

**SAN FRANCISCO HUMAN SERVICES NETWORK
EMAIL UPDATE, JANUARY 17, 2012**

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(1) HSN MEMBER DUES

Thank you to the 38 nonprofits that have already paid your 2012 membership dues! We really appreciate you rejoining so early in the year, which helps our planning and allows me to focus on the budget and our other work. The rest of you can find more information about membership, including the dues form at http://www.sfhsn.org/getinvolved_membership.htm. If you find these email updates helpful, make sure you stay on the list by renewing your membership! Please call Debbi at 668-0444 if you have any questions.

(2) HSN MEMBER MEETING 1/20

Please come to our first general member meeting of the year! This month's featured guest speaker is Board of Supervisors President David Chiu, who will share his views of the year ahead from a legislative, electoral and policy perspective. We'll also hear from Calvin Welch about the Redevelopment funding battle and affordable housing, and discuss HSN's proposed budget priorities and guidelines for the city to use in its 2012 decision-making process (http://www.sfhsn.org/documents/hsn_iss_budg_princpls_12-15-11.pdf).

The meeting takes place on **Friday, January 20, 9:30 to 11:30 at the LightHouse for the Blind and Visually Impaired, 214 Van Ness (x-Hayes)**, ground floor conference room. Coffee and pastries will be provided. This month's meeting is open to all who paid dues in 2011 and/or 2012, and to any nonprofit interested in joining HSN.

(3) REDISTRICTING EVENT 1/26

HSN is cosponsoring an event to discuss the redistricting process with the San Francisco Bay Guardian and other community organizations on **Thursday, January 26 from 6pm to 8pm at the Mission Campus of City College, 1125 Valencia (between 22nd and 23rd Streets)**.

The new district lines could change who represents you and your neighborhood, and could change the makeup of the board. This panel discussion and working meeting will seek to identify the issues, look at the proposed maps and offer alternatives.

The following brief article by Calvin Welch of the Council of Community Housing Organizations explains why our participation in the redistricting process is crucial to our public policy efforts:

The Redistricting Dilemma

In four months a profound political change will occur in San Francisco, influencing political outcomes for the next decade -- and only nine San Franciscans will have a vote on the matter.

Progressive political forces are only starting to recognize how important the change may be -- and its critical that we are prepared to respond.

On April 15, 2012, the Redistricting Task Force will agree on a new map of the boundaries of all 11 Supervisorial districts. That's required by law every ten years, after the census data is available.

The Task Force three members appointed by the mayor, three members appointed by the Elections Commission and three members appointed by the Board of Supervisors will have the final say on the matter. The Board of Supervisors can't change the lines.

The Task Force has already considered various alternatives and has drafted a working map.

The 2010 census shows that the districts -- 6, 10 and 11 -- have seen significant population growth. Five districts -- 1,2,3,8, and 9 -- lost population, and three districts --4, 5, and 7 -- remained basically unchanged.

Since San Francisco has very little land for new housing development needed to accommodate population growth, its not surprising that the greatest growth in population occurred in the southeast portion of the city, which underwent a conversion from maritime and light industrial uses to residential uses.

By far the largest shift, with an increase of well over 20,000 new residents, has been District 6 with the explosion of live work lofts and luxury condos in the early part of the 2000s.

The districts with the greatest growth in population and therefore requiring the greatest adjustment in their district boundaries also happen to be the three districts of the city that are at the center of new development and gentrification pressure. Two of them -- 6 and 11 -- are currently represented by progressive supervisors.

The possibility of creating political change through seemingly legitimate census population adjustments is very real.

The Task Force has decided to proceed to a public outreach mode that emphasizes individual districts, seeking comment only on a district by district basis. This creates a fundamental challenge to progressives: do we simply seek to defend our specific base communities submitting plans and testimony aimed at single districts -- or do we seek to caucus with ourselves first and come up with a comprehensive 11-district map?

We really have no choice but to do the latter. The challenge of a district elected board has always been to get six and if possible eight votes for progressive legislation. That means that we must be concerned about all of the districts. That means coalition, that means talking and debating lines with folks who are not exactly like you, and that means coming together at a citywide level.

To that end, a group of progressive organizations and the SFBG is hosting a Progressive Caucus on Supervisor Boundaries to begin that conversation between us. It will be on **Thursday, January 26 from 6-8 p.m at the Mission Campus of City College**. The object of the caucus will be to move towards the creation of an 11-district map we can all support and one which will maximize the possibility of electing at least six solidly progressive supervisors.

We hope you can join us.

