strategic assessment of program capacity, capability and potential
Linda Dunphy

• 25+ years of early childhood programming, nonprofit and profit management, and leadership experience at national, state, and local levels

• Head Start/Early Head Start organizational, fiscal, management and grant specialist

• Maryland Women’s Business Center – Child Care Initiative

• Executive Director (interim) of a multi site child care agency and management consultant for child care businesses

• Love for early learning and care business solutions
Agenda
EHS-CCP Building the Fiscal and Business Capacity of Child Care Partners

Objectives and Introductions
- Current state of EHS-CCP: fiscal context
- Conditions that undermine quality care and partners’ fiscal viability
- Fiscal lessons learned by EHS-CCP Round 1 grantees and partners
- Foundations for Families’ Six Pillars for EHS-CCP Fiscal Success
- Your next steps on the road to success
- Questions and answers

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Status of EHS-CCP: Fiscal Context
Goals of EHS-CCP Initiative

• Sustained, mutually respectful, and collaborative EHS-CCP
• A more highly educated and fully qualified workforce to provide high-quality infant/toddler care and education
• Increased community supply of high-quality early learning environments and infant/toddler care and education
• Well-aligned early childhood policies, regulations, resources and quality improvement support at national, state and local levels
Fiscal challenges & lessons learned?

- Business as usual? Not anymore
- A fair and justified payment rate? Not enough. Related Problems.
- Over simplified &/or inaccurate cost model
- Subsidy landscape? Shifting. Unpredictable.

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Fiscal challenges & lessons learned?

- Lack of fiscal goals/objectives
- Underestimated grantees’ fiscal capacity
- Overlooked partner fiscal ecosystem
- Lacked partner involvement in fiscal approach
- Single classrooms in fragile centers
Monitoring Tool (MT) has four goals. Two are fiscal and address the money

2. Evaluating the benefits of partnership funding

4. Determining the fiscal oversight and integrity of partnership funds
Reviewers examine:

- evidence of layered funding?
- internal control procedures in place to ensure appropriate spending and use of funds?
- process in place to ensure partners develop and budget effectively?
- Staffing and compensation appropriate?
Current Status:

• Grantees/CCPs need effective fiscal strategies aligned with program.
• Grantees must anticipate and plan for changing revenue and expense scenarios.
• EHS-CCP programs are in a dynamic, learning relationship with OHS.
Clash of Fiscal Worlds

Grantees:

• Grantees determine how much it will cost to run program and apply for that amount vs. CCP choosing scenarios and hoping for best.

• OHS Grant overall securely in place; vs. profitability precarious for child care partners.

• Grantees spend federal dollars to implement program vs. CCP depend on several unpredictable sources

• Grantees operate program they defined at cost they determined vs. CCPs operating programs that can be afforded by revenue sources.
Community Child Care

• Internal business practices
• External business forces
Internal Business Practices

- Unlike other educational institutions, most ECE operate as very small businesses
- 80% private, for-profit, small businesses
- Most barely break even
- Business infrastructure under-resourced in time and skill
- Typical child care center director responsible for multiple tasks
- Most use no business metrics to drive decisions
- Poor fiscal management #1 reason ECE programs fail
- Even programs with high QRIS/ECRS scores may not see fiscal trouble until too late
The Many Roles of an ECE Director
Maintain records on a web-based IT Platform for streamlining & efficiencies
External Business Forces

- 2016 CCDF required expanded business services
- QRIS systems may or not recognize value of/nor measure business skills
- CCR&Rs seek ways to meet needs of sector “sold a bill of goods” - economics of small ECE businesses and increasing quality
- No business services/training that is accessible, aligned, nor quality in depth and scope
- Government and private sector initiatives (RTT, Pre-K, Business Community, EHS-CCP, BUILD) demanding more
- Growth in ECE labor market – 17% projection – putting demand on recruitment/retention of qualified staff
Many of nation’s child-care workers living in poverty

Field is too vital to offer such low pay, researchers warn

BY DANIELLE PAQUETTE

The people who are paid to watch the nation’s children tend to live in poverty, according to a new report. Nearly half receive some kind of government assistance: food stamps, welfare, Medicaid. Their median early wage is $9.77 — about $3 below that of the average janitor in the United States, about 12 million adults make a living by searching for and educating more than 12 million children, from infants to 5-year-olds. Researchers at the University of California at Berkeley have found that nearly 46 percent of child-care workers were members of this workforce in at least one year, with 26 percent of those workers enrolled at least one safety-net program, com-

leaders have widely recognized the importance of early care and education in shaping children’s development, but promoting the health of families, and building a strong economy.

