

# FAMILIES, EDUCATION, PRESCHOOL, AND PROMISE LEVY OVERSIGHT COMMITTEE

WebEx Meeting

Thursday, August 26, 2021

## MEETING MINUTES

### I. Call to Order

Dwane Chappelle called the meeting to order at 4:00 p.m.

### II. Attendees

Members Present: Keisha Scarlett (on behalf of Seattle Public Schools Superintendent Brent Jones), Trish Millines Dziko, Donald Felder, Stephanie Gardner, Susan Lee, Shouan Pan, Princess Shareef, Constance Rice, Manuela Slye, Uti Hawkins (on behalf of SEA President Jennifer Matters), Lisa Gaccione (City Budget Office, on behalf of Mayor Durkan)

Others Present: Chris Alejano (DEEL), Dwane Chappelle (DEEL), Cameron Clark (DEEL), Monica Liang-Aguirre (DEEL), Isis Randolph-McCree (DEEL), Marissa Rousselle (DEEL), Jonathan Swift (DEEL), Mei-Li Thomas (DEEL), Nicole Turner (SPS), Melody McMillan (Colleges)

### III. Reports

The meeting began with a welcome and introduction by Dwane Chappelle, Director of the Department of Education and Early Learning (DEEL). The meeting continued with a review of Color Brave Space, LOC member roles and responsibilities, followed by the approval of the March, April, and June meeting minutes.

#### LOC Bylaws Vote

LOC Bylaws were adopted as amended by the LOC.

#### 2022 Budget and Underspend

Jonathan Swift, DEEL's Finance and Operations Director, updated Levy Oversight Committee (LOC) members on the 2022 budget and underspend. He stated that the \$2.2M that was previously reported as a reduction in revenue has been adjusted down to \$1.5M. Although this reduces the designated fund balance, the adjustment does not touch the full amount of underspend available. He further stated that with the underspend last year of about \$11.5M and with the \$1.5M adjustment, there is a net difference of \$10M in the designated fund balance, which is available for reallocation. Questions were asked about whether DEEL had intentions to balloon expenditures in 2022 for preschool and early learning to utilize the \$10M in underspend. The answer

was that there was no planned uptick or expansion scheduled for 2022 in order to utilize these funds.

Additional highlights of this update included the following:

- The proposed budget for DEEL in 2022 will be balanced without using underspend
- The influx of Federal and other City resources into DEEL programming will provide an expansion in programming in several areas in 2022
- In the long-term, there are two substantive risk areas where costs are projected to be much higher than planned in 2023-2026:
  - Seattle Promise: There is a projected gap of \$8M to \$12M due to the impacts of an increasing enrollment, RET recommendations, and federally-funded equity program enhancements
  - Early Learning Costs: There is a projected gap of \$3M to \$6M due to increasing provider costs, staff shortages, high inflationary growth for maintenance and operations, and declining tuition revenue

Following the report, a recommendation was presented to the LOC to set aside the \$10M as a reserve in DEEL's financial plan to ensure the sustainability of DEEL programs through the life of the Levy. This proposal would be included in DEEL's 2022 budget proposal but there would be no allocation or spending until 2023. A request was also made to the LOC to endorse this recommendation through a vote followed by a letter to City Council.

Motion: A motion was made to set aside the \$10M as a reserve in the DEEL financial plan and to include the reserve in the 2022 budget proposal. The motion was carried.

### Overview of Upcoming Legislative Amendments

Marissa Rousselle, DEEL's Interim Director of Policy and Communications, began her report with a recap of the previous legislation discussion from the June 2021 LOC meeting. She reminded the LOC about the possibility of DEEL submitting legislation that would sustain some of the flexibility DEEL had in its investments under COVID-19. She continued by stating that DEEL will be pursuing this legislation and a draft of the legislation will be sent to the LOC the following day. The LOC will also be asked to vote on the legislation at a special meeting scheduled for September 2.

The meeting continued with the following details being shared with the LOC regarding the legislation:

- The legislation will not technically change the FEPP budget authority of the spending plan, but it will have budget implications and will add spending

flexibility in response to COVID-19; specify allowable FEPP expenses, and expand possible uses for FEPP underspend;

- The timeline for the legislation is scheduled to begin in early September with the Mayor's transmittal of the legislation, followed by the LOC's special meeting on 9/2, a Governance & Education Committee vote on 9/14, and a full Council vote on 9/20.

The changes that are to be made in the legislation will be in two (2) areas:

General (all investment areas in the Levy)

- Modify service delivery format in response to covid-19 (including adjustments to provider contracts, compensation, performance measures, and evaluation – broad flexibility)
- Modify underspend language to remove current allocation toward SPP expansion
- Update FEPP evaluation tables to reflect Covid-19 impacts

Early Learning

- Allow 3-year-olds with IEPs to enroll into SPP as soon as they turn 3
- Add childcare quality training + professional development as allowable expense
- Broaden comprehensive supports to include direct family support
- Broaden comprehensive support funds to cover more things such as housing, food assistance, technology/learning resources, enrichment funds, etc.
- Expand SPP facilities fund to include infant/toddler childcare facilities
- Add infant/toddler childcare subsidies and slots as allowable FEPP expense
- Add home visiting programs as allowable FEPP expense
- Change how SPP tuition is calculated, from FPL to SMI

Questions were asked about the proposed policy changes to allow students to join the preschool program early. It was decided that many of these questions would be answered at the special meeting scheduled for the following week.

Following this report, the meeting concluded with a reminder of the next LOC Office Hours on August 31, 2021 at 3:00 PM.

#### **IV. Adjournment**

The meeting was adjourned at 5:32 p.m.