Tim Redmond, SF Bay Guardian
Giuliana Milanese, Jobs with Justice
Alex Tom, Chinese Progressive Association
Debbi Lerman, San Francisco Human Services Network
Calvin Welch, Council of Community Housing Organizations
Fernando Marti, Council of Community Housing Organizations
Jane Martin, Pride at Work
Andrew Wood, arts activist
David Looman, political consultant

(4) CITY AND STATE BUDGET

(A) CITY BUDGET

Here are upcoming specific dates on the city budget:

Department of Public Health

CBO Stakeholders Follow-up January 19, 2 to 4 pm at 101 Grove, Rm 300

Commission Mtgs on Budget: 2/7, 2/21 at 4pm at 101 Grove, Rm 300

Human Services Agency

Commission Mtgs on Budget: 1/26/, 2/7 -- both at 9:30am at 170 Otis

Department of Aging and Adult Services

Commission Mtg on Budget: 1/25, 1pm and 2/8, 9:30am - both at City Hall Rm. 416

Office of Economic and Workforce Development

CBO and Providers Meeting January 18, 10am 50 Van Ness.

Department of Children, Youth and Their Families

CBO CAC Meeting January 19, 5:30-8pm at DCYF Mint Conference Rm., 1390 Market #900

Citizens Advisory Committee Budget Mtgs: 1/26 and 2/16 (time and location TBD)

Mayor's Disability Council

The next meeting of the Mayor's Disability Council will include the impact of State and Federal budget Impacts on People with Disabilities. The meeting is on Friday, January 20, 1 to 4 pm in City Hall Rm. 400.

(B) STATE BUDGET

Governor Brown's proposed state budget is posted at <http://www.ebudget.ca.gov/>. As always, the California Budget Project has done an excellent job of summarizing the potential impacts on the safety net. See their summary at http://cbp.org/publications/pub_statebudget.html.

(5) CITY WAGE AND HEALTH UPDATES

It's a good time to make sure you are in compliance with San Francisco's wage and health mandates, including changes that took effect on January 1. For more details, consult the website of the [Office of Labor Standards Enforcement](#).

Minimum wage: Increased from \$9.92 to \$10.24 as of 1/1/12, applies to all San Francisco employees.

Minimum Compensation Ordinance (MCO): This law applies to employees working on a city contract. The for-profit rate is now \$12.06, but the nonprofit rate remains at \$11.03. A few years ago, HSN worked with the City to amend the MCO legislation to provide for annual increases, but only if the City funds it. The Mayor's Office and Board are required to review the funding during the annual budget process, up to the same level as the for-profit "living wage". The last nonprofit increase was in 2008.

Health Care Accountability Ordinance (HCAO): This law requires health insurance for employees

working on city contracts. If a covered employee is not insured, the employer must pay a fee to the City. The fee is adjusted for inflation every July 1, and is currently \$3.50 per hour, capped at \$140 per work week.

Health Care Security Ordinance (HCSO): This law requires health benefits be paid to San Francisco employees. (Note: If employees are covered by the HCAO, the HCSO does not apply to them. Relief workers fall under the HCSO.) **Recent amendments to this legislation** will affect many of our members, so look at <http://sfgsa.org/index.aspx?page=418> for more information, particularly if you use reimbursement accounts.

Under the HCSO, nonprofit employers are required to make minimum expenditures for covered employees' health benefits. These expenditures could include paying for health insurance, setting up healthcare reimbursement accounts, enrolling employees in Healthy San Francisco, or paying for actual healthcare costs. The minimum amount per employee for 2012 is \$1.46 per hour for nonprofits with 50-99 employees and \$2.20 per hour if you have 100 or more employees. An employee who is a manager, supervisor, or confidential employee and who earns at or above an annual salary of \$84,051 (or \$40.41/hour) in 2012 is exempt from coverage under the HCSO.

All covered employers (nonprofits with at least 50 employees) must post the 2012 official HCSO notice (see their website) at every workplace.

Recent changes affect any employer that uses reimbursement accounts to satisfy their HCSO obligations in whole or in part. Many nonprofits use these accounts, particularly for part-time and relief workers. The new rules require you to carry over any unspent funds from 2011 into 2012, and to maintain two years of funding in the account. Employers can no longer recoup all unspent funds at the end of every year.

In order for reimbursement account contributions to qualify as health care expenditures, all of the following criteria must be met:

- 1) The contributions must be reasonably calculated to benefit the employee;
- 2) The contributions must remain available to the employee for a minimum of twenty-four months from the date of the contribution;
- 3) The employee must receive a written summary of each contribution within 15 days of the date of the contribution;
- 4) Any reimbursement account funds available at the end of 2011 must roll-over to 2012; and
- 5) Upon separation, employees must be provided with a written summary of their account within 3 days and the funds must remain available for a minimum of 90 days.

