



**RECOMMENDATIONS FOR RE-AUTHORIZING  
THE PUBLIC EDUCATION AND ENRICHMENT FUND (PEEF)  
Toward improving the well-being of SF's children, youth and their families**

CREATED BY THE CHILDREN'S FUNDING COMMUNITY COALITION – Mar. 2014

The Children's Funding Community Coalition is a coalition of community based organizations and service providers who came together over a year ago to discuss improvement for the system of services for children, youth and their families in San Francisco, as related to both PEEF and the Children's Amendment. We are case managers, workshop facilitators, youth workers and teachers. We are parents, executive directors, transitional age youth and program staff. Some of us are new to the field, and others have been serving children, youth and families for decades. We are ALL committed to the next generation of San Francisco. And it is with the next generation in mind, that we have spent over eighteen months developing our policy recommendations.

The Public Education and Enrichment Fund (PEEF) was created as a result of a ballot measure passed by San Francisco voters in 2004, during a time of diminishing resources for education due to state and federal cuts. A critical resource for our schools and for our young children, the intention was to bolster existing resources and provide greater supports for critical programs.

PEEF funding is split into thirds:

- The first third of the total PEEF fund is allocated to San Francisco First Five for Preschool For All, a universal preschool program designed to serve 4 year olds.
- The second third is allocated to San Francisco Unified School District to support sports, libraries, the arts and music (SLAM).
- The last third is also allocated to San Francisco Unified School District, and is discretionary spending for the school district. Known as the "Third Third", this funding supports programs such as Wellness Centers, Student Support Professionals, Translation Services, Restorative Practices, Peer Resources, and Summer School.

Thousands of children and youth benefit annually from the programs supported by PEEF. The original intent was to supplement existing resources and programs and ensure that we were growing our investment in preschool, in the arts, sports and libraries, and in programs like peer resources or credit recovery. But due to state cuts and tough budgeting decisions, we've seen many of these programs get siloed and become funded solely through PEEF, rather than the PEEF funding supplementing the previous general fund support these programs might have received. This is particularly true for programs funded through the school district. We are clear that many of these programs demand an increase in investment from diverse funding sources in order to serve equitably all children and youth in San Francisco, and we hope to continue to work towards that goal together.

With that, we are proud to share with you our recommendations for the re-authorization of the Public Education and Enrichment Fund.



**I. ENSURE THE LONG-TERM SUSTAINABILITY OF THE FUND**

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**BASELINE AND ANNUAL CONTRIBUTIONS**

The current legislation states that starting with fiscal year 2010-2011, the fund will equal the contribution for the previous year, adjusted for increases or decreases in the general fund. The legislation also includes language about a baseline to ensure that PEEF funding is not supplanting existing financial support for key programs through other sources.

Proposed changes

**Recommendation 1:** Maintain the language regarding annual contributions to ensure that the fund will continue align with general fund revenues, and strengthen the language regarding the baseline, to protect against supplantation.

Rationale for proposed changes

The intent of the original legislation was to supplement existing resources for key programs for children and youth in San Francisco. Maintaining and strengthening the language for the baseline and annual contributions will help ensure the original goals are met and that the City and the school district fulfill their financial commitment to these critical programs.

**IN-KIND SERVICES**

The current legislation states that the Mayor and Board may consider both direct financial support and the cash value of any in-kind support services, provided by the City to SFUSD and First Five, provided that at least two-thirds of the City's contribution shall be comprised of direct financial support.

Proposed changes

**Recommendation 2: Remove "in-kind" services from the legislation to ensure that the school district programs and Preschool for All receive the maximum amount of direct financial support.**

Rationale for proposed changes

In-kind contributions and collaboration are important and should be encouraged in the partnership between the city and the school district, as well as with the First Five Commission. That said, in-kind contributions in the current legislation are not well-defined and there is no clear criteria for determining what types of resources qualify on an annual basis. Preschool for All and the school district—and the children they serve— should receive the full amount of direct financial support available. This will add an additional approximately \$4 million in direct financial support to SFUSD programs through PEEF.



**ADJUSTMENTS/“THE TRIGGER”**

The current legislation states that if the Joint Budget Report projects a deficit of \$100 million or more, the Mayor and Board of Supervisors may reduce the City’s contribution to PEEF by up to 25% (commonly referred to as “pulling the trigger”).

