



## Board of Directors

### Meeting Minutes

Date: Tuesday, January 16, 2024 (12:00 to 2:00 p.m.)

Location: Online via Zoom

#### Attendance

**Members:** *Dr. Lydia Prado (Chair), Ms. Erin Brown (Vice Chair), Mr. Chris Daues (Treasurer), Ms. Anne Rowe (Secretary), Mr. Michael Baker, Mr. Nathaniel Cradle, Ms. Keshia Allen Horner, Ms. Jennifer Luke, and Mr. Zaki Robbins*

**Members not in attendance:** *Ms. Andrea Albo and Councilwoman Amanda Sandoval*

**Staff:** *Ms. Nayely Avila, Ms. Irene Bonham, Ellen Braun, Dr. Cristal Cisneros, Ms. Diana Herrera, Ms. Elsa Holguín, Mr. Chris Miller, and Ms. Carley Noerr*

**Guests:** *Ms. Erin Curtin, Ms. Priscilla Hopkins, Mr. Dwight Jones, Mr. Rob McDaniel, and Mr. Mike Miller*

Agenda Topic	Discussion	Action/Follow-Up/Decision
<b>Call to Order and Welcome</b>	<b>Call to Order and Welcome</b>	
<b>Consent Agenda (For Approval)</b>	<p><b>Consent Agenda (For Approval)</b>            Dr. Prado presented the Consent Agenda for approval, highlighting the following:</p> <ul style="list-style-type: none"> <li>• November 29, 2023 Board of Directors Meeting Minutes</li> <li>• November 29, 2023 Board of Directors Retreat Minutes</li> <li>• December 19, 2023 Board of Directors Email Votes Minutes</li> <li>• October 2023, Financial Statements</li> <li>• November 2023, Financial Statements</li> </ul>	<p>Ms. Rowe motioned to approve the consent agenda, Mr. Cradle seconded;            All in favor, motion approved.</p>
<b>Annual Meeting Document Requirements</b>	<p><b>Annual Meeting Document Requirements</b>            Ms. Holguín presented the Annual Meeting Document Requirements, highlighting the following:</p> <p><b>Conflict of Interest Disclosure</b>            On an annual basis, members of the DPP Board are required to fulfill a Conflict of Interest disclosure. The corresponding form will be dispatched via email to all board members within the upcoming week. We kindly request that members promptly submit the duly completed form to the designated DPP staff at their earliest convenience.</p> <p><b>Board Survey</b>            DPP is committed to a continual evaluation of its organizational structure and governance. As an integral part of this ongoing assessment, the Board engages in an annual self-assessment process aimed at enhancing and fortifying the governance framework of the organization. The survey conducted serves as a valuable instrument for identifying existing strengths to be leveraged and areas where additional support may be warranted.</p>	

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	<p>Now in its fifth consecutive year, the board assessment process provides insightful comparative data over time. The survey undergoes comprehensive review by key stakeholders, including the Board Chair, CEO, and COO, ensuring that the information gathered supports the strategic priorities, effectiveness, and overall development of the board. Notably, this evaluation process places a heightened emphasis on matters of equity, diversity, and inclusion, aligning with the organization's commitment to fostering a more inclusive environment.</p> <p><b>Bylaws and Articles of Incorporation (For Approval)</b>  Ms. Holguín highlighted several changes made to the Bylaws and Articles of Incorporation, including:</p> <ul style="list-style-type: none"> <li>• Registered agent</li> <li>• Attorney address</li> <li>• Grammatical changes</li> <li>• Universal Preschool, Local Coordinating Organization language</li> <li>• Updated list of board members</li> </ul>	<p>Ms. Brown motioned to approve the Bylaws and Articles of Incorporation, Mr. Cradle seconded; All in favor; motion approved.</p>
<p><b>2022-2023 School Year Review</b></p>	<p><b>2022-2023 School Year Review</b>  Dr. Cisneros presented the 2022-2023 School Year Review, highlighting the following:</p> <p><b>2022-2023 Program Year Overview</b></p> <ul style="list-style-type: none"> <li>• DPP successfully allocated over \$19.9 million in tuition credits to families in Denver, with a breakdown indicating \$9.26 million (46%) directed to Denver Public Schools and \$10.7 million (54%) allocated to community sites.</li> <li>• A total of 5,577 applications were approved, representing an impressive 89% of all applications that received funding.</li> <li>• The distribution of tuition credit beneficiaries amounted to 4,988 individuals, with 41% being community students and 59% enrolled in Denver Public Schools.</li> <li>• As part of our commitment to quality education, \$3.6 million was allocated for the provision of quality improvement supports to preschools, reinforcing our dedication to enhancing the overall educational experience for the beneficiaries.</li> </ul> <p><b>Beneficiary Tier and Participation Level 4</b></p> <ul style="list-style-type: none"> <li>• The predominant profile of a DPP beneficiary during this period was a Tier 1, full-day student attending a school rated at Colorado Shines 4.</li> <li>• A substantial majority of DPP beneficiaries (58%) originated from Tier 1 and Tier 2 classifications, underscoring the program's commitment to providing accessible support to students with the greatest needs.</li> <li>• Length of day across income tiers: <ul style="list-style-type: none"> <li>○ Full-Day- 68%</li> <li>○ Extended-Day- 24%</li> <li>○ Part-Day - 8%</li> </ul> </li> </ul> <p><b>2022-2023 Program Year Overview for 4-year-olds</b></p>	