Wages remain paltry even among the college-educated workforce. Early childhood education is the college major that yields the lowest lifetime pay.

Marcy Whitebook, director of Berkeley’s Center for the Study of Child Care Employment, who co-wrote the report, said these economic conditions aren’t ideal for toddlers, who require environmental stability and the constant attention of their caregivers. Plus, highly skilled workers might turn down a day-care job for brighter financial opportunities elsewhere.

“We’re entrusting children to people who are really struggling to feed their own families.”

— Marcy Whitebook, director of Berkeley’s Center for the Study of Child Care Employment

thoughts, thwart concentration and zap energy.

The danger can be more subtle than, say, not removing a child’s distracting hazard from a playroom. A distracted worker doesn’t interact with a baby for an hour or two, it’s unlikely that being a will damage the child’s health. Repeated periods of no contact, however, could have adverse effects in the long term.

Neuroscientists say the diversion of our attention to memories and impulse control has largely laid before age 3. Shonkoff, director of Harvard University’s Center on the Developing Child, wrote in a study that early intervention builds the way we think and feel, if babies’ environments are kind or “unresponsive” — meaning no one is touching or speaking to them for long periods as hormones surge, disrupting growth. The less a child is likely to experience depression or anxiety,

“Children in settings with high turnover,” Whitebook writes in the report, “see the impact on their cognitive development.”

The economic crisis has hit the United States more severely than expected.
Principle Challenge: Cost Quality Gap

- Higher quality ECE expensive
- ECE market encourages low tuition and discourages investments in quality
- QRIS systems do not make up the difference
- Fiscal and business skills of child care staff often limited or constrained
Impact of going from ‘average’ to ‘better’
Impact of going from ‘average’ to ‘better’

Any ‘Average’ Center in US
5 classrooms/75 children/12 teachers
- 1 infant room
- 1 toddler room
- 3 preschool rooms
- Acceptable level of quality
- Meets state regs for staff qualifications
- Meets NAEYC minimums for ratios/group

“Better” Center
5 classrooms/75 children/12 teachers
- 1 infant room
- 1 toddler room
- 3 preschool rooms
- Better level of quality
- ½ the teachers have AAs
- Wages are 5% better than average
- Additional revenue from quality awards

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Cost Quality Gap

**AVERAGE**
Expense = $570,910
Revenue = $570,608

Annual Loss = $302

**BETTER**
Expense = $602,785
Revenue = $581,809

Annual Loss = $20,976
Close the Cost/Quality Gap

- Licensed
- QRIS participation
- QRIS higher level participation
- HSPPS

Cost

Quality
Solutions to bridge the Cost Quality Gap

• Work the “Iron Triangle”
• Grow economies of scale and serve higher profit margin age groups like school age.
• Shared Services
• EHS-CCP partnership
• Other partnership type resources

Can cover most – usually not all.

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The Iron Triangle: A Formula for Improved ECE Financial Health

- Ensure full enrollment – every day, in every classroom
- Collect tuition and fees – in full and on-time
- Revenue covers per-child cost (tuition, fees + 3rd party funding)

Curtesy of Louise Stoney, Co-Founder, Opportunities Exchange. Used with permission
Impact of Increasing Enrollment on Net Income

- Star 1
- Star 2
- Star 3
- Star 4

% Enrollment vs. Capacity

83% 85% 87% 89% 91% 93% 95% 97%

$80,000 $60,000 $40,000 $20,000 $0

($20,000) ($40,000) ($60,000) ($80,000)
Cost Modeling: The Iron Triangle Matters*

Net Income for Center: Intensive Focus on Iron Triangle

- Regulated
- Star 2
- Star 3
- Star 4
- Star 5

Basic Approach  "Iron Triangle" Approach

Curtesy of Louise Stoney, Co-Founder, Opportunities Exchange. Used with permission.
Does your partner payment rate covers the cost of EHS quality?
Is your EHS-CCP project headed in right direction?

