



Board of Directors

Meeting Minutes

December 17, 2019 (1:00 p.m. to 3:00 p.m.)

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

Members in attendance: Mr. Zach Hochstadt (Chair), Ms. Susan Steele (Secretary/Treasurer), Ms. Erin Brown, Ms. Anna Jo Haynes, Dr. Rebecca Kantor, Ms. Penny May, Ms. Amber Münck and Ms. Janice Sinden

Members on Conference Call: Mr. Michael Baker (Vice-Chair) and Mr. Chris Daues

Members not in attendance: Councilwoman Gilmore and Ms. Chris Watney

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

Guests: Ms. Amanda Braunum, Ms. Bridgitt Mitchel

Guests via Conference Call: Mr. Rob McDaniel

Agenda Topic	Discussion	Action/Follow-Up/Decision
Call to Order		
Consent Agenda		<p><i>(For Approval)</i></p> <ul style="list-style-type: none"> ▪ November 19, 2019; Board Minutes ▪ October, 2019, Financial Statements ▪ November, 2019, Statement of Financial Position ▪ 2020 Financeologist, Inc. Contract ▪ 202 Elementive Marketing Scope/Budget

		<p>Ms. Brown motioned to approve the consent agenda; Ms. May seconded; All in favor, motion approved.</p>
<p>Rising 4-Year-Old Program</p>	<p><u>Rising 4-Year-Old Presentation</u> Dr. Mendoza presented Rising 4s Presentation highlighting the following:</p> <ul style="list-style-type: none"> • DPP seeks to expand programing for younger students by providing tuition credits for students enrolled in preschool during the summer before their preschool year. This program would expand DPP services to serve a group of students for 15 months, from June 1, 2020 through August 31, 2021. • Implementation includes modifying existing enrollment database, develop policies and system structure, process applications and attendance. • The proposed budget estimates tuition credits at \$368,200 and operations costs of \$109,500, for a total budget request of \$543,700. • Both evaluation and communications costs would be in addition to the budget presented. 	<p>Ms. Steele motioned to approve the Rising 4-year-old program as outlined on page 26 and 27 of the Board Packet; Ms. Brown seconded; All in favor, motion approved.</p>
<p>2020 Budget Presentation</p>	<p><u>2020 Budget Presentation</u> Ms. Braun presented the latest 2020 Budget, highlighting any changes since the initial presentation in October:</p> <ul style="list-style-type: none"> • The Board was intentional in budgeting over 100 percent of revenue to support the drawdown of reserves. • The administrative expense is budgeted to the 7 percent cap set by the City contract with \$1.4 million for expenses and \$275 thousand to administrative reserves. This update was made to better reflect the City Audit recommendations. • Tuition Credits total \$16.6 million, the update reflects the 2020-2021 tuition credit scale as well as the new Rising 4-year-old program. • Enrollment and customer service is budgeted at \$936 thousand, the updates include the operations for the new Rising 4-year-old program and a slight update to the enrollment specialist partnership. 	<p>Ms. Brown motioned to approve the 2020 DPP Budget as outlined in the Board packet; Ms. May seconded; All in favor, motion approved.</p>

	<ul style="list-style-type: none"> • Evaluation, budgeted at \$1.2 million, was updated to reflect the new contractor for the Child Outcomes Evaluation. • Community Outreach updates account for the update to the Elementive contract budget and advertising updates. • The New Program Initiatives line was updated to \$739 thousand and will support pilot projects and new initiatives as a result of upcoming task force meetings. • The vote to approve the 2020 Budget was postponed until the conclusion of the 2020-2021 Tuition Credit Scale Presentation. 	
<p>2020-2021 Tuition Credit Scale</p>	<p><u>2020-2021 Tuition Credit Scale</u> Ms. Braun presented the 2020-2021 Tuition Credit Scale highlighting the following:</p> <ul style="list-style-type: none"> • This is the second year of 3-year tuition credit budgeting approach, the presentation includes the 2020-2021 scale inclusive of Consumer Price Index (CPI) adjustment. • A brief overview of the income tier and quality rating breakdown was presented, the only updates reflect adjustment to the Federal Poverty Line. • The budget for the 2020-2021 scale and DPS Cap adjusted upwards by 3.0 percent to reflect CPI. • Community and DPS enrollment trends continue to reflect Denver’s demographic shift. • The Board approval of \$3 million for the 2020-2021 program year, \$1 million for calendar year 2020 towards the tuition credit line is included in the scale due to significant changes in demographics. • Historically the overall budget increase has mirrored the individual credit increase. Due to the demographic shifts estimated for the 2020-2021 scale the historical alignment does not exist. • Individual credit increases are 10.2 percent over 2019-2020 tuition credit scale. • The 2020-2021 tuition credit scale budget is \$15.9 million. • Due to the demographic changes and the incremental increases, there is likely a need to review and potentially revise the tuition credit process and Cap for DPS. 	<p>Mr. Hochstadt spurred a deep discussion around DPP’s value of access for all and the significant demographic shifts happening in the city. While the incremental tuition increase supports all families, he commented on the value of supporting our lowest income families to remain in Denver.</p>