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	<ul style="list-style-type: none"> <li>• DPP successfully disbursed over \$16.2 million in tuition credits to Denver families with eligible 4-year-olds. The allocation comprised \$9.264 million (57%) directed to Denver Public Schools and \$6.938 million (43%) allocated to community sites.</li> <li>• 94% of all approved 4-year-old applications received funding, with 4,765 applications approved during the period.</li> <li>• The program benefited a total of 4,481 4-year-old tuition credit recipients, of which 35% were community students and 65% were enrolled in Denver Public Schools</li> <li>• As part of our commitment to enhancing the quality of early childhood education, \$3.6 million was dedicated to the distribution of quality improvement supports to preschools.</li> </ul> <p><b>Historical 4-year-old Tuition Credit Overview</b></p> <ul style="list-style-type: none"> <li>• 4,4481 Tuition Credit Beneficiaries <ul style="list-style-type: none"> <li>○ DPS 2,934</li> <li>○ Community 1,494</li> <li>○ Both Sites 53</li> </ul> </li> <li>• Typical Monthly Tuition Credit: \$849</li> <li>• Average Reported Monthly Tuition Cost: \$1,574</li> </ul> <p><b>2022-2023 Program Year Overview for DPP’s Scholarship</b></p> <ul style="list-style-type: none"> <li>• Throughout the 2022-2023 program year, DPP awarded scholarships to 258 beneficiaries.</li> <li>• DPP delivered over \$1.5 million in scholarships to Denver families with eligible students.</li> <li>• A typical scholarship beneficiary during this period was enrolled in either a full-day or extended-day program. Recipients predominantly belonged to Tier 1 or Tier 2.</li> </ul> <p><b>2022-2023 Program Year Overview for 3-year-olds</b></p> <ul style="list-style-type: none"> <li>• This was the second and final year of the 3-year-old pilot</li> <li>• There were <b>507</b> 3-year-old tuition credit beneficiaries. <ul style="list-style-type: none"> <li>○ 346 were from Tier 1</li> <li>○ 161 were from Tier 2</li> </ul> </li> <li>• DPP delivered over \$3.7 million in tuition credits to Denver families with eligible 3-year-olds.</li> </ul> <p><b>DPP’s Impact on Families in the 2022-2023 Program Year</b></p> <ul style="list-style-type: none"> <li>• <i>“For me [DPP] was great because I could pick up more hours at work, go to work. ... I think if we didn’t have it [the tuition credits], she wouldn’t have gone to preschool, definitely. Yeah, cause there’s no way I could afford anything like that for her.” (T2, DPS, NW)</i></li> <li>• <i>“Any help is great and just being part of the [DPP] program felt like another part of a family, you know, like somebody’s out there helping us and we’re helping other people, and in a city where it can feel so busy, it was like a grounding center, like they’re gonna help everybody. You guys are gonna make sure kids go to preschool, which is going to make our city better.” (T3, non-DPS, SE)</i></li> </ul>	

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	<ul style="list-style-type: none"> <li>• “As a single mom, every dollar counts. Saving on preschool helps me pay for many of the other necessities without such a financial burden.” (T4, non-DPS, NE)</li> <li>• “[W]e were kind of on the fence about sending our son [to preschool] just because it was going to be a financial stretch to do it, and ... our preschool wasn't paid for entirely, but we got some help with it and that was enough to make it so we could swing it without being totally broke. ... the little bit of financial support that we received made it so we felt comfortable doing it. It was definitely his speech that was our biggest concern and DPP definitely gave us what we needed to get him into preschool, and it has made a huge difference. Because of DPP's help we were able to afford speech therapy for my son” [speech problem established in an IEP in the DPS preschool]. (T5, DPS, NE)</li> </ul>	
<b>DPP Enrollment and Eligibility Presentation</b>	<p><b>DPP Enrollment and Eligibility Presentation</b>  Mr. McDaniel, MetrixIQ, presented the DPP Enrollment and Eligibility Presentation, highlighting the following:</p> <p><u>Transition to Equity-Driven Accessibility</u>  The organization is committed to moving beyond Compliance-Driven processes, emphasizing a more equitable approach to ensure accessibility and inclusivity in all facets of our programs.</p> <p><u>Efficiency and Efficacy in Fund Management</u>  Strategic utilization of tax dollars through the braiding and blending of funds, reflecting a commitment to optimize resources and enhance program effectiveness.</p> <p><u>Customer Service Automation and Technological Integration</u>  Implementation of automation in customer service processes and heightened integration between technological systems to streamline operations, foster efficiency, and enhance overall user experience.</p> <p><u>Program Expansion into Infant and Toddler Supports</u>  An ambitious plan to extend program offerings into supporting infant and toddler education, reflecting a commitment to comprehensive early childhood development.</p> <p><u>Mobile Communication and Application Methods</u>  A deliberate shift towards increased use of mobile communications, application methods, and document submission, acknowledging the evolving preferences and needs of our stakeholders.</p> <p><u>Equitable Approaches to Eligibility and Enrollment:</u>  A focus on instituting more equitable approaches to eligibility and enrollment, ensuring fairness and accessibility for all eligible individuals, thereby promoting inclusivity and diversity within our programs.</p>	
<b>Executive Session - Legal</b>	<p><b>Executive Session – Legal</b>  A confidential Executive Session was held. All guests, aside from the legal team, were asked to leave prior to transitioning into the Executive Session.</p>	<p>Ms. Brown motioned to move into the Executive Session – Legal, Mr. Baker seconded; All in favor, motion approved.</p>

Agenda Topic	Discussion	Action/Follow-Up/Decision
<b>Executive Session – Personnel</b>	<b>Executive Session – Personnel</b> A confidential Executive Session was held. All guests were asked to leave prior to transitioning into the Executive Session.	Ms. Rowe motioned to exit the Executive Session – Legal, Ms. Albo seconded; All in favor, motion approved.
<b>Executive Session – Personnel</b>		Mr. Cradle motioned to move into the Executive Session – Personnel, Ms. Rowe seconded; All in favor, motion approved.
<b>Adjourn</b>	<b>Adjourn</b>	Mr. Baker motioned to exit the Executive Session – Personnel, Ms. Brown seconded; All in favor, motion approved. Ms. Brown motioned to adjourn, Ms. Rowe seconded; All in favor, motion approved.

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

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Anne Rowe, Secretary



## Board of Directors

### Meeting Minutes

Date: Tuesday, February 20, 2024 (12:00 to 2:00 p.m.)

