



# School Board Briefing/Proposed Action Report

**Informational** (no action required by Board)     **Action Report** (Board will be required to take action)

**DATE:** May 1, 2016  
**FROM:** Dr. Larry Nyland, Superintendent  
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## I. TITLE

Motion to accept a proposal to Region X, ACF, Office of Head Start, to reduce slots from 430 to 400 as part of the plan to manage the 2017 Head Start budget.    **For Introduction:** May 18, 2016  
**For Action:** June 1, 2016

## II. WHY BOARD ACTION IS NECESSARY

School Board action is necessary because, as the Governing Body for the Head Start grant, any request to change the grant conditions requires the approval of the Board.

## III. FISCAL IMPACT/REVENUE SOURCE

The revenue source for this motion is Federal grant funding of \$4,195,939. The proposal is to serve fewer children with the same grant amount.

Expenditure:     One-time     Annual     Other Source    NA

## IV. POLICY IMPLICATION

NA

## V. RECOMMENDED MOTION

I move that the School Board: (1) approve the proposal to reduce Head Start slots from 430 to 400; (2) authorize the Board President to execute the required Assurances; and (3) authorize the Superintendent to take any additional steps as are necessary to implement this action.

## VI. BOARD COMMITTEE RECOMMENDATION

The Board’s Audit & Finance Committee was presented with this proposal on May 12, 2016. The Committee moved this item forward to the full Board for consideration.

## **VII. BACKGROUND INFORMATION**

Head Start is a comprehensive child development program that serves children and families. It is child-focused and has the overall goal of increasing the school readiness and social competence of young children in low-income families, as well as families on Temporary Assistance for Needy Families (TANF) or Supplemental Security Income (SSI), with foster children and/or homeless.

Head Start is in the third year of a five-year grant with a set annual allocation. Due to unanticipated increases in staff salaries and benefits enacted with the Collective Bargaining Agreement with the Seattle Education Association of September 2015, the program is facing substantial deficits for the coming years. A primary mechanism of the Head Start grant for budget management purposes under unusual/unforeseen and high impact circumstances is a reduction of slots that results in reduction of staffing costs, by far the highest category of budget expenditures. This proposal will enable the program to meet two-thirds to three-fourths of its anticipated budget shortfall, depending on the possibility of a small Cost of Living Adjustment (COLA). The remainder of the gap will be closed by administrative staff reductions and/or other budgetary reductions.

This is part of the plan to manage the Head Start budget in light of increases in staff salaries and benefits resulting from the Collective Bargaining Agreement with SEA. The slot reduction will result in closure of two Head Start classes at Highland Park Elementary.

Federal Head Start regulations require approval of this change in the grant by Head Start Policy Council and the Board.

## **VIII. STATEMENT OF ISSUE**

Federal Head Start Performance Standards and regulations require that the Board of Directors approve changes to the conditions of the grant award. The Board is being asked for approval.

## **IX. ALTERNATIVES**

Do not approve the proposal. This would require the District to find/allocate roughly \$240,000 per year to operate the Head Start grant. Therefore, this alternative is not recommended.

## **X. RESEARCH AND DATA SOURCES / BENCHMARKS**

- FACES findings-(Family and Child Experiences Survey)-Research on Head Start outcomes 2006, the Head Start Debates
- Into Adulthood: A Study of the Effects of Head Start, by Sherri Oden, Lawrence Schweinhart, and David Weikart with Sue Marcus and Yu Xie (2000)
- Longer Term Effects of Head Start (National Bureau of Economic Research) Working Paper No. [8054](#)), authors Eliana Garces, Duncan Thomas, and Janet Currie
- The Advisory Committee on Head Start Research and Evaluation, August 2012

## **XI. TIMELINE FOR IMPLEMENTATION / COMMUNITY ENGAGEMENT**

This budget circumstance and developing plan has been discussed at Head Start Policy Council meetings beginning in Fall of 2015. This proposal was approved by the Policy Council at the March 9, 2016 meeting. The change would be effective September 1, 2016, if the School Board approves this motion.

## **XII. ATTACHMENTS**

- Proposal letter to the Federal Government



To: Patricia Fisher, Grants Management  
CC: Julianne Crevatin, Acting Program Manager, Head Start  
Maralyn Akiyama, Program Specialist, Head Start  
Robert Cardona, Fiscal Specialist, Head Start

**Request for Enrollment Reduction**

Spring 2016

Seattle Public Schools 10CH0196

With the support of the Seattle School Board and the Policy Council, we respectfully request a reduction in enrollment from 430 slots to 400 slots, effective for the 2016-17 school year.

