

August 9, 2022

## MEMORANDUM

**To:** Neighborhoods, Education, Civil Rights, and Culture Committee  
**From:** Brian Goodnight, Analyst  
**Subject:** Council Bill 120398: FEPP Levy Implementation and Evaluation Plan Amendments

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On August 12, 2022, the Neighborhoods, Education, Civil Rights, and Culture Committee will discuss [Council Bill \(CB\) 120398](#) amending the Families, Education, Preschool, and Promise (FEPP) Levy's Implementation and Evaluation Plan. The bill proposes to modify elements of the Seattle Preschool Program enrollment and tuition policies, update program references and an evaluation schedule to reflect changes made in response to the pandemic, and expand the eligible uses of homelessness and housing support services funds.

This memo provides background information on the FEPP Levy and its prior amendments, summarizes each of the proposed amendments, and identifies an issue for Council consideration.

### FEPP Levy Background

In June 2018, the Council approved [Ordinance 125604](#) submitting a proposition to voters to fund education services with a property tax levy generating approximately \$619.6 million over a seven-year period. The proposition combined the activities of two expiring education levies – the 2011 Families and Education Levy and the 2014 Seattle Preschool Program Levy – into one levy, and it expanded the City's education investments to cover the first two years of college. Voters approved the proposition in November 2018 with 69 percent of voters in support. Ordinance 125604 lays out a number of priorities for levy funding and provides that education services should achieve equity in educational outcomes and the levy's goals by providing services across a continuum beginning with early learning and concluding with post-secondary opportunities. The ordinance lays out four investment areas for levy funding: Preschool and Early Learning, K-12 School and Community-Based, K-12 Health, and Seattle Promise.

Section 7 of Ordinance 125604 also provides that levy proceeds may only be spent in accordance with an Implementation and Evaluation Plan (I&E Plan) approved by ordinance, and that the I&E Plan may be amended by ordinance. Council approved the I&E Plan via [Ordinance 125807](#) in April 2019. The I&E Plan provides a substantial amount of detail with respect to the levy's four investment areas and describes the strategies that will be funded within each area. In addition, the I&E Plan also includes information on:

- investment timelines and solicitation processes;
- alignment with other City resources;

- a description of who will be served by the strategies and how services will be delivered; and
- an approach for how the investments will be evaluated.

The Council has amended the I&E Plan three times previously: [Ordinance 126067](#) in April 2020, [Ordinance 126129](#) in August 2020, and [Ordinance 126259](#) in December 2020. All previous amendments approved limited-duration addendums to the I&E Plan in response to the pandemic, and all three of the addendums have expired or are no longer in effect.

### **Summary of Proposed I&E Plan Amendments**

Consistent with the FEPP Levy ordinance from 2018 (Ordinance 125604), the Department of Education and Early Learning (DEEL) consulted with the FEPP Levy Oversight Committee (LOC) between June and September 2021 on the proposed suite of amendments to the I&E Plan. At the September 9, 2021, meeting, the LOC voted to support the amendments and submitted a letter to Council, dated May 26, 2022, documenting that support.

[Attachment 2](#) to CB 120398 contains a red-lined version of the I&E Plan and the proposed amendments. Although the amendments are scattered throughout the document, they reflect six distinct policy changes, described below. The description of these changes includes a reference to which pages of the I&E Plan would be amended to implement the change.

#### **1. Seattle Preschool Program (SPP) Modification Authority**

The first set of proposed amendments to the I&E Plan adds language to specify that DEEL has the authority to modify SPP policies, such as eligibility criteria, tuition thresholds, and participant prioritization, to align with similar county, state, and federal preschool and child care programs. In addition to identifying DEEL's authority to make SPP policy modifications, the proposed amendments also add a requirement that DEEL provide a 60-day written notice to Council prior to any changes taking effect. The I&E Plan currently requires a 60-day written notice for other changes as well, including for changes to provider criteria or to investments in educator diversity programs.