Location: In Person at the DPP Office and Online via Zoom

### Attendance

**Members (In-Person):** Ms. Erin Brown (Vice Chair), Mr. Michael Baker, Mr. Nathaniel Cradle, Ms. Jennifer Luke and Mr. Zaki Robbins

**Members (Zoom):** Ms. Andrea Albo, Ms. Keshia Allen Horner and Councilwoman Amanda Sandoval

**Members not in attendance:** Dr. Lydia Prado (Chair), Mr. Chris Daues (Treasurer) and Ms. Anne Rowe (Secretary)

**Staff (In-Person):** Ms. Nayely Avila, Ms. Irene Bonham, Ellen Braun, Dr. Cristal Cisneros, Ms. Diana Herrera, Ms. Elsa Holguín, Mr. Chris Miller and Ms. Carley Noerr

**Guests (In-Person):** Ms. Erin Curtin, Mr. Rhett Gutierrez, Ms. Kat Jarvis and Ms. Melissa Mares

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

Agenda Topic	Discussion	Action/Follow-Up/Decision
<b>Call to Order and Welcome</b>	<b>Call to Order and Welcome</b>	
<b>Consent Agenda (For Approval)</b>	<b>Consent Agenda (For Approval)</b> Dr. Prado presented the Consent Agenda for approval, highlighting the following: <ul style="list-style-type: none"> <li>• January 16, 2024 Board of Directors Meeting Minutes</li> <li>• December 2023, Financial Statements</li> </ul>	Mr. Baker motioned to approve the consent agenda, Mr. Cradle seconded; All in favor, motion approved.
<b>2024-2025 Tuition Credit System Preparation</b>	<b>2024-2025 Tuition Credit System Preparation</b> Mr. Rob McDaniel presented the 2024-2025 Tuition Credit System Preparation, highlighting the following: <p><b>2024/25 Landscape Overview</b></p> <ul style="list-style-type: none"> <li>• The DPP tuition credit system stands as DPP's most significant community investment.</li> <li>• DPP has publicly committed to maintaining the size of its tuition credit investment.</li> <li>• However, fluctuations in the tuition credit scale may occur.</li> <li>• A strategic emphasis on long-term planning is paramount to adapt to evolving economic and social landscapes.</li> <li>• Sales &amp; Use Tax (SUT) projections indicate a more conservative outlook compared to the previous decade, with a Compound Annual Growth Rate (CAGR) of 6.4%.</li> <li>• CY 2024 SUT is projected to increase by 3.9%, although this is offset by an approximate \$500K overpayment in 2023.</li> </ul> <p><b>UPK Impact</b></p>	

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	<ul style="list-style-type: none"> <li>• Despite efforts, a comprehensive understanding of the impact of Universal Pre-K (UPK) remains elusive.</li> <li>• UPK funding has approximately doubled the public investment in Denver's 4-year-olds.</li> <li>• UPK funding intersects with 50% - 70% of DPP students.</li> <li>• A decision on UPK budget increase is pending, with options of either 2.0% or 2.5%.</li> </ul> <p><b>2024/25 4YO Tuition Credit Scenarios</b></p> <p>(a) Flat budget (reduce scale proportionally)</p> <p>(b) 2.0% budget ↑ (adjust for CPI, reduce scale proportionally)</p> <p>(c) 4.5% budget ↑ (adjust for CPI, reduce scale, account for 4yo DPP+UPK students)</p> <p>(d) Flat scale to prior year (increase budget proportionally)</p> <p><b>2024/25 Tuition Credit Recommendation: Scenario A</b></p> <ul style="list-style-type: none"> <li>• DPS funding remains unchanged at \$9.26M.</li> <li>• Community funding will experience a modest increase (&lt;1%) to \$8.25M.</li> <li>• DPP's tuition credit investment marks its largest allocation since its inception.</li> <li>• Reductions in the tuition credit scale are considered alongside enrollment growth.</li> <li>• Equity considerations are integral to the implementation of tuition credit scale reductions.</li> <li>• Funding for 3-year-olds and scholarships remains unchanged based on March Board discussions.</li> </ul> <p>Mr. McDaniel presented a graphic showing a 5 Year Tuition Credit System Forecast.</p> <p>Mr. McDaniel presented the final 2023-2024 Denver Preschool Program Monthly Tuition Credit Scale and the proposed 2024-2025 Denver Preschool Program Monthly Tuition Credit Scale based on scenario A, for comparison.</p>	<p>Mr. Robbins motioned to approve advancing planning initiatives in accordance with Scenario A, with the final review and endorsement of the 2024-2025 Tuition Credit Scale slated for a subsequent Board meeting, Mr. Baker seconded; All in favor; motion approved.</p>
<p><b>Colorado Children's Campaign, Policy Update</b></p>	<p><b>Colorado Children's Campaign, Policy Update</b></p> <p>Ms. Mares, Director of Early Childhood of the Colorado Children's Campaign, presented the Colorado Children's Campaign Policy Update, highlighting the following:</p> <p><b>Trends in the Legislature</b></p> <ul style="list-style-type: none"> <li>• Complex dynamics at the Capitol</li> <li>• Impact of economy – a tighter budget</li> <li>• Loss of pandemic-era supports</li> </ul> <p><b>Early Childhood: North Star Goal</b></p> <p>All children have equitable, high-quality early childhood experiences shaped by well-supported families, caregivers, and educators that foster social-emotional development, health, and overall well-being.</p> <p><b>2024 Early Childhood Priorities</b></p>	

