

Seattle Preschool Levy

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Department Overview

In November 2014, voters approved a four-year, \$58 million Seattle Preschool Services Levy to fund the Seattle Preschool Program (SPP) Action Plan. The purpose of the program is to expand access to affordable, high-quality preschool for Seattle's three- and four-year-olds so that they enter school prepared to succeed and the academic opportunity gap for children is eliminated. The levy funds a demonstration phase of the Seattle Preschool Program that began in 2015 and will grow to serve between 1,425 and 1,615 children by the 2018-19 school year.

The SPP closely follows the recommendations of national experts and consultants who advised the City to develop an evidence-based program which builds on community partnerships and the existing network of preschool providers, is accessible to all families and is realistic and practical.

Department of Education and Early Learning (DEEL) staff administer the Seattle Preschool Levy. The mission of DEEL is to ensure that all Seattle children have the greatest opportunity to succeed in school and in life and to graduate from school ready for college or a career. DEEL oversees implementation of the SPP by contracting for services with Seattle Public Schools and community providers, directly providing coaching for preschool directors and teachers, and investing in capacity building (e.g., tuition support for teaching staff to attain required educational credentials, facility construction and renovations, and other organizational supports).

Levy investments are intended to make sure that children are exhibiting appropriate developmental skills by the time they enter kindergarten. Children's growth is supported in all developmental domains including social/emotional health, physical development, cognitive skills, language, literacy and math.

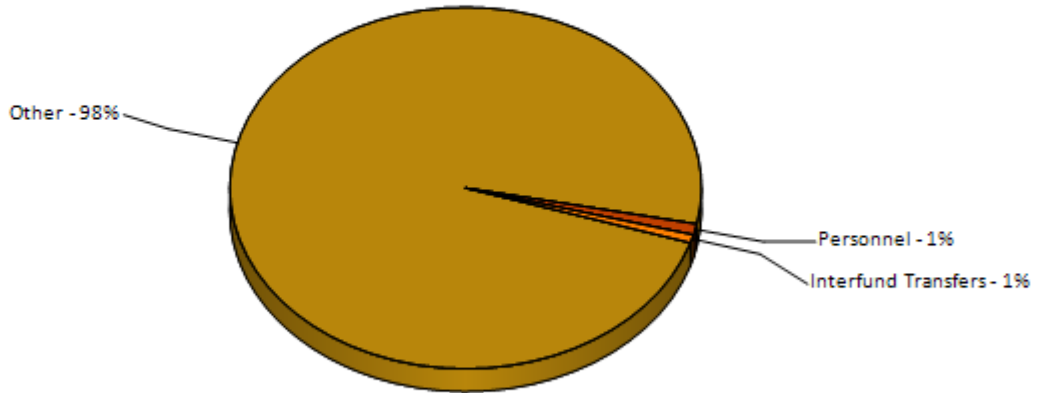
Budget Snapshot

Department Support	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Other Funding - Operating	\$6,123,481	\$14,056,804	\$20,602,337	\$20,602,337
Total Operations	\$6,123,481	\$14,056,804	\$20,602,337	\$20,602,337
Total Appropriations	\$6,123,481	\$14,056,804	\$20,602,337	\$20,602,337
Full-time Equivalent Total*	0.00	0.00	0.00	0.00

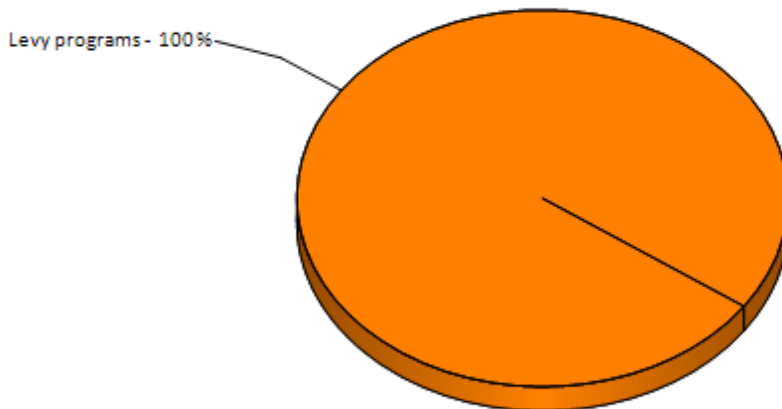
* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

