

Durham PreK Governance Committee Meeting NOTES

May 18, 2023 (9:30 – 11:30)

The meeting was live streamed on the Durham PreK YouTube Channel and conducted on Zoom. [Recording here.](#)

In Attendance, listed in random order:

Voting Members: Dr. Iheoma Iruka, Joy Spencer, Michelle Lyn, Cathy Collie-Robinson (left at 11:34), Sharon Hirsch, Deric Boston (left at 11:25), Xavier Cason, Wykeshia Glass, Dr. Nakia Hardy, Darnella Warthen, June Shillito (entered 10:25), Kate Goodwin (entered at 10:36)

Non-voting Members: Dr. Kristi Snuggs, Dr. Linda Chappel, Tosh Adams, Cate Elander, Jena Fuchs, Monnie Griggs, Joy Turner, Tammorah Mathis, Maggie West, Jameka Wells

WHAT	NOTES
Welcome and Introductions	<ul style="list-style-type: none">• Welcome and Introductions.<ul style="list-style-type: none">◦ YouTube livestream◦ Attendance reviewed and meeting quorum verified• Reviewed virtual meeting protocol• Introduced Maggie West, the new Workforce Support Manager at CCSA
Meeting Objectives	<ul style="list-style-type: none">• Approve meeting notes from March meeting*• Consider end-of-year spending authorization• Review for approval the SY 2023-2024 reimbursement plan <p>If time allows:</p> <ul style="list-style-type: none">• Share program updates• Confirm meeting schedule for SY 23-24

<p>End of year spending authorization</p>	<p>Consider the following with surplus funds:</p> <ul style="list-style-type: none">• Bonus payments to instructional staff• Classroom supply payment <p>Information provided:</p> <ul style="list-style-type: none">• When there is a surplus of funds, Governance authorizes year-end spending. In March, we discussed the possibility of classroom bonuses and Governance asked us to collect feedback from providers. We talked to providers over Zoom and also collected feedback through a survey. Questions focused on how a bonus payment would be helpful, what a bonus payment would be used on, the impact of increased costs on programs during this school year, and the difference between a restricted or unrestricted bonus.• Private site owners were surveyed. We asked about the impact of inflation. Increases in the cost of food was mentioned by all providers. The survey gave insight on how bonuses would be helpful and what program areas they would potentially support, such as- food, utilities, rent, staff compensation, classroom materials, cleaning and paper products, building and playground maintenance, staff recruitment, and insurance. 100% of sites report that a classroom bonus would be helpful and 100% prefer that the bonus be unrestricted so they can determine how the money can best be spent based on their site’s needs. <p>Discussion:</p> <ul style="list-style-type: none">• Dr. Iruka asked if the funds had to be spent this year. Dr. Chappel said that the funds would revert back to the county if unspent, although we can ask the county if we can carry unspent funds forward. We have never asked for this before.• Dr. Chappel reminded members that Governance members would be voting to approve a recommendation for Durham PreK classroom bonuses and that any provider will need to recuse themselves from the vote.
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<p>Action taken</p>	<p>Governance unanimously approved unrestricted Durham PreK classroom bonuses</p> <p>Motioned by Cathy Collie-Robinson, seconded by Sharon Hirsch, all in favor</p> <p>(Deric Boston and Dr. Nakia Hardy recused themselves from the vote.)</p>
<p>Action Taken</p>	<p>Governance unanimously approved the meeting notes from March 2023</p> <p>Motioned by Darnella Warthen, Seconded by Cathy Collie-Robinson, all in favor</p>
<p>Review Increase</p>	<ul style="list-style-type: none"> • Provide context for DPK rates by reviewing Durham’s reimbursement rates for 4-year-old public preschool and child care. • Examine our previous rate increases • Receive a recommendation for a rate increase <p>Information Provided:</p> <p>A monthly pre-k rate comparison chart was reviewed. It is the same chart reviewed at the March Governance meeting but a bar was added for “potential subsidy rate”. This is not current but is being talked about a lot at the state level so we wanted to bring awareness to this potential change. In private care, the Durham average 4 year old rate for 5 star centers has increased and private average tuition is currently \$1212. We mention this for context given that Durham PreK has a number of quality requirements that are costly, the biggest one being our requirement to pay lead teachers on the public school salary scale as well as having a minimum base pay for instructional assistants.</p> <ul style="list-style-type: none"> • Subsidy rate \$1156 • Potential subsidy rate \$1270 • NC Pre-K rate \$1100 • Average private tuition \$1212