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	<ul style="list-style-type: none"> <li>• Quality and Access</li> <li>• System and Workforce</li> </ul> <p><b>2024 Early Childhood Legislation</b></p> <ul style="list-style-type: none"> <li>• HB24-1223: Improving Access to the Child Care Assistance Program</li> <li>• HB24-1009: Bilingual Child Care Licensing</li> <li>• Bill Coming Soon: CDEC Rulemaking Authority Renewal</li> </ul> <p>Ms. Mares presented a graphic showing the CDEC Permanent Rulemaking Process.</p> <p><b>2024 Early Childhood Legislation</b></p> <ul style="list-style-type: none"> <li>• Possible tax credits using TABOR surplus</li> <li>• SB24-064: Monthly Residential Eviction Data &amp; Report</li> <li>• HB24-1237: Programs for the Development of Child Care Facilities</li> <li>• And more!</li> </ul> <p>Ms. Mares presented the 2024 Early Childhood Legislative tracker, noting that the tracker is not exclusively bills that CCC has taken public positions on. It includes all bills that CCC is following.</p> <p><b>Quality and Access: UPK Program Improvements</b></p> <ul style="list-style-type: none"> <li>• Clearer communication</li> <li>• Application and technological improvements</li> <li>• Quality Standards and Resource Bank</li> <li>• Streamline enrollment</li> <li>• Data collection and analysis</li> <li>• Language access</li> </ul> <p><b>System and Workforce: Growing Our Future Coalition</b></p> <ul style="list-style-type: none"> <li>• Priorities include: <ul style="list-style-type: none"> <li>○ Fiscal Reform (2024 and/or 2026) <ul style="list-style-type: none"> <li>- Together We Thrive and other efforts</li> </ul> </li> <li>○ New Revenue for Child Care</li> <li>○ Legislation and Ballot Measures</li> <li>○ Shared Power</li> <li>○ Narrative Change</li> </ul> </li> <li>• Polling statewide this month!</li> </ul> <p><b>Staying Engaged</b></p> <ul style="list-style-type: none"> <li>• Connection Reception, September 12, 2024</li> <li>• The West Steps Podcast</li> <li>• KidsFlash Biweekly Email Updates</li> <li>• Social Media: Facebook, Instagram, YouTube, LinkedIn</li> </ul>	



Agenda Topic	Discussion	Action/Follow-Up/Decision
<p><b>Transitions to Kindergarten Presentation</b></p> <p>Mr. Hopkins presented the Transitions to Kindergarten Presentation, highlighting the following:</p> <p><b>Together and Grounded in a Common Purpose</b> Collaboration among Teachers, Administrators, and Advocates is essential.</p> <p>Families play crucial roles in the transition process.</p> <p>“The transition to kindergarten is the continuum of time, experiences, and practices that support children’s introduction to, entrance into, and success in kindergarten.”</p> <p>The Early Care and Education Mixed Delivery System Encompasses various components such as Head Start, Child Care, State-funded Preschool, Part B (SpEd), Family Child Care, and Family Friend and Neighbor Care.</p> <p><b>Roadmap Anchors</b> Kindergarten transition efforts should be bilateral, involving inter-agency coordination and collaboration, and a synergy between state policy and local implementation.</p> <p><b>Mechanisms that Support Positive Transition</b> Effective communication, coordination of family/school engagement, and adherence to a structured timeline.</p> <p><b>Strategies for Kindergarten Transitions in Denver</b></p> <ol style="list-style-type: none"> <li>1. Engage Families as Essential Partners</li> <li>2. Child-level Learning Plans <ul style="list-style-type: none"> <li>- Understanding Developmental Progress</li> <li>- Providing Continuity of Experience</li> </ul> </li> <li>3. Child-level Standards</li> <li>4. Readiness Assessments – Children &amp; Schools/Programs (Formal &amp; Informal)</li> <li>5. Site and Systems Level Plans</li> <li>6. Data Systems</li> </ol>		
<p><b>Community Update</b></p>	<p><b>Community Update</b> Ms. Holguin opened the floor for the Community Update:</p> <p><b>Denver City Council</b> Councilwoman Sandoval provided an overview of recent developments, including:</p> <ul style="list-style-type: none"> <li>• Reenactment of the length of stay policy took place on February 5th, with provisions for pausing during cold weather activations.</li> <li>• Increased case management efforts for families, with Human Rights overseeing this function and collaborating with local community programs to tailor assistance plans.</li> <li>• Reduction in hotel sheltering system occupancy compared to January, though accommodating 5000 individuals remains a significant challenge for the system.</li> </ul>	

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	<ul style="list-style-type: none"> <li>Proposed budget cuts affecting Parks &amp; Recreation and the Department of Motor Vehicles. Concerns have been raised regarding the disproportionate impact of these cuts on low-income and BIPOC communities.</li> <li>Emphasis on Denver's continued commitment as a welcoming city, despite grappling with the ongoing humanitarian crisis, and the need for federal intervention.</li> </ul> <p><b>Office of Children's Affairs</b> Ms. Curtin provided updates on various initiatives, including:</p> <ul style="list-style-type: none"> <li>Collaboration with Councilwoman Romero Campbell on the establishment of family temporary housing locations, in partnership with Denver Public Schools (DPS) and Parks and Recreation for service provision.</li> <li>Launch of the FFN Connection initiative in Southwest Denver.</li> <li>Relaunching of the Road to Reading project.</li> <li>Ongoing funding support for doula training programs.</li> </ul> <p><b>Denver Public Schools</b> Ms. Hopkins delivered updates on DPS activities, including:</p> <ul style="list-style-type: none"> <li>Collaborative efforts with the Community Development and Education Committee (CDEC) to ensure the success of the Choice program algorithm.</li> <li>Commitment to delivering high-quality education, with a focus on excellence in educational offerings.</li> </ul>	
<p><b>President's Update</b></p>	<p><b>President's Update</b> Ms. Holguin presented the President's Update, highlighting the following:</p> <p><b>Annual Board Assessment Summary Survey Purpose &amp; Participation</b> Denver Preschool Program (DPP) is guided by its vision that every Denver child has equitable access to a strong foundation to thrive in kindergarten and beyond. DPP works towards this vision through its mission to transform the futures of young children and their families by strengthening and funding the early childhood experience. In service of creating a more equitable early childhood landscape and a more just world, DPP is committed to:</p> <ul style="list-style-type: none"> <li>Grow knowledge and awareness of inequities and their root cause.</li> <li>Drive access, choice, and quality in early childhood education.</li> <li>Advocate for systems-level policy changes that address harm.</li> <li>Lead in action and words with courage, tenacity, and accountability.</li> </ul> <p>DPP continues to reflect on its structure and governance. As part of this reflection, DPP conducts an annual engagement of the Board in a self-assessment process in order to support and strengthen the governance of the organization. The survey serves as a means to identify areas of strength to build on and places where additional support may be needed. The board assessment process is now in its fifth year, allowing for comparative insights over time. Each year the survey is reviewed</p>	

