# DPP Board of Directors
## Meeting Minutes
**Date:** February 15, 2022 (12:00 p.m. to 2:00 p.m.)
**Location:** Online via Zoom

**Members in attendance (via Zoom):** Mr. Michael Baker (Chair), Dr. Lydia Prado (Vice-Chair), Mr. Chris Daues (Treasurer), Ms. Amber Münck (Secretary), Ms. Erin Brown, Ms. Samantha Jacobson, Ms. Anne Rowe, Councilwoman Amanda Sandoval, Ms. Janice Sinden and Ms. Susan Steele

**Members not in attendance:** Mr. Zach Hochstadt

**Staff in attendance (via Zoom):** Ms. Nayely Avila, Ms. Ellen Braun, Dr. Cristal Cisneros, Ms. Elsa Holguín, Mr. Chris Miller, Ms. Tricia Nelson and Ms. Carley Noerr

**Guests (via Zoom):** Ms. Valerie Gonzales, Ms. Priscilla Hopkins, Mr. Rob McDaniel and Ms. Kara Penn

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<td><strong>Call to Order and Welcome</strong></td>
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| **Consent Agenda (For Approval)**  | **Consent Agenda (For Approval)** Mr. Baker presented the Consent Agenda (for approval), highlighting the following:  
  • January 10, 2022, Strategic Planning Committee Minutes  
  • January 18, 2022, Board Minutes  
  • December 2021, Financial Statements  
  • Quality Improvement – Mental Health Supports | Ms. Sinden motioned to approve the consent agenda; Ms. Jacobson seconded. All in favor, motion approved.                                                                 |                                                                                        |
| **2022-2023 Tuition Credit System Annual Process** | **2022-2023 Tuition Credit System Annual Process** Mr. McDaniel presented the 2022-2023 Tuition Credit System Annual Process, highlighting the following:  
**Tuition System Funding and Credit Scale Level Changes**  
Considerations include statewide Universal Pre-K (UPK) coming in 2023, inflation, the pandemic, and gentrification.  
**DPS CAP Considerations**  
• DPS enrollment decreasing  
• Flat DPS Cap will likely result in a per capita funding increase |                                                                                         |                                                                                        |
|                                    | **2022-23 Tuition Credit Scale Considerations**                                                                                                  |                                                                                        |
• UPK in the 2023-24 school year will offer opportunity to review totality of DPP tuition credit program
• Enrollment projections/actuals may provide opportunity for in-year adjustments to DPS and Community funding
• Stability in 4YO tuition credit scale provides opportunity to modify Preschool for 3s Pilot program for 2022-23
• In most conservative case, DPP investing at least 90% of program year SUT collections in tuition assistance programming
• Any CPI-based adjustment beyond 0% will result in reserves dropping below current reserves target of $10.51M

2022-23 Tuition Credit Scale Considerations F&G Recommendations
• CPI-based increase: 6.5%
• If 2022/23 enrollment projections result in negative growth, add % decline to CPI increase (capped at 5.0%)
• DPS CAP: Maintain cap at $9.26 million

Mr. Baker reflected on the rich discussion that took place during the last Finance and Governance Committee meeting. That discussion regarding the proposed CPI increase resulted in suggestions to reduce the proposed CPI-based increase to align with the published CPI of 6.5% and if the 2022-2023 enrollment projections result in a negative growth the percent decline will be added to the total tuition credit increase.

Ms. Steele asked about the increase of DPP investing at least 90% if PY SUT collections in tuition assistance programming including how this increase (from 70% to 90%) might affect the allotment for other essential programmatic areas such as Quality Improvement and Evaluation.

Ms. Braun responded by explaining how the way that increase was calculated, which was the total allotment out the door is 90% of what DPP is estimating to be the appropriation for that period of time is inclusive of reserves funding. DPP is still expecting at least 30%, if not more, of our in-year funding to be focused on other programming and administrative expenses. This would be another year that our budget would exceed our revenue allocations so reserves will be back-filling. The Board will designate how much into the reserves target they are willing to go for these new projects.

Mr. Daues and Ms. Steele addressed the need to closely watch the reserves target to not fall below six months’ worth of revenue as it was previously voted on by the Board.

Ms. Sinden motioned to approve the proposed recommendation of the Finance and Governance Committee to increase the 2022-2023 Tuition Credit Scale by 6.5%, a defined CPI-based increase. Should the enrollment projections result in negative growth, the Board requests Staff to increase the CPI-based increase by that amount with a maximum increase of an additional 5%; Dr. Prado seconded; All in favor, motion approved.