- EHS-CCP Monitoring Tool is heavily focused on fiscal management.
- Never too late to revisit and revamp fiscal approach to right-size the program and overall goals.
- What is your method? What is your framework?
- Consider our approach.
Foundations for Families’ Six Pillar Fiscal Approach
Pillar 1
Foundations for Families Six Pillars for EHS-CCP Fiscal Success

Five-Year EHS-CCP Goals, Objectives and Strategies
Pillar 1: Five-Year EHS-CCP Goals, Objectives and Strategies

• Develop collaboratively between grantee & partner
• Partner on vision & mission
• Conduct fiscal assessment
• Align program & fiscal goals
• Develop strategies & provide resources to support long & short range goals/objectives
GOAL: Grantee closes cost quality gap for high quality services

OBJECTIVE: 100% CCP contracts include a classroom budget cost model and narrative that is basis for fair, justifiable cost payment to close cost quality gap

IMPACT: CCPs better understand their true costs and needed revenues to deliver high quality EHS classroom for infants and toddlers and possess a budget model for use throughout center.
SUBSIDY STRATEGY WITH STATE

• understanding subsidy revenue expectations;
• implications enrolling 25% families on subsidy;
• opportunities for ensuring subsidy coverage;
• transition of 3 year olds;
• vehicle for helping the state meet new CCDF law’s quality objectives.
SUBSIDY STRATEGY WITH STATE--
From Round 2 FOA:

“While the majority of CCDF services are funded through certificates/vouchers linked to individual eligible children, CCDF grantees also have the option of awarding grants and contracts to provide a stable source of funding for child care programs.

“Grants and contracts are effective in building a new supply in areas where there are gaps, and can contain accountability mechanisms to promote higher quality services.”
Pillar 2
Foundations for Families Six Pillars for EHS-CCP Fiscal Success

CCP Cost Model for Center/Family Homes and EHS Classrooms
Close the Cost/Quality Gap

Quality

Licensed

QRIS participation

HSPPS

QRIS higher level participation

Cost
Pillar 2: CCP Cost Model for Center/Family Homes and EHS Classrooms

- Value relationship & acknowledge center/home fiscal eco-system – the ENTIRE BUDGET/FISCAL STATUS
- Accurately estimate precise cost of delivering EHS quality services at partner site
- Recognize EHS payment rate as essential variable to ensure quality – close cost-quality gap
- Consider FFF Standard Classroom Home Budget model
FFF Standard Classroom Home Budget model

• Highly detailed
• Identifies, specifically & locally, all possible revenues & expenses
• Defines operating assumptions with fiscal impact
• Evidence of Layered Funding
• Staffing and Compensation objectives
• Informs calculation of fair, reasonable, justified payment rate
• Nested in budget of overall center or home – in an “ecosystem”
• Accompanied by written budget narratives
• May be customized for each CCP
• Defined & calculated non-federal share
• Estimate and calculate lost subsidy
## Assumptions – Days Of Care and Staffing

<table>
<thead>
<tr>
<th>ITEM</th>
<th>DESCRIPTION</th>
<th>BASE</th>
<th>FACTOR</th>
<th>TOTAL</th>
</tr>
</thead>
<tbody>
<tr>
<td>Days of Care</td>
<td>Expected # days open for care: 5/days x 52 weeks less 10 holidays</td>
<td>250</td>
<td>90%</td>
<td>225</td>
</tr>
<tr>
<td>Days Staff Employed</td>
<td>Expected # days open for care: 5/days x 52 weeks with 10 paid holidays</td>
<td>260</td>
<td></td>
<td>260</td>
</tr>
<tr>
<td>REVENUE</td>
<td>Daily Rate</td>
<td>8</td>
<td>1.00</td>
<td>$200.00</td>
</tr>
<tr>
<td>------------------------------------------------------------------------</td>
<td>--------------------------</td>
<td>---</td>
<td>------</td>
<td>---------</td>
</tr>
<tr>
<td>Other Internal/External Revenue Parent Co-Pays, Grants or cash contributions; revenue from older child classrooms</td>
<td>Can also be part of nonfederal match</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Foster Child Care Stipend</td>
<td>CSB funds for foster care children</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Child and Adult Care Food Assistance (CACFP)</td>
<td>USDA reimbursement; # days care x children</td>
<td>$5.81</td>
<td>8</td>
<td>$10,454</td>
</tr>
<tr>
<td>ABC Voucher Rural/Urban Payment - Infant (Birth to 36 months)</td>
<td>Rate x # children x % on subsidy x days/care; split difference between urban/rural rate</td>
<td>$29.40</td>
<td>8</td>
<td>$13,230</td>
</tr>
<tr>
<td>ABC Annual Quality Enhancement</td>
<td>At discretion of DSS</td>
<td>$200.00</td>
<td>1.00</td>
<td>$200</td>
</tr>
</tbody>
</table>