For years, SPS has adjusted its structural and other supports for the program as costs have risen and increased resources have not kept up with those rising costs.

This request is part of a two-year plan to restructure the program and make it sustainable over time. As a result of the Seattle Education Association (SEA) – Seattle Public Schools bargaining agreement of this past September, resulting in long overdue increases in salaries and benefits to our represented staff, our budget shortfall for this current year came in at roughly \$150,000. We appreciate the support of the Office of Head Start to help us cover this amount by approving carryover funds. For next year, our anticipated shortfall is \$320,000. The reduction that we are requesting would permit us to reduce staffing by \$240,000. Any additional Federal funds will be factored in and the rest of the \$320,000 we need to find for next year will come from an administrative position.

With an additional \$130,000 salary and benefits boost on the horizon for the following year, next year's efforts to restore sustainability will focus on restructuring staffing days and hours and potentially our service model in line with OHS's support for increase in class time for children.

As we reduce slots, it is important to note that we have carefully reviewed our demographic information, in particular the areas we serve where early childhood education services beyond what Head Start offers are being provided, so currently served Head Start children at the site we will vacate will continue to have options. We will offer them slots either at a neighboring Head Start site (there are two within a few miles of the site; we will provide transportation as well) or, if they prefer to remain at the current elementary school, they will be enrolled in a Seattle Preschool Program class.

Below we address the areas/questions identified in the Information Memorandum (ACF-IM-HS-08-03) from January 22, 2008.

**Evaluate current administrative structure and administrative costs**

Our administrative structure has been pared down significantly (25%) in the past decade, as we have adjusted to increased costs and largely flat funding. Our current salaries and benefits percentage of the overall budget now tops 90%. Our administrative costs rate has typically been near 10%.

**Evaluate current supervisory structure**

Our current supervisory structure looks like this:

The Program Manager supervises:

- Operations Manager
- Curriculum Coordinator
- Family Services Supervisor
- Family Involvement Coordinator
- Health Coordinator
- Administrative Assistant
- Coach
- Area Supervisors (2)

The Operations Manager supervises:

- Fiscal Specialist
- Data Entry (2)

The Family Services Supervisor supervises:

- Family Support Staff (10)

Area Supervisors supervise the teaching staff:

- 22 Family Educator IIs (teachers)
- 12 Family Educator Is (assistant teachers)

Overall, we have 56 staff (not counting the Program Manager) who are supervised by 5 Leadership Team members. While we may reassign some responsibilities, we are somewhat constrained by the organizational structure and what content knowledge the supervisor needs to have in order to properly support the staff they supervise.

**Examine staffing ratios for positions which do not have mandated ratios**

Our salaries and benefits, driven largely by a negotiated agreement between the SEA and Seattle Public Schools, consume 90% of our grant award. We have become habituated to both examining and in numerous cases eliminating any positions for which we do not have a high need. We are in that position again and may cut an additional administrative position.

**Evaluate current fringe benefit package**

The District is tied into a specific benefits package. Seattle Public Schools is continually assessing its options of limiting expenses within the contracts and commitments to staff that it has.

**Review travel and other discretionary costs**

We do not travel out-of-state. Our location in a large urban environment allows us to take advantage of many local training opportunities.

**Assess the need for any staff not integral to providing a quality Head Start program consistent with all statutory and regulatory requirements**

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**Review the reasonableness and cost effectiveness of program operations**

Program operations have undergone scrutiny as well during these years when salary and benefit costs have risen out of proportion to grant increases. For example, we pay nothing for items like classroom and office space, utilities, upkeep and repairs of space, postage, insurance, computer software (except ChildPlus license).

We utilize free professional development provided by the school district in health and safety, equity, customer service and other topics.

Our classroom staff (educational and social services) are cross-trained to maximize use of skills. Same with administrative staff.

We use in-district bilingual staff whenever possible to minimize cost of written translations.

We enjoy economies of scale in purchasing furniture, supplies and equipment because we are part of a large school district.

**Program Option**

We have always provided a part-day, part-year option. During sequestration, the District relinquished its full-day child care slots/option.

**Additional Federal Resources**

Beyond use of USDA (United States Department of Agriculture) funds for reimbursement of school meals, we do not have access to additional Federal resources.

**Seek alternative non-federal resources**

The District provides additional supports. We draw on community resources for Non-Federal-Share.