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	<p>by the Board Chair, CEO, and COO to capture information that supports the priorities, effectiveness, and development of the board. This has included an increased focus on equity, diversity, and inclusion, as well as the rollout of UPK.</p> <p><b>Survey Themes &amp; Key Take-Aways</b>  This year, the Board assessment survey was distributed to DPP's 11 board members via email and received 8 responses. Themes that emerged from the 2023 board assessment survey, include:</p> <ul style="list-style-type: none"> <li>• Board members show a high-level of commitment, with 88% surveyed stating they currently plan to serve as many terms on the board as possible.</li> <li>• Nearly half of current members are new to the DPP board. Of the 8 responses received: <ul style="list-style-type: none"> <li>○ 50% have served less than 2 years</li> <li>○ 25% have served fewer than 4 years, and</li> <li>○ 25% have served between 4-8 years.</li> </ul> </li> <li>• New member onboarding, orientation, and mentorship connects should take place sooner in a new member's appointment.</li> </ul> <p>The DPP Board of Directors is comprised of a variety of unique skill sets, lived experiences, expertise and perspectives.</p> <p>Respondents identified additional skills, lived experiences, expertise, and/or perspectives that should be prioritized while DPP seeks to fill the open seats on the board this year.</p> <p><b>Hiring &amp; Compliance Subcommittee</b>  A subcommittee of Finance and Governance has been launched to support DPP staff in the hiring and compliance of several key new staff positions and projects:</p> <ul style="list-style-type: none"> <li>• Staff Accountant</li> <li>• Contract Chief Finance Officer</li> <li>• Investment Manager</li> <li>• Cybersecurity Policy &amp; Training</li> <li>• Reserves Policies</li> </ul>	
<b>Adjourn</b>	<b>Adjourn</b>	Mr. Baker motioned to adjourn, Mr. Robbins seconded; All in favor, motion approved.

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

\_\_\_\_\_  
Anne Rowe, Secretary



## Board of Directors

### Meeting Minutes

Date: Tuesday, March 19, 2024 (12:00 to 2:00 p.m.)

Location: In Person at the DPP Office and Online via Zoom

### Attendance

**Members (In-Person):** Dr. Lydia Prado (Chair), Ms. Erin Brown (Vice Chair), Mr. Chris Daues (Treasurer), Ms. Anne Rowe (Secretary), Ms. Jennifer Luke and Mr. Zaki Robbins

**Members (Zoom):** Mr. Michael Baker and Mr. Nathaniel Cradle

**Members not in attendance:** Ms. Andrea Albo, Ms. Keshia Allen Horner and Councilwoman Amanda Sandoval

**Staff (In-Person):** Ellen Braun, Dr. Cristal Cisneros, Mr. Chris Miller and Ms. Carley Noerr

**Staff (Zoom):** Ms. Nayely Avila, Ms. Diana Herrera and Ms. Elsa Holguín

**Staff not in attendance:** Ms. Irene Bonham

**Guests (In-Person):** Ms. Erin Curtin, Ms. Amanda Good, Ms. Priscilla Hopkins, Ms. Maria Montoya and Mr. Steve Sauer

Agenda Topic	Discussion	Action/Follow-Up/Decision
<b>Call to Order and Welcome</b>	<b>Call to Order and Welcome</b>	
<b>Consent Agenda (For Approval)</b>	<p><b>Consent Agenda (For Approval)</b>            Dr. Prado presented the Consent Agenda for approval, highlighting the following:</p> <ul style="list-style-type: none"> <li>February 20, 2024 Board of Directors Meeting Minutes</li> <li>January 2024, Financial Statements</li> </ul>	Ms. Brown motioned to approve the consent agenda, Ms. Rowe seconded; All in favor, motion approved.
<b>2023 Financial Audit (For Approval)</b>	<p><b>2023 Financial Audit (For Approval)</b>            Ms. Montoya and Ms. Good of, KCM, P.C., presented the 2023 Financial Audit, highlighting the following:</p> <p>The Denver Preschool Program, Inc. (DPP) is a Colorado tax-exempt charitable organization whose purpose is to administer the Denver Preschool Program as defined in Article III of Chapter 11, Denver Revised Municipal Code, as amended. This administration is conducted in accordance with agreements between DPP and the City and County of Denver (the City). DPP offers tuition credits to Denver families for children the year before they start kindergarten. DPP also extends tuition credits for 3-year-olds from Denver households with the highest need. Families can use these credits at any preschool licensed by the State of Colorado and contracted with DPP, regardless of the provider's location. Additionally, DPP provides grants to help childcare providers enhance the quality of their programs. The Denver Preschool Program leads Denver's implementation of Colorado Universal Preschool (UPK). As the Local Coordinating Organization (LCO) for the City and County of Denver, DPP continues to ensure more children have access to high-quality preschool.</p>	

**Agenda Topic**

**Discussion**

We have audited the accompanying financial statements of the Denver Preschool Program, Inc., which comprise the statement of financial position as of December 31, 2023, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Denver Preschool Program, Inc. as of December 31, 2023, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

**Highlights of Financial Statements**

- Cash and cash equivalents cash totaled \$441,267 at December 31, 2023, a decrease of \$265,492 from the prior year.
- The investments balance totaled \$28,296,224 at December 31, 2023, an increase of \$5,850,466 compared to 2022, as a result of interest income and cash transfers made during the year. Interest income totaled \$719,237 for the year ended December 31, 2023.
- Total financial assets available to management to meet expenditures within one year are \$6,222,375, which represents approximately three months of operating expenses (note 2).
- In 2023, the operating office lease was renewed and a right of use asset totaling \$245,893 and an operating lease liability totaling \$247,223 were recorded in the statement of financial position.
- At December 31, 2023, accounts payable totaled \$5,112,103 and included DPS invoices totaling \$2,656,805.
- Total net assets were \$23,742,198 at December 31, 2023. Designated net assets totaled \$6,348,371 for management and general unexpended City funds. Net assets with donor restrictions total \$16,112,968 for the long-term reserve, 3-year-old tuition credit pilot, and DPP scholarships. \$130,774 is restricted for UPK expenditures.
- DPP's total change in net assets was \$6,370,468 in 2023 compared to \$596,186 in 2022, which reflects a net increase of \$5,774,282. The better results in 2023 are primarily from the \$4,936,059 payment received during the year following the City's reconciliation of the 2022 preschool tax revenue. In addition, UPK had its first full year of activity during 2023 and there were significant gains in interest income due to utilizing high-interest yield accounts.
- Expenses totaled \$29,743,909 for 2023 compared to \$28,778,510 for 2022, an increase of \$965,399. The increase was mainly due to quality improvement expenses as approximately \$800,000 related to workforce grants issued to improve staff retention at various schools. In addition, other stipends were given to eligible preschool staff members during the year. Total spending on program services represents approximately 95% of total expenses. DPP's management and general expenses remained below the 7% City revenue threshold and remaining unspent funds are allowed to be carried forward to future years for program or administrative expenses.