**SUBTOTAL NON EHS REVENUE**  
$25,884

**TOTAL EHS FUNDS**  
% of Total Revenue  
74%  
$72,463

**TOTAL REVENUE**  
$98,347
## Voucher Subsidies and Quality Award

<table>
<thead>
<tr>
<th>ABC Voucher Rural Payment - Infant (Birth to 36 months)</th>
<th>Rate x # children x % on subsidy x days/care</th>
<th>$25.00</th>
<th>8</th>
<th>$11,250</th>
</tr>
</thead>
</table>

- 25% minimum
- Who Enrolling into Subsidy?
- Who Maintaining Subsidy?
- Who Monitors Subsidy?
- Who Re-establishes Subsidy?
## Impact for CCP for More than 25% Voucher Subsidies

### Subsidy Projection Per Classroom and TOTAL CLASSROOMS

*Estimates based on full day rate and not hourly attendance*

<table>
<thead>
<tr>
<th>2016/17 Urban Rate</th>
<th>Daily Subsidy</th>
<th># children</th>
<th>Days Care</th>
<th>25%</th>
<th>40%</th>
<th>50%</th>
<th>60%</th>
<th>70%</th>
<th>80%</th>
</tr>
</thead>
<tbody>
<tr>
<td>SC ABC Voucher Payment - Infant/toddler</td>
<td>$33.80</td>
<td>8</td>
<td>225</td>
<td>$ 15,210</td>
<td>$24,336</td>
<td>$30,420</td>
<td>$36,504</td>
<td>$42,588</td>
<td>$48,672</td>
</tr>
<tr>
<td>Total</td>
<td>$ 15,210</td>
<td></td>
<td></td>
<td>$24,336</td>
<td>$30,420</td>
<td>$36,504</td>
<td>$42,588</td>
<td>$48,672</td>
<td></td>
</tr>
<tr>
<td>Difference from 25% rate</td>
<td>$9,126</td>
<td></td>
<td></td>
<td>$6,084</td>
<td>$12,168</td>
<td>$18,252</td>
<td>$24,336</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total 32 classrooms</td>
<td>$486,720</td>
<td></td>
<td></td>
<td>$778,752</td>
<td>$973,440</td>
<td>$1,168,128</td>
<td>$1,362,816</td>
<td>$1,557,504</td>
<td></td>
</tr>
<tr>
<td>Total increased revenue for all classrooms</td>
<td>$292,032</td>
<td></td>
<td></td>
<td>$194,688</td>
<td>$389,376</td>
<td>$584,064</td>
<td>$778,752</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## EXPENSES - PERSONNEL

<table>
<thead>
<tr>
<th>PERSONNEL</th>
<th>FTE based on 52 weeks; 5 days week and paid 10 days holidays</th>
<th>FTE</th>
<th>RATE</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Teacher Supervisor</td>
<td>oversight, coaching &amp; mentoring role</td>
<td>0.10</td>
<td>$29,920</td>
<td>$2,992</td>
</tr>
<tr>
<td>Teacher Level I</td>
<td>CDA w/ I.T. or higher; 50% of set salary range Level 1-T; EHS enhanced wages; full time covering 10 hour day; less .15 FTE for shorter days when not all 8 children present 10 hours</td>
<td>2.50</td>
<td>$21,992</td>
<td>$54,981</td>
</tr>
<tr>
<td>Subtotal PERSONNEL</td>
<td></td>
<td>2.50</td>
<td></td>
<td>$57,973</td>
</tr>
</tbody>
</table>
## EXPENSES – Teacher Time Calculation