Seattle Preschool Levy

2018 Proposed Budget - Expenditure by Category



2018 Proposed Budget - Revenue by Category



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Budget Overview

The Seattle Preschool Program builds on the foundation established by the City's investment of Families and Education Levy funds in the Step-Ahead program; the Child Care Assistance Program funded by the City's General Fund; the Early Childhood Education and Assistance Program funded by Washington state and managed by the City; and federal investments in Head Start. The key elements of SPP are based on the expertise of national consultants and researchers, Washington state experts involved with developing the state's early learning strategy, local providers and advocates, key stakeholders and policy makers. SPP reflects the best thinking about how to prepare children for school and eliminate the academic opportunity gap. Levy services include the following:

1. **School Readiness** will continue to fund the expansion of SPP classrooms from 15 classrooms in 2015-16 serving 275 students to 33 classrooms in the 2016-17 school year serving about 620 three- and four-year-olds; and 54 classrooms in 2017-18 serving approximately 1,000 children. DEEL expects to serve between 1,425 and 1,615 children across 75-85 classrooms by the end of the levy during the 2018-19 school year.
2. **Program Support** funds professional development and training for preschool directors, lead teachers, and assistants.
3. **Capacity Building** funds tuition support for teachers to gain required credentials and facility construction, renovation, and improvements to increase access to quality classrooms. To date, six SPP teachers have received scholarship funds to continue their education. Capacity building funds are also supporting the redevelopment of the Parks and Recreation Miller Community Center Annex which will open in January 2018 and eventually serve 80 children in four classrooms. Levy investments include: funding an additional SPP classroom in a community-based preschool and funding Seattle Parks and Recreation to convert community center space to SPP classrooms.
4. **Research and Evaluation funds:**
 - i. external evaluators to assess classroom environments and teacher/child interactions;
 - ii. training for teachers on how to appropriately assess child development;
 - iii. external evaluators to develop and begin a comprehensive evaluation strategy; and
 - iv. data system development to support quality improvement and evaluation.
5. **Contingency** funds provide flexibility for this new investment. SPP requires partnerships with existing programs and for those programs to contribute resources from state, federal, or private sources, as well as parent tuition based on a sliding fee scale. While estimates of these resources were based on working with existing providers and funders, the City included contingency funds in case actual recoveries or contributions fall short of expectations.
6. **Administration** funds DEEL staff to provide oversight, administration and leadership for the development of the investments identified above. The levy requires continuous quality improvement, strong community partnerships, and transparency in the program's development.

The 2018 Proposed Budget offers no changes from the 2018 Endorsed Budget and reflects the level of expenditure described in the financial plan adopted by the City Council in [Ordinance 124509](#). Although the overall expenditure levels will remain according to the adopted financial plan there will be minor shifts in the expenditure levels by Budget Control Levels (BCLs) in preparation for the upcoming conversion of the 2018 Adopted Budget for Summit Re-Implementation (SRI). SRI is a Citywide software update and centralization of the City's Summit accounting system that will begin in January 2018.

The levy is expected to generate revenues of approximately \$58 million over four years. The funding strategy of the levy was to appropriate less than revenues collected in each year early in the life of the levy and hold excess funds in reserve for latter years of the levy as expenditures became larger than earned revenues. This allowed the programs to be phased in. For 2018, the budget assumes \$17 million in revenue from property taxes and parent tuition. In the proposed budget, SPP will appropriate more than \$20 million in revenue.

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Incremental Budget Changes

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	2018	
	Budget	FTE
Total 2018 Endorsed Budget	\$ 20,602,337	0.00
2018 Proposed Budget	\$ 20,602,337	0.00

Expenditure Overview

Appropriations	Summit Code	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration Budget Control Level	IP500	1,906,498	2,328,807	2,576,965	2,576,965
Capacity Building Budget Control Level	IP300	316,395	2,806,910	2,913,052	2,913,052
Contingency Budget Control Level	IP600	127,802	364,532	525,656	525,656
Program Support: Professional Development and Training Budget Control Level	IP200	678,043	1,392,357	2,160,650	2,160,650
Research and Evaluation Budget Control Level	IP400	693,418	759,817	819,711	819,711
School Readiness Budget Control Level	IP100	2,401,326	6,404,381	11,606,303	11,606,303
Department Total		6,123,481	14,056,804	20,602,337	20,602,337
Department Full-time Equivalents Total*		0.00	0.00	0.00	0.00

* FTE totals are provided for information purposes only. Changes in FTEs resulting from City Council or Human Resources Director actions outside of the budget process may not be detailed here.