**Action/Follow-Up/Decision**

Agenda Topic	Discussion	Action/Follow-Up/Decision
	<p>DPP leases office space under a long-term non-cancelable operating lease through March 31, 2028. DPP includes in the determination of the right of use asset and lease liability any renewal options when the options are reasonably certain to be exercised. Renewal options have not been exercised as of December 31, 2023. DPP's operating lease provides for increases in future minimum annual rental payments. Additionally, the operating lease agreements requires DPP to pay utilities and repairs.</p> <p>The weighted-average discount rate is based on the discount rate implicit in the lease. DPP has elected the option to use the risk-free rate determined using a period comparable to the lease terms as the discount rate for leases where the implicit rate is not readily determinable.</p> <p>The total operating lease cost for the office space for the year ended December 31, 2023 was \$58,253 and is included with occupancy in the statement of functional expenses.</p> <p><b>Net Assets</b> Designated</p> <p>Board-designated net assets and reserves are reported as net assets without donor restrictions in the accompanying financial statements. Board-designated net assets consist of unexpended City funds available for management and general expenses of \$6,348,371 at December 31, 2023 (see note 7).</p> <p><u>Net Assets with Donor Restrictions</u> Net assets subject to donor restrictions consist of the following at December 31, 2023:</p> <ul style="list-style-type: none"> <li>• City restricted funds \$ 16,112,968</li> <li>• UPK 130,774</li> </ul> <p>Total net assets with donor restrictions \$ 16,243,742</p> <p>Unexpended City funds, restricted by the donor, consist of the following at December 31, 2023:</p> <ul style="list-style-type: none"> <li>• Long-term reserve – program wind down \$ 13,888,295</li> <li>• 3-year-old tuition credit pilot 1,409,611</li> <li>• DPP scholarships 815,062</li> </ul> <p>Total City restricted funds \$ 16,112,968</p> <p><i>Long-term Reserve – Program Wind Down:</i> The reserve target is defined as the approximate amount needed to cover core program and administrative costs in the event that DPP's revenue ceases at the conclusion of a calendar year. This reserve should also include the necessary funds for proper transfer/storage of multi-year evaluation data. For the 2023-2024 program year, the reserve target equals eight months of tuition support for families with 4-year-olds, tuition support for the preschool-for-3s cohort, scholarships, and quality improvement dollars, totaling approximately \$17,693,000; administrative expenses in alignment with the 7% allocation totaling approximately \$1,239,000; plus data storage/transfer and any transition costs estimated at \$500,000, for an approximate total of \$19,432,000 (+/- 10%). Additionally, the allocated portion of this long-term reserve is</p>	

Agenda Topic	Discussion	Action/Follow-Up/Decision
	<p>included in board-designated net assets totaling \$6,348,371 at December 31, 2023 (see note 7).</p> <p>3-year-old Tuition Credit Pilot: This fund supports a small cohort of families with 3-year-olds who have a household income at or below 185 percent of the federal poverty line and are enrolled in a high-quality DPP-participating community-based preschool program.</p> <p>DPP Scholarships: Scholarships are designed to fully cover the cost of care for families living at or below 185% of the federal poverty line, who have children attending at least 25 hours per week at preschool, and who are not receiving other public funding.</p> <p>Net assets were released from donor restrictions as follows for the year ended December 31, 2023:</p> <p>Satisfaction of purpose restrictions</p> <ul style="list-style-type: none"> <li>• Denver Preschool Program \$27,619,761</li> <li>• UPK \$592,716</li> </ul> <p>Total net assets released from restrictions \$28,212,477</p> <p><b>City and County of Denver Grant Revenue</b></p> <p>DPP entered into an agreement with the City and County of Denver to provide services under the Denver Preschool Program as provided in Article III of Chapter 11, Denver Revised Municipal Code. The term of the agreement is effective January 2015 and subject to unilateral options by the City and County of Denver for additional one (1) year renewal options ending December 31, 2026. The final conclusive termination date shall be the date DPP has expended all of the distributions received under the agreement and will have a final report to the City and County of Denver. The agreement provides that the City and County of Denver will notify DPP on or about August 1 of each year if it intends not to exercise a renewal for the next year. In the November 2023 elections, the ballot initiative to make the Preschool tax permanent was passed.</p> <p>Funding under the agreement is made through appropriation by City Council on an annual basis. For the year ended December 31, 2023, sales and use tax revenue totaled \$30,720,920. During September of each year, the Executive Director of the Denver Mayor's Office of Children's Affairs can request a supplemental appropriation of funds if it determines that the tax collections are in excess of the original appropriation for the year. Also, in May of each subsequent year, the Executive Director of the Denver Mayor's Office of Children's Affairs and DPP will perform a reconciliation of actual tax receipts to amounts distributed. Any over or underpayment of funds are to be settled by the following September. Revenue or expenses are recorded in the calendar year the reconciliation amount is determined. For the year ended December 31, 2023, revenue from the reconciliation totaled \$4,036,059. Revenue is contingent upon the City's annual sales tax receipts and is recognized monthly as received.</p> <p>As prescribed by the grant agreement, 93% of these funds, or \$32,323,990, are reported as restricted revenue. Expenditures are subject to various programmatic and eligibility</p>	