**FIRST STEPS EHS CCP TEACHER Model for Staffing 10 HOUR DAY**

| Time Block | Open | 6:30-7:00 | 7:00-8:00 | 8:00-9:00 | 9:00-10:00 | 10:00-11:00 | 11:00-12:00 | 12:00-1:00 | 1:00-2:00 | 2:00-3:00 | 3:00-4:00 | 4:00-5:00 | 5:00-6:00 | 6:00-6:30 |
|------------|------|-----------|-----------|-----------|------------|-------------|-------------|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| Teacher Level I (takes .50 hour lunch break; and .50 lesson planning) | 0    | 1          | 1          | 1          | 1          | 1           | 1           | 1           | 1          | 1          | 1          | 1          | 1          | 1          | 0          | 11        |

**Early Head Start Teacher Coverage**

- **Teacher Level 1 - Floater**
- **Teacher Level 1**

**Anticipated Lower Attendance**
**EXPENSES – Suggested Salary Range**

<table>
<thead>
<tr>
<th>FIRST STEPS EHS-CCP CENTER SALARY RANGE MODEL</th>
<th>Salary Ranges</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary 25%</td>
</tr>
<tr>
<td>Teacher Aide</td>
<td>$17,472</td>
</tr>
<tr>
<td>Teacher I</td>
<td>$20,363</td>
</tr>
<tr>
<td>Teacher II</td>
<td>$23,752</td>
</tr>
<tr>
<td>Lead Teacher III,</td>
<td>$27,704</td>
</tr>
<tr>
<td>Assistant Center Director</td>
<td>$32,314</td>
</tr>
<tr>
<td>Center Director I</td>
<td>$37,691</td>
</tr>
<tr>
<td>Center Director II</td>
<td>$43,963</td>
</tr>
</tbody>
</table>
## Suggested Salary Range

<table>
<thead>
<tr>
<th>EHS-CCP CENTER SALARY RANGE MODEL</th>
<th>Total 1.0 FTE hours</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary 25%</td>
<td>Salary 50%</td>
<td>Salary 75%</td>
<td>Hourly 25%</td>
<td>Hourly 50%</td>
<td>Hourly 75%</td>
</tr>
<tr>
<td>Provisional EHS Teacher I-A</td>
<td>$19,094</td>
<td>$20,622</td>
<td>$22,272</td>
<td>$9.18</td>
<td>$9.91</td>
<td>$10.71</td>
</tr>
<tr>
<td>Provisional EHS Teacher 1-B</td>
<td>$20,622</td>
<td>$22,272</td>
<td>$24,053</td>
<td>$9.91</td>
<td>$10.71</td>
<td>$11.56</td>
</tr>
<tr>
<td>EHS Teacher I</td>
<td>$22,272</td>
<td>$24,053</td>
<td>$25,978</td>
<td>$10.71</td>
<td>$11.56</td>
<td>$12.49</td>
</tr>
<tr>
<td>EHS Teacher II</td>
<td>$24,053</td>
<td>$25,978</td>
<td>$28,056</td>
<td>$11.56</td>
<td>$12.49</td>
<td>$13.49</td>
</tr>
<tr>
<td>EHS Teacher III</td>
<td>$25,978</td>
<td>$28,056</td>
<td>$30,300</td>
<td>$12.49</td>
<td>$13.49</td>
<td>$14.57</td>
</tr>
</tbody>
</table>

- **Provisional EHS Teacher I-A**: No CDA, some Child Care Exp  
  - 25% Salary: $19,094  
  - 50% Salary: $20,622  
  - 75% Salary: $22,272  
  - 25% Hourly: $9.18  
  - 50% Hourly: $9.91  
  - 75% Hourly: $10.71

- **Provisional EHS Teacher 1-B**: CDA with no I/T  
  - 25% Salary: $20,622  
  - 50% Salary: $22,272  
  - 75% Salary: $24,053  
  - 25% Hourly: $9.91  
  - 50% Hourly: $10.71  
  - 75% Hourly: $11.56

- **EHS Teacher I**: CDA with I/T no experience  
  - 25% Salary: $22,272  
  - 50% Salary: $24,053  
  - 75% Salary: $25,978  
  - 25% Hourly: $10.71  
  - 50% Hourly: $11.56  
  - 75% Hourly: $12.49

- **EHS Teacher II**: CDA with I/T with up to two year EHS experience  
  - 25% Salary: $24,053  
  - 50% Salary: $25,978  
  - 75% Salary: $28,056  
  - 25% Hourly: $11.56  
  - 50% Hourly: $12.49  
  - 75% Hourly: $13.49