This delegation of authority is discussed further in the Issue for Council Consideration section below.

*I&E Plan pages affected: 7, 36*

#### **2. SPP Tuition**

The existing I&E Plan provides that children in families with income up to and including 350 percent of the federal poverty level attend SPP tuition-free. Families whose income is above that threshold pay tuition based on a sliding scale (which is illustrated in Appendix 4 to the I&E Plan). As family income and federal poverty level increase, so too does a family's tuition contribution.

The proposed amendments would modify references to federal poverty level as the income metric and would allow SPP to use alternative income metrics, such as State Median Income, to calculate the free tuition threshold and the tuition sliding scale. DEEL is proposing this change to align SPP with other preschool and child care programs, such as the City’s Child Care Assistance Program (CCAP) and Washington State’s Early Childhood Education and Assistance Program (ECEAP), that use State Median Income as their income metric.

*I&E Plan pages affected: 32, 33, 122*

### 3. SPP Eligibility

Currently, the plan allows that Seattle children are eligible for SPP if they are three years old or four years old by August 31 of the year in which they wish to enroll. The proposed amendments would add two situations in which children who turn three years old after August 31 would be eligible to enroll:

- If a child is transitioning from Early Head Start or Early ECEAP into an SPP classroom, or
- If a child with an Individualized Education Plan (IEP) is enrolling into an SPP Plus inclusion classroom.

Partner programs, such as the federal Head Start program, currently allow “young three-year-olds” (children who do not turn three until after August 31) into their programs when they turn three-years-old, rather than delaying enrollment until the next school year. Given the restrictions on SPP enrollment, if DEEL’s Head Start and ECEAP partners enroll these young three-year-olds in their programs, they must do so without SPP support. The proposed amendments would allow these children to also enroll early in SPP, thus allowing SPP funding to be blended with funding from either Head Start or ECEAP to support these students.

With regard to students with IEPs, SPP Plus offers inclusive preschool classrooms and instruction for students with and without disabilities. DEEL has piloted accepting young three-year-olds into SPP Plus classrooms and found that Seattle Public Schools (SPS), as the partner operating the SPP Plus classrooms, was able to fill unused seats and offer full-day inclusive programming to children who otherwise would not be eligible until the following school year. Early enrollment for these children increases the amount of preschool services received from approximately 10 hours per week in an SPS developmental preschool program to 30 hours per week in an SPP Plus classroom.

DEEL estimates that fewer than 10 children would have benefitted from these changes over the past two school years, indicating that the limited expansion of the program would not impose significant enrollment or financial pressures on the program.

*I&E Plan page affected: 33*

4. SPP Summer Extension

The fourth proposed amendment would modify the I&E Plan to recognize that DEEL has the authority to modify contracts with SPP providers to extend SPP into the summer months.

In spring 2021, DEEL began offering providers with contracts for the 2020-2021 school year the opportunity to conduct two additional months of preschool programming. The intent of DEEL in offering this summer extension option was to help mitigate learning loss experienced during the pandemic and its disproportionate impact on children of color. DEEL continued this summer extension option for providers in 2022 and intends to continue the practice moving forward.

Although the I&E Plan does not specifically restrict SPP to only operating during the typical school year calendar, the program was designed on the assumption of preschool being offered six hours per day, 5 days per week, for 10 months per year. The amendment would modify the I&E Plan to accurately reflect DEEL's option to extend SPP into the summer months.

According to DEEL, the extension of SPP contracts into the summer months is not expected to impact overall projected SPP expansion. (SPP is expected to serve approximately 2,500 students in the 2025-2026 school year.<sup>1</sup>) In 2022, SPP summer extension is serving almost 800 students at a cost of approximately \$2 million. DEEL believes that sufficient funding will be available on an annual basis to support this programmatic expansion.