Agenda Topic	Discussion	Action/Follow-Up/Decision
	<p>requirements and stipulations. The agreement also provides that no more than 7% of the distributions can be expended on management and general or administration expenses, and, thus, are reported as revenue without donor restrictions.</p> <p>For the year ended December 31, 2023, DPP used 5.09% of the distributions for management and general expenses. The agreement does allow that any unexpended administrative funds can be carried forward to future years for use as either administrative funds or program funds. The following is a schedule of the unexpended management and general funds as of December 31, 2023:</p> <ul style="list-style-type: none"> <li>• Unexpended funds carried over from 2022 \$ 5,428,564</li> <li>• Management and general expenses allowed in 2023 2,432,989</li> <li>• Management and general expenses incurred in 2023 (1,513,182)</li> <li>• Unexpended funds available for use in 2024 \$ 6,348,371</li> </ul> <p><b>Other Commitments</b></p> <p>DPP has entered into various contracts with vendors to provide services on behalf of DPP. These contracts terminate through 2026. The estimated amount of the future payments under these agreements at December 31, 2023 are as follows:</p> <ul style="list-style-type: none"> <li>• 2024.....\$ 3,805,541</li> <li>• 2025.....\$ 730,748</li> <li>• 2026.....\$ 65,528</li> </ul> <p>Total \$ 4,601,817</p> <p>These contracts allow for upward or downward adjustments or termination due to the service provider not attaining certain performance standards, whether an increase or reduction in the scope of services is needed, or if funding is reduced or eliminated.</p>	<p>Mr. Daues motioned to approve the 2023 Financial Audit, Ms. Luke seconded; All in favor, motion approved.</p>
<p><b>2024-2025 Tuition Credit Scale (For Approval)</b></p>	<p><b>2024-2025 Tuition Credit Scale (For Approval)</b> Mr. Miller and Dr. Cisneros presented the 2024-2025 Tuition Credit Scale, for approval, highlighting the following:</p> <p><b>2024/25 Tuition Credit Scale Summary</b></p> <p><u>Planning for the Long-Term</u></p> <ul style="list-style-type: none"> <li>• Staff is proposing that DPS' tuition credit funding CAP remain at \$9.264M</li> <li>• Community 4-year-old funding will expand modestly to more than \$8M</li> <li>• Year-over-year enrollment growth is forecasted at 7% for Community providers</li> <li>• Detailed understanding of UPK impacts remains illusive</li> <li>• UPK funding roughly doubled public investment in Denver 4-year-olds</li> <li>• The balance between <i>cost of care</i> and blending DPP/UPK funding is a fundamental long-term policy decision for DPP</li> <li>• Depending on the amount of reserves utilized, DPP is positioned to potentially make its largest tuition credit system investment in 2024-2025 but maintaining the current tuition credit scale is unlikely due to child enrollment growth</li> </ul>	



**Agenda Topic**

**Discussion**

**Action/Follow-Up/Decision**

**2024/25 Landscape**

- The DPP tuition credit system is DPP’s largest community investment
- DPP has made a public commitment to not shrink its tuition credit system investment
- This does *not* mean individual tuition credit scale amounts won’t fluctuate
- Emphasis on long-term planning view to account for changing economic and social realities
- Sales & Use Tax (SUT) projections considerably more modest than past decade (6.4% CAGR)
- 5-year pro forma analysis indicates 2% CAGR for planning purposes

**5-Year Tuition Credit System Budget @70%**

- 70% of in-year revenues is legacy financial model
- Planned and unplanned overages funded from Cash Reserves
- Funding for 2024-2025 Tuition Credit System includes \$22.293 million from in-year Revenue

**2024/25 4YO Tuition Credit Scale Calculations**

Board Approval to Proceed with Scenario A Planning during February 2024 Board meeting:

- DPS tuition credit cap funding unchanged at \$9,263,975
- Community funding will increase modestly (<1%) to \$8.25M
- 4-Year-Old DPP Tuition Credit investment largest allocation since inception
- Tuition Credit Scale reduced in consideration of enrollment growth
- Tuition Credit Scale reduction implemented thru an equity lens

DPP staff presented a chart showing the **2024/25** funding impact by tier.

**2024/25 4YO Tuition Credit Scale Measurables**

- Total 4yo budget: \$17.51M
- Community budget: \$8.25M (0.6%)
- DPS budget: \$9.264M (flat)
- 0.3% ↑ over 23/24 budget (\$17.46M)
- 2.0% ↑ CAGR for planning based on five-year pro forma
- Average tuition credit \$871/mo. 1
- Maximum tuition credit \$1,104/mo.

**Looking Ahead**

Preschool for 3s and Scholarships

- We are conducting our due diligence with Preschool for 3s and Scholarship expense forecasts for the remainder of the 2023-2024 school year.
- Planning to utilize a projected \$22.293 million of in-year revenue for the full 2024-2025 Tuition Credit System (including the 4-year-old scale, Preschool for 3s and Scholarships).

Agenda Topic	Discussion	Action/Follow-Up/Decision
	<ul style="list-style-type: none"> <li>In April we will present multiple 2024-2025 Preschool for 3s and Scholarships options for the Board to consider and agree how much Reserves funding should support the Tuition Credit System.</li> </ul> <p><b>2024/25 4YO Tuition Credit Scale Request</b> <u>Request for Approval</u></p> <ul style="list-style-type: none"> <li>Approve the 2024-2025 4-Year-Old Tuition Credit Scale with a budget of \$17,512,336 as presented in Board Packet</li> <li>Approve the 2024-2025 DPS tuition credit cap of \$9,263,975</li> </ul> <p>Mr. Robbins asked if there is data available for actual tuition increases expected in the coming years.</p> <p>Ms. Miller replied, noting that such data was not available, he continued noting generally increased cost of living.</p> <p>Ms. Luke shared operational concerns that providers are experiencing due to the increases in general cost of living, from cleaning supplies to rent and everything in between.</p> <p>Ms. Holguín noted in the important distinctions between UPK support and DPP support.</p>	<p>Ms. Robbins motioned to approve the 2024/2025 4-year-old Tuition Credit Scale, Ms. Luke seconded; All in favor, motion approved.</p> <p>Ms. Brown motioned to approve the 2024-2025 DPS Tuition Credit Cap, Mr. Daves seconded; All in favor, motion approved.</p>
<p><b>President's Update</b></p>	<p><u>President's Update</u></p> <p>Ms. Holguín presented the President's Update, highlighting the following:</p> <p><b>Legislative Tracking and Advocacy Policy</b></p> <p>The Denver Preschool Program (DPP) was established to provide funding and expand the quality of childhood education in the City and County of Denver. 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.</p> <p>This will include but is not limited to monitoring bills and legislation, attending educational meetings, and writing editorials, and whitepapers. DPP will only advocate and support educational bills or issues, never political parties or individuals proposing or supporting the bill or legislature.</p> <p>The Denver Preschool Program's articles of incorporation article VI section 7.03 subsection (o) state:</p> <ul style="list-style-type: none"> <li>No substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation. However, if the corporation is an organization to which Section 501(h) of the Internal Revenue Code applies and the corporation has effectively elected to have such section apply, the corporation shall have the power to carry on the activities permitted by such section, but only to the extent such activities shall not result in the denial of exemption under such section. The corporation shall not participate or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office.</li> </ul>	