- **EHS Teacher III**: CDA w/ I/T with two year+ EHS experience  
  - 25% Salary: $25,978  
  - 50% Salary: $28,056  
  - 75% Salary: $30,300  
  - 25% Hourly: $12.49  
  - 50% Hourly: $13.49  
  - 75% Hourly: $14.57
## EXPENSES – Other

<table>
<thead>
<tr>
<th>OTHER</th>
<th>Calculation</th>
<th>Est #</th>
<th>Rate</th>
<th>Calculation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Substitutes</td>
<td>Est # hours to cover teacher vacation &amp; sick leave - 8 hours * 15 days * # teachers * sub rate</td>
<td>300</td>
<td>$9.79</td>
<td>$2,937</td>
</tr>
<tr>
<td>Substitutes</td>
<td>Est # hours (40 per year) to cover teacher absences for Prof Dev Training - 75% EHS</td>
<td>100</td>
<td>$9.79</td>
<td>$979</td>
</tr>
<tr>
<td>Substitutes</td>
<td>Est 3 hours for covering Teacher doing two home visits per year for EHS children</td>
<td>48</td>
<td>$9.79</td>
<td>$470</td>
</tr>
<tr>
<td>Local Travel</td>
<td>Teacher required EHS home visits (miles x rate x 2 visits per family per year)</td>
<td>160</td>
<td>0.54</td>
<td>$86</td>
</tr>
<tr>
<td>Insurance Expense-liability</td>
<td>Routine annual costs for child liability and other necessary coverage</td>
<td>$50</td>
<td>12</td>
<td>$600</td>
</tr>
<tr>
<td>License and Permits</td>
<td>Routine annual costs</td>
<td>$10</td>
<td>12</td>
<td>$120</td>
</tr>
<tr>
<td>Occupancy</td>
<td>Rent, utilities, maintenance (elevator), real estate taxes; Classrooms must have minimum of 35 square feet per child X $10.00 sq.ft.</td>
<td>$350</td>
<td>12</td>
<td>$4,200</td>
</tr>
</tbody>
</table>
## EXPENSES – Total, Admin Fee total

<p>| | | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>TOTAL DIRECT CHARGES</td>
<td></td>
<td>$93,663</td>
<td></td>
</tr>
<tr>
<td>Admin Fee</td>
<td>fiscal, admin, receptionist support /oversight</td>
<td>5%</td>
<td>$4,683</td>
</tr>
<tr>
<td>TOTAL COSTS</td>
<td></td>
<td>$98,346</td>
<td></td>
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<tr>
<td>REVENUE OVER COSTS</td>
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</table>
# FIRST STEPS EHS-CCP CENTER SALARY RANGE MODEL

<table>
<thead>
<tr>
<th>Position</th>
<th>Required Degree</th>
<th>Salary Ranges</th>
<th>25%</th>
<th>50%</th>
<th>75%</th>
<th>25%</th>
<th>50%</th>
<th>75%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Teacher Aide</strong></td>
<td>High School Diploma or equivalent</td>
<td>$17,472</td>
<td>$18,870</td>
<td>$20,363</td>
<td>$8.40</td>
<td>$9.07</td>
<td>$9.79</td>
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</tr>
<tr>
<td><strong>Teacher I</strong></td>
<td>CDA with I/T</td>
<td>$20,363</td>
<td>$21,992</td>
<td>$23,752</td>
<td>$9.79</td>
<td>$10.57</td>
<td>$11.42</td>
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</tr>
<tr>
<td><strong>Teacher II</strong></td>
<td>Associates Degree per EHS requirements</td>
<td>$23,752</td>
<td>$25,652</td>
<td>$27,704</td>
<td>$11.42</td>
<td>$12.33</td>
<td>$13.32</td>
<td></td>
</tr>
<tr>
<td><strong>Lead Teacher III</strong></td>
<td>Bachelors per EHS requirements</td>
<td>$27,704</td>
<td>$29,920</td>
<td>$32,314</td>
<td>$13.32</td>
<td>$14.38</td>
<td>$15.54</td>
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</tr>
<tr>
<td><strong>Assistant Center Director</strong></td>
<td>Bachelors per EHS requirements</td>
<td>$32,314</td>
<td>$34,899</td>
<td>$37,691</td>
<td>$15.54</td>
<td>$16.78</td>
<td>$18.12</td>
<td></td>
</tr>
<tr>
<td><strong>Center Director I</strong></td>
<td>Bachelors per EHS requirements</td>
<td>$37,691</td>
<td>$40,706</td>
<td>$43,963</td>
<td>$18.12</td>
<td>$19.57</td>
<td>$21.14</td>
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</tr>
<tr>
<td><strong>Center Director II</strong></td>
<td>Bachelors per EHS requirements</td>
<td>$43,963</td>
<td>$47,480</td>
<td>$51,278</td>
<td>$21.14</td>
<td>$22.83</td>
<td>$24.65</td>
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## Suggested Salary Range

