



City of San Antonio

Agenda Memorandum

File Number:

Agenda Item Number: 21

Agenda Date: May 16, 2024

In Control: City Council A Session

DEPARTMENT: Pre-K 4 SA

DEPARTMENT HEAD: Dr. Sarah Baray

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Pre-K 4 SA FY 2025 Budget and associated Personnel Complement.

SUMMARY:

Ordinance approving the Pre-K 4 SA FY 2025 Budget for the fiscal year beginning July 1, 2024 and ending on June 30, 2025 in the amount of \$65,160,618, and personnel complement as adopted by the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors on May 8, 2024.

BACKGROUND INFORMATION:

In August 2012, City Council authorized the creation of the San Antonio Early Childhood Education Municipal Development Corporation for the purposes of increasing literacy through high quality early childhood education in accordance with Chapter 379A of the Texas Local Government Code, known as the Better Jobs Act. In November 2012, San Antonio voters approved a 1/8th of a cent sales tax for the benefit of the Corporation to fund the Pre-K 4 SA Initiative for an initial eight-year period. In November 2020, voters approved a reauthorization of the 1/8th of a cent sales tax for an additional eight-year period, funding the program through 2029. Pre-K 4 SA is governed by an eleven-member Board of Directors appointed by the Mayor and City Council serving two-year staggered terms. The program does not receive any revenue from the City's

General Fund.

Pre-K 4 SA is a comprehensive initiative designed to improve access to high-quality early childhood learning through: 1) model Education Centers serving 2,000 children annually; 2) family outreach and engagement; 3) professional learning for early childhood educators; and 4) grants to improve the quality of early learning and care in public, private, and parochial schools and child care providers across San Antonio.

Pre-K 4 SA Education Centers meet national standards for high quality early childhood education and serve as demonstration sites to assist other early learning programs to improve quality. The Education Centers also serve as incubators of innovation to test new ideas that are shared with early learning programs across the city. The four Education Centers will serve a total of 2,000 children during the 2024-25 school year.

Independent evaluations demonstrate that San Antonio's investment in high quality early learning has long-lasting benefits. The program increases kindergarten readiness and leads to higher attendance rates, decreased need for special education services, and better 3rd grade math and reading scores. A 2019 study estimated that Pre-K 4 SA returned \$59 million dollars in benefits to San Antonio in the first eight years of operation (Source: 2019 cost-benefit study, Westat, University of Pennsylvania, and Teacher's College at Columbia University).

By design, Pre-K 4 SA does more than provide an outstanding educational experience to children who attend a Pre-K 4 SA school. Pre-K 4 SA also increases access to high-quality early learning by supporting other early learning programs through grants and professional learning. Since receiving grant funding from Pre-K 4 SA, six partner districts and two schools in the Archdiocese system have increased the quality of their prekindergarten programs as measured by the National Institute of Early Education Research (NIEER) Prekindergarten Benchmarks, which are associated with long-term benefits for children. NIEER ranks Texas public prekindergarten programs as meeting only four of the 10 benchmarks, among the lowest in the nation. In contrast, every Pre-K 4 SA partner district and school meets at least 6 benchmarks. Two districts meet more than eight benchmarks, making them Gold Standard programs.

ISSUE:

During the May 1, 2024 "B" Session, City Council was provided with a programmatic update and informational briefing on the Pre-K 4 SA FY 2025 Annual Budget that was adopted by the San Antonio Early Childhood Education Municipal Development Corporation Board of Directors on May 8, 2024.

The four Pre-K 4 SA Education Centers, located in the North, South, East and West quadrants of San Antonio, serve 500 students each in a full-day program with free extended hour learning for working families. Pre-K 4 SA also operates the Gardendale Early Learning Program in partnership with Edgewood ISD. Gardendale serves approximately 275 children in pre-k through second grade. Pre-K 4 SA classrooms are staffed with certified teachers and credentialed assistant teachers who have specialized training in early education. The FY 2025 Pre-K 4 SA personnel complement consists of 502 authorized positions, which includes 104 certified teachers, 11 Associate Teachers,

115 Assistant Teachers, and 104 Teacher Aides. The proposed budget includes funding for SAPD to provide full-day security coverage at Pre-K 4 SA education centers.

Below is an overview of Pre-K 4 SA's Proposed Annual Operating Budget for FY 2025 to include major program areas.

<u>Operating Expenses and Transfers</u>	<u>Proposed FY 2025 Budget</u>
Model Schools	\$29,635,974
Operational Systems & Services	\$3,827,275
Facilities, Leases & Maintenance	\$8,204,522
Grants	\$3,458,281
Innovation Sites	\$2,586,357
Professional Learning	\$4,499,807
Program Evaluation & Research	\$634,320
Outreach, Engagement & Communications	\$3,237,139
Administration	\$1,755,545
Sales Tax Collection Fee	\$1,070,217
South Building Project	\$5,000,000
Transfers to Other Funds	\$1,251,181
<i>Total Budget</i>	<i>\$65,160,618</i>

The Pre-K 4 SA FY 2025 Proposed Annual Operating Budget reflects a 10% increase from the FY 2024 Adopted Annual Operating Budget. Appropriations are required for the hiring of Education Center staff, food service, and other expenses required for the daily operations of each Education Center. The budget also supports the addition of 12 positions to increase instructional support, reduce reliance on temporary services, and provide support for the enhancement of educational services.

ALTERNATIVES:

Consideration of this item is required by the Pre-K 4 SA bylaws. If City Council does not approve this item as presented, then the Pre-K 4 SA Board of Directors will be required to present an amended budget to Council for approval. Pre-K 4 SA is unable to make any expenditures until a budget has been adopted by the Board of Directors and approved by City Council.

FISCAL IMPACT:

This action will not impact the City's General Fund Budget. The FY 2025 Pre-K 4 SA program Budget, as adopted by the Board of Directors on May 8, 2024, is \$65,160,618. This action also will allow for any budget adjustments necessary to reflect internal services and indirect cost assessments originally authorized in the City's FY 2024 budget.

RECOMMENDATION:

Staff recommends that City Council approve the FY 2025 Annual Budget as adopted by the San Antonio Municipal Development Corporation Board of Directors on May 8, 2024.