*I&E Plan page affected: 36*

5. Preschool and Early Learning Evaluation Timeline

The fifth proposed amendment would update a table in the I&E Plan displaying the timeline for various evaluations of the FEPP Levy's preschool and early learning investments. The evaluation plan for this investment area was designed to assess outputs and short-, medium-, and long-term outcomes through three tiers of evaluation: monitoring and performance, process, and outcome and impact.

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<sup>1</sup> Table 11 on Page 35 of the I&E Plan contains the projected SPP expansion schedule.

Due to disruptions caused by the pandemic, DEEL has modified some of the timelines and evaluation milestones. Similar to the previous item, the amendment is proposed so the I&E Plan accurately reflects the modified evaluation plan.

*I&E Plan page affected: 55*

6. K-12 Homelessness and Housing Support Services Expansion

The final proposed amendment is the only amendment that falls outside of the Preschool and Early Learning investment area. The proposed amendment would expand the eligible uses of funds in the Wraparound Services strategy of the K-12 School and Community-Based investment area. Specifically, the amendment would modify investments in the Homelessness and Housing Support Services category, which are intended to provide funding assistance to help unstably housed students and families and prevent further homelessness.

Once a student is identified as being homeless or unstably housed by Seattle Public Schools, a school representative connects the student and their family with a contracted housing support service provider. The provider can then assist the student and family by providing emergency assistance funds, which are currently allowed to be used to pay for rent, housing deposits, and other housing-related expenses.

The proposed amendment would broaden the eligible uses for these emergency assistance funds to include other basic needs related to a student's housing situation that would present additional barriers to the student's ability to engage in academic activities. The examples provided in the proposed amendment are nutrition, clothing, and transportation expenses.

According to DEEL, the proposed amendment will not expand the number of students eligible for assistance nor increase the total amount of funding available per student, which is currently set at \$3,000 per family per year. Rather, expanding the eligible uses will allow those funds to be used to address the needs of unstably housed students in a more holistic manner.

*I&E Plan page affected: 77*

**Issue for Council Consideration**

1. Delegation of Authority

As described in Item 1 above, one of the amendments proposed in CB 120398 would add the following language to Page 36 of the I&E Plan: "DEEL has the authority to modify SPP policies, such as eligibility criteria, tuition thresholds, and prioritization, to

align with equivalent county, state, or federally sponsored preschool and childcare programs.”

In recent years, state and federal programs have made adjustments to their program policies, and DEEL expects that early learning programs will remain a priority and additional changes may be forthcoming. For example, the state legislature passed the [Fair Start for Kids Act](#) in 2021 ([SB 5237](#)) changing the subsidy metric for the state ECEAP program from federal poverty level to state median income. DEEL is requesting this flexibility to make policy adjustments to keep SPP in alignment with these other, similar programs as changes occur.

The proposed amendments would also make two changes to Page 7 of the I&E Plan which describes the types of changes that require approval by the Council and those that only require notification.

- First, rather than requiring Council approval for modifications to the tuition requirements for SPP as the I&E Plan currently does, the proposed amendments would require Council to approve the removal of the tuition requirement altogether. DEEL has indicated that there are no current plans to remove the tuition requirement, but they recognize that this would represent a significant policy shift for the program.
- Second, among other notice requirements, the I&E Plan currently requires DEEL to provide a 60-day written notice to the Council prior to modifying SPP’s child selection prioritization. The proposed amendments would require DEEL to provide the written notice prior to modifying any SPP policies to align with similar county, state, or federal programs.

In summary, the proposed amendments would allow the department greater flexibility to make SPP policy adjustments in a changing early learning landscape. To do this, however, would require the Council to delegate authority for certain SPP policy changes.

Options:

- A. No change. Accept the amendment as proposed.
- B. Reject the amendment as proposed to allow DEEL to modify SPP policies to align with county, state, and federal preschool and child care programs. Potentially also amend Page 7 of the I&E Plan to provide additional clarity on what aspects of the I&E Plan DEEL can amend without Council approval or notification.

cc: Esther Handy, Director  
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