<table>
<thead>
<tr>
<th>EHS-CCP CENTER SALARY RANGE MODEL</th>
<th>Total 1.0 FTE hours</th>
<th>2080</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Salary 25%</td>
<td>Salary 50%</td>
</tr>
<tr>
<td>Provisional EHS Teacher I-A</td>
<td>No CDA some Child Care Exp</td>
<td>$19,094</td>
</tr>
<tr>
<td>Provisional EHS Teacher 1-B</td>
<td>CDA with no I/T</td>
<td>$20,622</td>
</tr>
<tr>
<td>EHS Teacher I</td>
<td>CDA with I/T no experience</td>
<td>$22,272</td>
</tr>
<tr>
<td>EHS Teacher II</td>
<td>CDA with I/T with up to two year EHS experience</td>
<td>$24,053</td>
</tr>
<tr>
<td>EHS Teacher III</td>
<td>CDA w/ I/T with two year+ EHS experience</td>
<td>$25,978</td>
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</tbody>
</table>
Pillar 3
Foundations for Families Six Pillars for EHS-CCP Fiscal Success

Payment Rate and Terms -- Written Agreements
Gap = EHS Payment Rate Amount
Pillar 3: Payment Rate, Terms/Conditions and Written Agreements

• Establish payment rate based on CCP classroom cost model
  • Comprehensive Budget Analysis – all CCP classrooms cost projection
  • Reconcile methods for gaps in funding
  • Consider performance incentives to achieve program & fiscal objectives
• Define terms of payment – in arrears or in advance? Per child, per classroom? Lost subsidy? Performance incentives?
• Define invoice terms and reconciliation
• Define inventory management
• Decide required non-federal share expectations
Quality Assurance - Fiscal Management and Accountability Processes
Pillar 4: Quality Assurance - Fiscal Management and Accountability Processes

• Establish and align all aspects of fiscal approach for accountability & integrity
  • CCP contractual agreements
  • Written policies and procedures
  • Job descriptions of fiscal and program staff
  • Alignment with fiscal goals & objectives
  • Internal controls
• Share with Policy Council, G.B. and CCPs
Capacity Enhancements to Support Fiscal Approach
Pillar 5: **Capacity Enhancements to Support Fiscal Approach**

- Results of *Fiscal Assessment* aligned with fiscal goals and objectives, contract requirements.
- Define fiscal development, coaching, technical expertise and resources.
- Develop training and technical assistance plans and resources tailored for each CCP.
- Acquire hard and soft resources: computers, software (i.e. QuickBooks), bookkeeper services, payroll services, & internal controls.
Shared Service Options to Close Remaining Cost Quality Gap
Pillar 6: *Shared Service* Options to Close Remaining Cost Quality Gap

- Explore ways to reduce costs by sharing business and professional functions.
Foundations for Families’ Six Pillar Fiscal Approach is Designed to Closes the Cost/Quality Gap and Sustain High Quality and Fiscal Viability
Next Steps

• Round 1 and Round 2
  • Revisit and revamp your fiscal approach

• Round 1
  • Prepare for and/or respond to monitoring

• Round 2
  • Integrate the EHS-CCP monitoring tool into your start-up period activities.
  • Support your start-up team in working through fiscal strategies.

Seek out expertise to help!
# Action Plan

<table>
<thead>
<tr>
<th>Key Take Away 1</th>
<th>First Steps</th>
<th>Who?</th>
<th>When?</th>
<th>Measure?</th>
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<table>
<thead>
<tr>
<th>Key Take Away 2</th>
<th>First Steps</th>
<th>Who?</th>
<th>When?</th>
<th>Measure?</th>
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<tbody>
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Notes:
Question and Answers
Linda Dunphy
dunphy@foundationsforfamilies.com

Thank you for coming!