



Board of Directors

Meeting Minutes

October 15, 2019 (1:00 p.m. to 3:00 p.m.)

Location: DPP Offices – 305 Park Avenue West, Suite B, Denver, CO 80205

Members in attendance: Mr. Zach Hochstadt (Chair), Ms. Susan Steele (Secretary/Treasurer), Ms. Erin Brown, Mr. Chris Daues, Ms. Anna Jo Haynes, Ms. Penny May, Ms. Amber Münck and Ms. Chris Watney

Members on Conference Call: Mr. Michael Baker (Vice Chair)

Members not in attendance: Councilwoman Stacie Gilmore, Dr. Rebecca Kantor and Ms. Janice Sinden

Staff in attendance: Ms. Elsa Holguin, Ms. Ellen Braun, Dr. Marina M. Mendoza, Mr. Chris Miller, Ms. Tricia Nelson and Ms. Michelle Blubaugh

Guests: Ms. Amanda Brannum, Mr. Charles Dukes, Ms. Priscilla Hopkins, Ms. Magen Elenz and Ms. Dionne Williams

Agenda Topic	Discussion	Action/Follow-Up/Decision
Call to Order		
Consent Agenda		<p><i>(For Approval)</i></p> <ul style="list-style-type: none"> ▪ September 25, 2019 Board Minutes ▪ August 2019, Financial Statements ▪ September 2019, Statement of Financial Position <p>Ms. Watney motioned to approve the consent agenda; Ms. Brown seconded; All approved.</p>

2020 Draft Budget Presentation

2020 Draft Budget Presentation

Ms. Braun presented the initial 2020 Budget Overview draft. The final budget proposal will be presented to the Board in December for final approval.

- DPP is projected to receive \$23.9 million in sales tax revenue during 2020.
- In recognition of our significant reserves, the board Financial Model allocates 100 percent of City revenue towards programming.
- DPP projects total expenses of \$25.2 million. This represents 105.7 percent of total anticipated City revenue, utilizing earned interest and \$1.2 million net from reserves.

Tuition Credits

- The total calendar year tuition credits are budgeted to \$14.6 million.
- Beginning with the 2018-2019 program year, the tuition credit scale was developed within a three-year cycle that includes annual increases tied to CPI.

Quality Initiatives

- Total quality improvement (QI) is budgeted at \$3.2 million (13.5 percent of revenue) for the calendar year 2020.
- The 2020 budget includes funding for new activities such as early childhood mental health consultations and initiatives to support the early childhood workforce.

Enrollment and Customer Service

- Enrollment and customer service is budgeted at \$767 thousand (3.2 percent of revenue).
- The budget is primarily drive by the MetrixIQ contract, which oversees DPP's application and tuition credit processing.

Evaluation

Ms. Münck expressed caution in creating the New Initiatives line item. Ms. Steele indicated this would provide DPP the opportunity to pilot and launch new projects and iterate as needed. Mr. Daues requested a three-year history to better outline the reserves.

Mr. Hochstadt requested the title of the reserves balance be updated to say Year-End or Fund Balance on the reserves overview page.

- Total evaluation is budgeted at \$1.0 million (4.3 percent of revenue).
- Evaluation includes partners to manage the child outcomes, longitudinal child outcomes and operations evaluation. The Quality Assurance Program is also included in the evaluation budget.

Community Outreach

- Total community outreach is budgeted at \$1.14 million (4.8 percent of revenue).
- Contractors include Ground Floor Media, Gomez Howard Group and Elementive Marketing. Contractors account for 50 percent of the budget.

Other Outside Contract Services

- Total Other Outside Contract Services are budgeted at \$68 thousand (0.3 percent of revenue).

New Program Initiatives

- This line item will be used for implementation of pilot projects and initiatives.
- New Initiatives are budgeted at \$3.1 million (12.8 percent of revenue).

Administrative Expenses

- Administration is budgeted at \$1.4 million (5.8 percent of revenue).
- Facilities expenses (rent and utilities) make up 15.1 percent of the total proposed administrative budget.
- Payroll expenses are 61.4 percent of the total proposed administrative budget and reflects two new positions added mid-year to include a new executive level position and entry level position.

Reserves Target

	<ul style="list-style-type: none"> The Reserves Target is approximately the sum of a 20 percent loss of revenues each year over three years. The reserves target for 2020 is calculated at \$14.34 million. 	
Workforce Task Force Announcement	<p><u>Workforce Task Force Announcement</u> Mr. Miller announced the launch of the Workforce Taskforce. The taskforce will convene DPP staff and board as well as community members and content experts to develop recommendations to better support the early childhood workforce.</p>	
Executive Session - Contracts	<p><u>Executive Session – Contracts</u> The Board discussed DPP contracts.</p>	Ms. May motioned to enter executive session; Ms. Münck seconded; All approved.
Adjourn		Ms. Steele motioned to adjourn the meeting; Ms. Haynes seconded; All approved.

Susan J. Steele 11/19/19