	<ul style="list-style-type: none"> • DPK rate \$1350 <p>Further data reviewed:</p> <ul style="list-style-type: none"> • Durham PreK reimburses for a 6.5 hour day • Durham PreK has higher standards than the 5-star rating in NC rated license • \$866-\$1840 is the range in monthly private tuition rates in Durham for 4-year-olds in 5-star rated centers • \$1200 is the median private tuition rate for 5-star 4-year old care • \$1156 is the child care subsidy reimbursement rate for 4-year old care in 5-star rated programs. Private tuition at most centers in Durham fall above that rate. <p>Recommendation:</p> <ol style="list-style-type: none"> 1. Increase the monthly DPK rate by 4% from \$1350 to \$1400 for next fiscal year. Rates were previously increased in May 2022 by 4% to \$1300 per child per month. Rates were increased again in January 2023 by 4% to \$1350. We are recommending that we move to a \$1400 reimbursement rate, irrespective of any other changes we may make to reimbursement plans. <p>Discussion:</p> <ul style="list-style-type: none"> • No discussion
Action Taken	<p>Governance unanimously approved an increase Durham PreK reimbursement rate by 4% for the 2023-2024 school year</p> <p>Motion made by Darnella Warthen, Seconded by Sharon Hirsch, all in favor</p> <p>(June Shillito, Deric Boston, and Dr. Nakia Hardy recused themselves from the vote)</p>

Proposed New Payment Plan

- Make a pre-service payment that consists of an additional payment in August based on seat allocation
- Make the remaining payments for the 10-months of the school year based on enrollment and attendance in alignment with NC PreK reimbursement

In preparation for the Governance decision, we:

- Developed site specific reimbursement estimates
- Met with leadership from 100% of private DPK sites individually, after sending them their individual report about how the new payment plan would impact them
- Gathered feedback on the payment model from all of the DPK early education programs (either owners and/or directors) through a survey
- Held two information sessions for Governance members to ensure they had all of the information they need before voting

Joy Turner reviewed the proposed payment model change for Durham PreK for the 23-24 school year that was shared prior to the meeting. Highlights:

- Clarified that all calculations in this document are estimates based on the sites' current seat allocations for this school year, their current teachers' BK status, and average enrollment for the months of December-March. These are not guaranteed payment amounts and could change based on changes to any of these factors. These are the best estimates we could provide at this time.
- Overview of the DPK payment model
 - Pre-Covid, NC Pre-K always paid based on enrollment and attendance so that seats that were empty did not receive a payment. When Durham PreK first started, we followed NC PreK's payment practices due to the number of seats that were receiving funding from both Durham PreK and NC Pre-K.
 - From April 2020-June 2022, NC Pre-K paid on allocation, meaning sites received payments for empty seats, and Durham PreK followed suit with that decision. Paying on allocation during that time was critical due to low enrollment related to the pandemic and was key to stabilizing the ECE workforce.
 - In the current school year, NC Pre-K paid the first three months based on allocation and then switched back to their original payment model of paying on enrollment and attendance for

the remainder of the school year. Durham PreK Governance voted to continue paying on allocation for Durham PreK seats for the entire school year. She mentioned that paying differently than NC Pre-K creates a higher risk for payment error that is very challenging and effects the quality of data we're able to report out regarding child enrollment.