	<p>At the request of Ms. Steele, the Board discussed the philosophy of the tuition credit scale increase amount. The 2020-2021 scale is the first time in the history of the organization where the overall budget increase (3 percent) did not align with the incremental scale increases (10.2 percent).</p> <p>Ms. Brown was not comfortable with a 10.2 percent increase for each tuition credit. Ms. Braun provided examples to the Board of the incremental changes, the typical child in 2019-2020 (tier 1, full day, quality 4) will receive \$715 a month, that same child in 2020-2021 would receive \$788. While the raw numbers are not as dramatic, Ms. Brown’s trepidation remained.</p> <p>In reference to sustainability and future tuition credit scales, Ms. Münck suggested varying the tuition credit increase by tier. The Board chose to move forward with the existing 3-year process in their efforts to continue to draw down reserves.</p> <p>Mr. Hochstadt spurred a deep discussion around DPP’s value of access for all and the significant demographic shifts happening in the city. While the incremental tuition increase supports all families, he commented on the value of supporting our lowest income families to remain in Denver.</p>	<p>Ms. Münck moved to approve the 2020-2021 Tuition Credit Scale as outlined on page 47 of the board packet with the acknowledgment that the overall 3% budget increase results in an incremental increase of 10.2% to each tuition credit amount.</p> <p>Mr. Hochstadt seconded; There were 8 votes in favor and 2 opposed, the motion was adopted.</p>
<p>Child Outcomes Contract</p>	<p><u>2020-2021 Child Outcomes Contract</u> Dr. Mendoza presented the 2020-2021 Child Outcomes Contract highlighting the following:</p> <ul style="list-style-type: none"> • After a rigorous and competitive RFP process, NORC prevailed as the DPP Child Outcomes Evaluator. NORC also oversees the Longitudinal Outcomes Evaluation for DPP. The proposed contract will be separate from the existing contract. • DPP staff requests an amount, not to exceed \$672,671 for the term outlined. 	<p>Ms. Haynes motioned to approve the 2020-2021 Child Outcomes Contract with NORC; Ms. Sinden seconded; All in favor, motion approved.</p>
<p>Business Disruptors</p>	<p><u>Business Disruptors</u> Ms. Holguín, presented the Business Disruptors highlighting the following:</p> <ul style="list-style-type: none"> • Since DPP first presented the list of identified business disruptors to the Board in August 2019 the landscape and needs continue to evolve. Staff is 	

	<p>seeking input from the Board to identify the top priority business disruptors to review and/or implement programs for 2020.</p> <ul style="list-style-type: none"> • The Board requested that minimum wage be aged as a topic labeled high priority. • Ms. Sinden suggested adding a column to track desired outcome and ownership of the disruptor. 	
Year End Reflections	<p><u>Year End Reflections</u> Ms. Holguín asked the Board for their Year End Reflections, to describe 2019 and looking forward to 2020. The themes for 2019 were change, reflection, crossroads, appreciation and partnership. The themes for 2020 were leadership, action, responsibility, vision and excitement.</p>	
Adjourn		Ms. Haynes motioned to adjourn; Ms. Brown seconded; All in favor, motion to adjourn approved.

I certify that the above minutes are correct and approved by the Board of Directors.

Susan Steele, Secretary/Treasurer