The legislation also imposes new requirements on businesses that impose a surcharge to pay for the healthcare requirement, a common practice among some restaurants. The law now requires verification that any additional revenue is actually spent on healthcare.

These amendments were very controversial. Originally, Supervisor Campos proposed amendments that would prohibit employers from ever recouping any of the funds in reimbursement accounts. Many businesses opposed this proposal. HSN also took a position against it, although we have always supported the various wage and health mandates. We sent a letter to the Board that stated:

"Even before the passage of the Health Care Accountability Ordinance and the Health Care Security Ordinance that mandated the provision of health benefits, nonprofits provided those benefits to their employees. In 2001, we conducted a survey of the City's health and human service sector in conjunction with the San Francisco Urban Institute, and found that 95.6% of those nonprofits provided health

insurance. HSN takes pride in being the only group of employers that has supported all of the local wage, health and sick leave mandates because we believe it's the right thing to do."

"However, the City has also taken a measured approach to its mandates on nonprofits because of the potential impact of unfunded mandates on service levels, which is an even greater concern during these recession years. Unlike for-profit businesses, nonprofits cannot raise their prices to account for the costs of compliance. Recognizing these pressures, the Board chose to set higher thresholds for the application of these laws to nonprofits. The Board has continued this approach in recent years when it amended the Minimum Compensation Ordinance to provide for regular increases in the nonprofit living wage for city contractors, but only if the City funds the increase."

"Nonprofits continue to be leaders in providing health insurance to their employees, and the HCSO generally applies to employees who cannot be insured. In our sector, this typically means relief employees who fill in at 24-7 facilities (which often have minimum staffing requirements) when other workers are out sick on or vacation. These workers tend to be young and healthy, and therefore don't use their health benefits at a high rate."

"Providing health benefits to these employees under the HCSO can cost a nonprofit tens of thousands of dollars a year. By disallowing the common practice of rolling over these funds, the Board will create a situation in which service cuts will be inevitable."

"Some on the Board have indicated that they would support more nonprofit funding to address these issues. While we appreciate the recognition of nonprofit cost pressures, this fails to resolve the problem for several reasons. First, the HCSO includes nonprofits who don't have city contracts and would not receive such funding. Second, it includes employees who aren't working on the City contract. Third, for those nonprofits who do have City funding, they have been flat-funded for five years and need added funding for other priorities -- particularly giving raises to those same staff who under this legislation would instead see those funds locked up for health care they may never need."

"HSN recommends that the proposed legislation address the impact on nonprofits by allowing the practice of rolling over health care accounts if the nonprofit meets the following criteria: that the employer provides regular notice to employees that health care funds are available in their accounts, that those funds are available for an array of health care benefits (including insurance, medical care, dental and vision), and that the employer sets up revolving accounts that hold the funds for at least one year."

Facing strong opposition from business, Mayor Lee called a meeting of stakeholders to seek consensus, but they could not reach agreement. The Board passed the original legislation requiring that unspent funds stay in the accounts by a 6-5 vote, but the Mayor vetoed it. The Board then passed the less onerous version requiring funds to stay in the account for 2 years. However, the possibility remains that the proponents may take the original version to the ballot.

(6) LEGISLATIVE UPDATES

(A) RECENT AND UPCOMING LEGISLATION AT THE BOARD

HSN was also involved in recent legislation regarding **prevailing wage requirements** for city janitorial contracts. Several nonprofits provide job training to individuals with disabilities, and bid on city contracts to provide those trainees with on-the-job experience. Somebody alerted HSN to proposed legislation to eliminate a long-standing nonprofit exemption to the prevailing wage requirement. However, the prevailing wage requirement would jeopardize the SSI/SSDI benefits of trainees with disabilities and threaten the viability of those programs.

HSN was able to quickly gather information and alert the affected nonprofits, who worked with the sponsor, Supervisor Wiener to save the exemption for their programs. The legislation removed the nonprofit exemption, but kept it for nonprofits providing work experience to people with disabilities. In addition, an amendment clarifies that the legislation does not extend prevailing wage requirements to

homeless shelters or other services where the contract is not specifically for janitorial services (even if part of the contract involves keeping a clean facility).

We are currently looking with concern at three other pieces of legislation coming up before the Board, and will have more info on these soon. They include legislation by Supervisor Farrell that would increase notice requirements to neighbors of proposed projects; Sup. Wiener's proposal to regulate plazas in the Castro -- including restrictions on the behavior of homeless people; and Mayor Lee's proposed Charter Amendment stating that whenever the Board considers legislation that affects jobs, the Small Business Commission is authorized to draft an alternative that the Board must also consider.