- Joy explained the difference between paying on allocations, paying on enrollment, and paying on attendance and reviewed our flexible attendance policy which only withholds payment if a child misses 50% of the month. It is rare that attendance impacts payments. Only 12 children for the current school year had their payments prorated due to their attendance. When we talk about the difference between paying on allocation and paying on enrollment and attendance, it is important to understand that enrollment, not attendance, impacts payments the most.
- The new proposed model aligns with NC Pre-K on paying on enrollment for the 10 months of the school year and includes a pre-service payment to sites, based on their allocation, which would be provided in August after contracts are signed.
- The pre-service payment will be calculated as 15% of the site's maximum annual payment based on allocated seats and current teacher BK status. So, we would calculate what their maximum annual payment would be if they were fully enrolled all year, take 15% of that, and issue a payment in that amount to sites as an additional payment in the month of August, over and above what they would normally receive through the 10 months program operation.
- The pre-service payment is an additional payment that would assist with cash flow at the beginning of the year and account for a 15% vacancy rate throughout the school year. The result would be that sites with a vacancy rate of less than 15% would actually see an increase in reimbursement above what they would receive through the allocations based payment model we've been using for the current school year.

Discussion:

- Dr. Iruka brought up that this model, as far as we know, has not been seen in any other program in North Carolina, or any other states
- Dr. Chappel confirmed that we have not come across any other program with this model and we feel that this is a progressive option.

	<ul style="list-style-type: none"> • Xavier Cason thanked the group for the intentional work being done to collect feedback from providers and in doing so, getting closer to addressing root causes and reaching sustainable solutions. • June Shillito read a letter written by some providers.* [<i>a copy of the letter was not available prior to the meeting but was sent to all members afterward</i>] <ul style="list-style-type: none"> ○ The letter thanked Governance members for their unwavering support throughout the current school year. It advocated for Durham PreK to continue reimbursing centers based on slot allocations for the 2023-2024 school year and beyond. It said that the attendance-based policy penalizes providers for children’s attendance which they cannot control. It brought up the issue of equity since children from low-income families are more likely to have attendance issues. The letter also urged Governance members to reevaluate the current educational requirements for DPK’s instructional assistants as a strategy to address staffing shortages. It noted that NC Pre-K recognizes the Child Development Associate Credential (CDA), but DPK does not. Neither program currently considers years of experience and the letter suggested this is an area worth exploring as well. • Dr. Chappel asked if clarity could be given on what providers, or how many, were represented by the letter as she spoke to several providers the day before who said they were not represented by the letter. June said there were three providers involved that she is aware of. • Dr. Chappel said we will send a copy of the letter to Governance members once it is received. She also mentioned we are not prepared to discuss any changes to education requirements at today’s meeting but can address that at a future meeting. • Dr. Iruka and Cathy Collie-Robinson agreed it would be helpful to know what providers are represented by the letter and thanked providers for sharing their input.
Action Taken	<p>Governance unanimously agreed to enter a closed session to discuss how the proposed payment model will impact specific sites.</p> <p>Motioned by Cathy Collie-Robinson, Seconded by Deric Boston, approved by all</p>

<p>Action Taken</p>	<p>Members returned from closed session.</p> <p>Xavier Cason motioned to accept the proposed new payment plan for all sites that includes a pre-service payment in August based upon seat allocation and payment on enrollment and attendance in alignment with NC Pre-K reimbursement for the 10 months of the school year. Sharon Hirsch seconded the motion. All in favor.</p> <p>(June Shillito recused herself from the vote)</p> <p>Darnella Warthen proposed an amendment that we only consider the motion for private sites. The amendment was not accepted.</p>
<p>Updates & Reminders</p>	<ul style="list-style-type: none"> • Update that the Durham PreK Community meeting that was scheduled for June is postponed. Partners are working collaboratively on a report on Durham’s progress. • Reminder that we need nominations for new Governance Committee members. Our goal is to recruit 2-4 new members for SY 23-24, such as a practicing early educator, parent, business or faith leader, or early childhood researcher. We are also accepting nominations for a new chairperson, and a new vice-chairperson. • *Encouraged members to review program updates which were shared via email. • Reviewed the Governance Committee meeting schedule for next year. <ul style="list-style-type: none"> ○ Holding July 20, 2023; 9:30-10:30 (in case needed) ○ September 21, 2023; 9:30-11:30 ○ November 16, 2023; 9:30-11:30 ○ January 18, 2024; 9:30-11:30 ○ March 21, 2024; 9:30-11:30 ○ May 16, 2024; 9:30-11:30
<p>Action taken</p>	<p>Meeting adjourned at 11:33am</p>

*** Agenda items with handouts**