Proposed changes

**Recommendation 3: Remove the “trigger” language from the legislation.**

Rationale for proposed changes

The ability of the Mayor and Board of Supervisors to reduce the City’s contribution to PEEF creates serious instability in funding for the schools and universal preschool. The City has used this power even in years when there was significant growth in the general fund and there was enough flexibility to invest in several new programs or expansions to existing programs, and has used this power the majority of years that PEEF has been in existence. Removing the “trigger” language will create better planning and stronger programs for the children and youth of San Francisco.

**SUNSET DATE**

The current legislation is to expire or sunset 11 years after it was enacted, at the end of fiscal year 2014-15.

Proposed changes

**Recommendation 4:**

End the sunset of the Fund, but require a review of the measure’s allocations and impact every 10 years. The review shall include a broad public engagement process and allow for input from students, parents, educators and service providers.

Rationale for proposed changes

This will ensure sustainable and stable funding, and will contribute to stronger and more stable programs for the city’s children and youth.



## **II. SAN FRANCISCO UNIFIED SCHOOL DISTRICT**

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### **RAINY DAY FUND AND PEEF**

The current legislation does not include language about the relationship between PEEF and the Rainy Day Fund.

#### Proposed changes

##### **Recommendation 5:**

Include language in the legislation that protects against the “double counting” of PEEF and the Rainy Day Fund, and maintains the city’s entire commitment to the schools, as well as the integrity and unique intentions of each of these funds.

#### Rationale for proposed changes

The Rainy Day Fund was passed by the voters in 2003, and included language that would allow the SF Unified School District to receive up to 25% of the fund, when the district receives less per pupil allocations from the state than the previous year, and plans significant layoffs. The Rainy Day Fund and PEEF have no formal relationship and were designed to support the schools for two unique purposes. In past years, however, the City has fulfilled its commitment through one means but not the other, even when conditions called for both the Rainy Day Fund and full PEEF funding for the schools. Including stronger language to protect against “double counting” will help create more stability for the schools, especially in times of great need.

### **CITIZEN ADVISORY COUNCIL**

The current legislation does not include language about a citizen advisory council.

#### Proposed changes

**Recommendation 6:** Include language to formalize the PEEF Citizens Advisory Council (CAC) to oversee the SFUSD portion of the fund with specific guidelines and responsibilities, and ensure that PEEF is being used to support, and not supplant, existing investments.

#### Rationale for proposed changes

The PEEF Citizens Advisory Council currently exists to oversee the SFUSD allocations for the measure, but this has not been formalized. Including this language in the measure will allow for greater transparency and accountability for the allocation of these funds.



## **DISTRICT-WIDE ARTS MAPPING**

The current legislation does not include language about the mapping of needs, existing programs, or access to those programs for students.

### Proposed changes

**Recommendation 7:** Require all schools to build upon existing arts education planning by making site-based Arts Education Plans publicly available. In addition, create a district-wide map of arts education access (including through VAPA and CBO partners) that is also publicly available, to ensure that all students have access to a high-quality, sequential arts education.

### Rationale for proposed changes

In order to achieve the SFUSD's goal of equity and accountability, there needs to be a mechanism for assessing need and making that assessment publicly available. Nothing of this nature has been in place since the creation of PEEF. Implementing this change will project against poor coordination or duplication of services, and ensure the strongest possible coordination of arts programming, to the benefit of students.

## **III. PRESCHOOL FOR ALL**

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### **AGE OF PARTICIPANTS**

The current legislation states that Preschool For All is designed to provide four year olds with the opportunity to attend preschool.

### Proposed changes

**Recommendation 8:** Expand the age range of children eligible for Preschool For All, to include three, four, and five year olds.

### Rationale for proposed changes

Research has proven the benefits of early education and that two years of preschool improves kindergarten readiness of our most vulnerable children. Eventually the city's goal should be to provide access to two years of preschool to all children. But even short of this goal, preschool providers need the flexibility to serve 3 year olds that "age-out" of other subsidies and include more three year olds that would not otherwise have access to early education. And expanding the age range to five year olds will ensure that the legislation language reflects how the system actually works (children turn 5 during the year that they are still too young for kindergarten). This change will give the flexibility to serve transitional kindergarten children in the environment that will best meet their needs.