(B) BOARD OF SUPERVISORS 2012 COMMITTEE ASSIGNMENTS

The Board of Supervisors 2012 Committee assignments have been announced. The first name listed for each Committee is the Chair, and the second name is the Vice Chair.

Budget and Finance: Carmen Chu, John Avalos, Jane Kim. On April 1, Malia Cohen and Scott Wiener will also join the Committee.

City Operations and Neighborhood Services: Sean Elsbernd, Carmen Chu, Christina Olague

City and School District: David Campos, Christina Olague, David Chiu

Government Audits and Oversight: Mark Farrell, Sean Elbernd, David Chiu

Land Use and Economic Development: Eric Mar, Malia Cohen, Scott Wiener

Public Safety: John Avalos, Christina Olague, Eric Mar

Rules Committee: Jane Kim, Mark Farrell, David Campos

(7) OTHER ANNOUNCEMENTS

(A) FAIR PAY FOR NORTHERN CALIFORNIA NONPROFITS: 2012 COMPENSATION AND BENEFITS SURVEY (from Nonprofit Compensation Associates)

Its 2012! Time to Participate in "Fair Pay for Northern California Nonprofits: the 2012 Compensation and Benefits Survey", the best survey of its kind in the country!

431 agencies, reporting on over 23,000 jobs, participated in the 2011 survey, making it the largest and most comprehensive report in the surveys 33-year history.

As a 2012 survey participant, you'll be in good company.

Consider this:

327, or 76%, of the 431 organizations who participated in the 2011 survey purchased the survey report. 267 agencies participated in both the 2010 and 2011 surveys.

Here's how your organization can benefit from what NCA considers to be the best survey of its kind in the country:

The survey report will help your organization determine what salaries and benefits you'll need to offer to attract and retain the best staffers.

It will help your organization find out how the local nonprofit community is coping with the continuing recession.

The report is also a primary tool to help your board of directors document for the IRS the rationale they use to set the salaries they pay their executives.

If you don't already have a copy of the 2011 survey report, you can now take advantage of our annual 2 for 1 recession buster offer. You can purchase the 2011 report at 50% off, if at the same time you prepay for the 2012 survey at the discounted participant rate.

To participate in the 2012 survey, and order the 2011 survey report (if you don't already have it), visit <http://www.nonprofitcomp.com/>. Deadline to participate is March 5.

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(B) SAN FRANCISCO POLITICAL ISSUES CLASS: SF STATE UNIVERSITY, SPRING 2012 (From Calvin Welch)

"San Francisco Political Issues: The Politics of Development, Housing and Jobs" examines the politics of economic development in San Francisco and the complex political process that helps determine the availability of housing, social services, and jobs. This focus looks at political divergence in the city; political organizing around neighborhood and district issues; historic and contemporary issues such as land use, the shifting demography of voting, the provision of human services, debates over employment strategies and opportunities; and the difficulty of governing San Francisco within the economic framework of the larger Bay Area. Our goal is to better understand the context in which particular political struggles emerge, and to examine the strategies and alliances that help shape San Francisco.

This 4-unit course is taught by **Dr. Brian Murphy and Calvin Welch**. Participants are both SF State students and staff from community nonprofit organizations. The class takes place on Wednesday evenings from 6:10 to 9:50 pm beginning **January 25, 2012** at HH 113 (Hensill Hall). The course # is PLSI 475 #19932 or USP 485 # 21185.

A special rate is available to staff from community based organizations. Enrollment is limited to 10 students. Contact Bonnie Hale at the Institute for Civic and Community Engagement at (415) 405-3841, bhale@sfsu.edu.

(C) FREE DISASTER PREPAREDNESS TRAINING (From SF CARD)

San Francisco Community Agencies Responding to Disaster (SF CARD) is a Non-Governmental Organization that provides free disaster preparedness services and resources to San Francisco human services nonprofit agencies and faith-based organizations. Since 1994, SF CARD has provided extensive disaster preparedness trainings, on-site agency visits and has undertaken a variety of coordination initiatives to support the capacity of local agencies and the vulnerable populations that they serve.

They provide training sessions that are free for nonprofits. Their 2-hour Staff Readiness course helps staff individually prepare for disaster, including education on emergencies, preparing kits, family communication, evacuation plans, and other topics. Their 3-hour Incident Command System training teaches nonprofit staff and volunteers how to use the ICS disaster response and management system.

In 2012, they will offer Staff Readiness from 10-12 on January 18, April 18, July 18, and October 17. ICS training will take place from 1-4 on January 20, April 20, July 20 and October 19. All trainings will take place at SF CARD. The address is 1675 California Street (x-Van Ness) (in the Volunteer Center). **Please RSVP to Elisabeth Whitney** at elisabeth@sfcad.org or (415) 955-8946 x-253.