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Revenue Overview

2018 Estimated Revenues

Summit Code	Source	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
	Investment Earnings	228,909	0	0	0
	Parent Tuition	0	1,541,202	2,554,823	2,554,823
	Taxes, Levies, & Bonds	14,461,556	14,476,260	14,505,565	14,505,565
	Unrealized Gains (Losses)	-114,647	0	0	0
	Total Levy programs	14,575,818	16,017,462	17,060,388	17,060,388
	Total Revenues	14,575,818	16,017,462	17,060,388	17,060,388
371000	Use of (Contribution to) Fund Balance	-8,366,534	-1,960,658	3,541,949	3,541,949
	Total Levy programs	-8,366,534	-1,960,658	3,541,949	3,541,949
	Total Resources	6,209,284	14,056,804	20,602,337	20,602,337

Appropriations By Budget Control Level (BCL) and Program

Administration Budget Control Level

The purpose of the Administration Budget Control Level is to administer Seattle Preschool Program funds.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Administration	1,906,498	2,328,807	2,576,965	2,576,965
Total	1,906,498	2,328,807	2,576,965	2,576,965

Capacity Building Budget Control Level

The purpose of the Capacity Building Budget Control Level is to help preschool teachers, assistants, and directors meet the requirements of the Seattle Preschool Program and to provide support for facility development or remodeling.

Program Expenditures	2016 Actuals	2017 Adopted	2018 Endorsed	2018 Proposed
Capacity Building	316,395	2,806,910	2,913,052	2,913,052
Total	316,395	2,806,910	2,913,052	2,913,052

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Contingency Budget Control Level

The purpose of the Contingency Budget Control Level is to provide additional funding to Seattle Preschool Program programs if initial estimates of costs understated the need for resources, and to support quality improvement efforts that arise as the program is phased in.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Contingency	127,802	364,532	525,656	525,656
Total	127,802	364,532	525,656	525,656

Program Support: Professional Development and Training Budget Control Level

The purpose of the Program Support: Professional Development and Training Budget Control Level is to develop the skills of preschool teachers and directors and to provide support so that children are better prepared for school.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Program Support: Professional Development and Training	678,043	1,392,357	2,160,650	2,160,650
Total	678,043	1,392,357	2,160,650	2,160,650

Research and Evaluation Budget Control Level

The purpose of the Research and Evaluation Budget Control Level is to assist Seattle Preschool Program programs in achieving their intended results and to support continuous improvement.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
Research and Evaluation	693,418	759,817	819,711	819,711
Total	693,418	759,817	819,711	819,711

School Readiness Budget Control Level

The purpose of the School Readiness Budget Control Level is to prepare children for school by providing access to full day preschool for Seattle families regardless of income.

	2016	2017	2018	2018
Program Expenditures	Actuals	Adopted	Endorsed	Proposed
School Readiness	2,401,326	6,404,381	11,606,303	11,606,303
Total	2,401,326	6,404,381	11,606,303	11,606,303

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Preschool Levy Fund Table

Preschool Services Fund (17861)

	2016 Actuals	2017 Adopted	2017 Revised	2018 Endorsed	2018 Proposed
Beginning Fund Balance	12,366,851	18,453,164	20,451,430	20,413,822	22,412,088
Accounting and Technical Adjustments	-281,955	0	0	0	0
Plus: Actual and Estimated Revenues	14,575,818	16,017,462	16,017,462	17,060,388	17,060,388
Less: Actual and Budgeted Expenditures	6,123,481	14,056,804	14,056,804	20,602,337	20,602,337
Less: Capital Improvements	85,803	0	0	0	0
Ending Fund Balance	20,451,430	20,413,822	22,412,088	16,871,873	18,870,139
Reserve Against Fund Balance	20,451,430	20,413,822	22,412,088	16,871,873	18,870,139
Total Reserves	20,451,430	20,413,822	22,412,088	16,871,873	18,870,139
Ending Unreserved Fund Balance	0	0	0	0	0