Agenda Topic	Discussion	Action/Follow-Up/Decision
	<p>In order to retain our tax-exempt status, DPP is prohibited from political activity which is specifically defined as promoting (or against) a candidate for office. There is no prohibition for DPP to be involved in public policy issues through educational meetings, preparing and distributing educational materials, or otherwise considering public policy issues in an educational manner (irs.gov, jan. 2009).</p> <p>Given that DPP is a taxpayer approved organization, legislative advocacy in direct support of DPP and its governing statutes is exempt from the guidelines set forth above.</p> <p>All formal lobbying requests will be presented to the Finance and Governance Committee for review and approved by the full Board of Directors.</p> <p>To ensure that no substantial part of the activities of the corporation shall consist of carrying on propaganda or otherwise attempting to influence legislation,” staff time spent on legislative advocacy will be tracked in the Legislative Tracking and Advocacy Log.</p> <p>Ms. Holguín presented the Advocacy Continuum chart.</p> <p>Ms. Holguín presented several House Bills for the Board to review as advocacy opportunities for DPP:</p> <p><b>HB 24-1009 Bilingual Childcare Licensing Resources</b>  This bill would require the Colorado Department of Early Childhood (CDEC) to ensure that child care licensing services be available in Spanish and establish a Bilingual Licensing Unit. The bill appropriates ongoing funding to staff the Bilingual Licensing Unit and one-time funding to enhance the child care licensing mobile application Spanish capabilities. The bill will expand licensed child care options across the state by supporting Spanish-speaking providers to become licensed and provide more linguistically relevant child care options for children and families.</p> <p><b>HB 24-1223: Improved Access to the Child Care Assistance Program</b>  This bill seeks to create a streamlined, accurate process for eligible parents to apply for CCCAP that reduces administrative burdens for the state and counties. It will also stabilize Colorado’s child care infrastructure with updated payment models.</p> <p><b>HB 24-1237: Programs for the Development of Child Care Facilities</b>  This legislation helps to reduce costs and burden for child care by providing the technical planning building, construction, and development supports needed to increase child care capacity in communities. This legislation creates incentive and support for local governments, private partners, developers, and child care providers to:</p> <ul style="list-style-type: none"> <li>• Formally recognize the critical value of child care in community planning and development</li> <li>• Create regulatory alignment and simplification</li> <li>• Navigate the process of creating or developing a child care facility</li> <li>• Access capital to help with development or renovation for new child care spaces.</li> </ul>	<p>Ms. Brown motioned to approve DPP’s endorsement of HB 24-1009 Bilingual Childcare Licensing Resources Mr. Daves seconded; All in favor, motion approved.</p> <p>Ms. Brown motioned to approve DPP’s endorsement of HB 24-1223: Improved Access to the Child Care Assistance Program Mr. Daves seconded; All in favor, motion approved.</p> <p>Ms. Brown motioned to approve DPP’s endorsement of HB 24-1237: Programs for the Development of Child Care Facilities Mr. Daves seconded; All in favor, motion approved.</p>

Agenda Topic	Discussion	Action/Follow-Up/Decision
	<p><b>HB 24-1311: Family Affordability Tax Credit</b>  Despite having one of the fastest growing economies in the United States, Colorado is unaffordable for many working families and more than 133,000 children are living in poverty. The Family Affordability Tax Credit will put more money into the hands of working families and cut child poverty in Colorado in half, by distributing a portion of the State's \$1.8 billion TABOR surplus directly to families who need it most. This refundable tax credit will put more money into the pockets of nearly 45% of families, including those making up to \$95,000 a year, to help cover the rising costs of housing, food, and childcare. At a time when Colorado has tremendous resources that are expected to grow in the future, now is the time to put dollars directly into the hands of families.</p> <p><b>HB 24-1312 State Income Tax Credit for Care Workers</b>  The bill creates a refundable income tax credit that is available for income tax years commencing on or after January 1, 2024, but prior to January 1, 2029, for a qualifying resident individual (individual) working in the care workforce in the amount of \$1,500.</p>	<p>Ms. Brown motioned to approve DPP's endorsement of HB 24-1311: Family Affordability Tax Credit Mr. Daues seconded; All in favor, motion approved.</p> <p>Ms. Brown motioned to approve DPP's endorsement of HB 24-1312 State Income Tax Credit for Care Workers Mr. Daues seconded; All in favor, motion approved.</p>
<b>Community Update</b>	<p><b>Community Update</b>  Dr. Prado opened the floor for community updates.</p> <p>Ms. Hopkins of DPS highlighted the following:</p> <ul style="list-style-type: none"> <li>• Four DPS early childhood centers are moving forward with NAEYC accreditation.</li> </ul> <p>Ms. Curtin of the Office of Children's Affairs:</p> <ul style="list-style-type: none"> <li>• OCA team is meeting to align department goals with the Mayor's 2024 Goals</li> </ul>	
<b>Adjourn</b>		<p>Ms. Brown motioned to adjourn, Mr. Daues seconded; All in favor, motion approved.</p>

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

\_\_\_\_\_  
Anne Rowe, Secretary