Ms. Jacobson motioned to approve the Finance and Governance Committee’s recommendation to maintain the DPS cap of $9.26 million for the 2022-2023 Tuition
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<td><strong>Ms. Rowe requested additional data or scenarios for potential reserves replenishment next Program Year.</strong></td>
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<td>Credit Scale; Ms. Sinden seconded. All in favor, motion approved.</td>
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**2020-2021 School Year Review Presentation**

Dr. Cisneros presented the 2020-2021 School Year Review, highlighting the following:

**Tuition Credit Overview**
Typical Monthly Tuition Credit = $788
Typical Yearly Tuition Credit Payment = $4,021

**Tier and Participation Level Distribution 2020-2021**

- The typical DPP student was a Tier 1 full-day student.
- 53% of DPP students came from low income families.

**Strengthening Grants**

DPP distributed $785,350 in Strengthening Grants during 2021-2021. Funds were distributed through an equity-lens by providing increased grant funding for DPP community providers.

Dr. Prado inquired on DPP’s ability to access data on the population’s tuition assistance eligibility.

Mr. Baker asked for additional information on home providers to be presented at a future Board meeting.

**President’s Update**

Ms. Holguín presented the President’s Update, highlighting the following:

**Annual Audit**

DPP is currently in the middle of our Annual Financial Audit. Results from this audit should be available soon.

**2022 DPP Committees of the Board**

Part of DPP’s annual audit includes assessing the Committees of the Board and their members. During the COVID-19 Pandemic the Committees of the Board were shifted significantly. DPP is working to strengthen these Committees:

- Quality Improvement
- Evaluation
- Communication
- F&G
Agenda Topic | Discussion | Action/Follow-Up/Decision
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- Strategic Planning

**Legislation Support (For Approval)**

DPP will, on occasion, support and advocate for mission aligned legislation that is put forward at the local, state and federal levels in order to meet the policy mandate established by Denver’s voters. With this in mind, DPP is proposing support of the following mission-aligned Legislative Bills:

1. **ECE Districts Clean Up Bill - HB XXXX**
   
   In 2019, a bi-partisan group of legislators passed HB19-1052, allowing for the creation of special districts for the purpose of delivering early childhood development services.

   Statutes governing other types of special districts allow for the special district boundary to include all or part of an existing political subdivision. This will align the early childhood special district to its peer statutes, creating consistency across statute. The gifts, grants and donations provision clarify and strengthens the statute.

2. **EC Educator Tax Credit – HB21-1010**
   
   An effective Early Childhood Educator Tax Credit encourages improvements in providers’ quality, improves compensation of the early childhood workforce, and increases access to child care providers for those facing the greatest barriers. Key features include:
   - Tiered credit tied to an educator’s credential level and adjusted annually for inflation
   - Length of service in the classroom requirement during the tax year
   - Refundable credit so it is available to all eligible members of the early childhood workforce

3. **Non-Profit Child Care Center Property Tax Exemption – HB22-1006**
   
   HB22-1006 will incentivize additional property owners to lease space to nonprofit child care centers and may result in some of those savings being passed on to the provider, which may also result in cost savings for parents and higher wages for early childhood educators.

**CO Department of Early Childhood**

The legislative process is currently underway and receiving bipartisan support. The position of Executive Director was just recently posted. The next Board update should include a fact sheet of updates on this process.

**Policy Review Committee Meeting**

Ms. Sinden motioned to approve DPP’s support of the ECE Districts Clean Up Bill - HB XXXX; Ms. Brown seconded. Ms. Steele abstained. All others in favor, motion approved.

Dr. Prado motioned to approve DPP’s support of the EC Educator Tax Credit – HB21-1010; Councilwoman Sandoval seconded. Ms. Steele abstained. All others in favor, motion approved.

Ms. Rowe motioned to approve DPP’s support of the Non-Profit Child Care Center Property Tax Exemption – HB22-1006; Ms. Brown seconded. Ms. Steele abstained. All others in favor, motion approved.
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<td>DPP has begun the process to review the City contract and the fund balance stipulation defined in the contract. Currently DPP is the only component unit of its kind with the required fund balance. DPP and City partners support seeking an ordinance change to strike the language relating to the requirement to hold a fund balance and for DPP to obtain the currently held fund balance of $600,000.</td>
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| Community Updates | **Community Updates**
Mr. Baker opened the room for Community Updates:

Ms. Gonzales, from the Mayor's Office of Children's Affairs, shared an update on the training process of additional Family Friend and Neighbor (FFN) providers in Denver. Specialized training will also take place to increase the availability of Special Needs FFN care.

Mr. Baker congratulated Ms. Brown and Mr. Daues on their DPP Board reappointments.

Mr. Baker congratulated Ms. Münck on her new position at the Jefferson County Attorney's Office.

Ms. Holguín congratulated Dr. Prado on her nomination for 9News Leader of the Year.

Mr. Baker reminded the Board Members to complete the annual self-evaluation. | |
| Adjourn | **Adjourn** | Ms. Brown motioned to adjourn the meeting; Dr. Prado seconded; All in favor, motion approved. |

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

_________________________________
Münck, Amber, Secretary