

LEGISLATIVE DIGEST

(First Draft, 5/21/2024)

[Charter Amendment - Accountability for Funding Children and Youth Services for City Departments and the Unified School District]

Describing and setting forth a proposal to the voters at an election to be held on November 5, 2024, to amend the Charter of the City and County of San Francisco to 1) require the Our Children, Our Families Council (“Council”) to use an outcomes framework to evaluate the budget and spending of each City department with expenditures that are eligible to be included in the Children and Youth Fund baseline or the Public Education Enrichment Fund (“PEEF”); 2) require the Mayor and Board of Supervisors to consider the Council’s findings during their consideration of the City budget each year, including by the Board of Supervisors holding a public hearing and adopting findings about the expenditures by resolution; 3) require the San Francisco Unified School District (“School District”) to submit proposals once every five years and annual reports describing how it will spend the City’s general fund contribution to the PEEF consistent with the outcomes framework; 4) prohibit the City from providing PEEF funding to the School District until the Board of Supervisors and the Mayor have approved the School District’s proposal; 5) prohibit the City from providing discretionary funds to the School District unless it has entered into a data-sharing agreement with the City; 6) create an Our Children, Our Families Initiative to coordinate City departments and the School District; and 7) establish the size and membership of the Council.

Existing Law

The Children and Youth Fund provides support to children and disconnected transitional-aged youth, which the City appropriates according to a five-year planning process. In the first year, the Department of Children, Youth, and Their Families (“DCYF”) conducts a community needs assessment to identify services to receive monies from the fund. In the second year, DCYF prepares a services and allocation plan to determine services eligible to receive money, selects contractors in the third year, and begins the service cycle in the fourth year. Additionally, because funds must be used to increase aggregate City appropriations and expenditures for such services, the Controller establishes a baseline below which City appropriations under the fund are not reduced. Each year, the City counts budget line items in various departments’ budgets funded by the City’s general fund as meeting the fund’s definition of children’s services.

The Public Education Enrichment Fund (“PEEF”) is a fund that provides annual support to the San Francisco Unified School District (“School District”) and City departments providing children’s services. The City disburses one-third of the money in the PEEF to the First Five

Commission for universal preschool programs, one-third to the Department of Early Childhood for early education programs, and one-third to the School District as direct financial support. Annually, the School District must submit an expenditure plan for its share of the fund.

The Our Children, Our Families Council ("Council") is responsible for coordinating Citywide planning and goals for children and families. The Council is responsible for developing an outcomes framework ("Outcomes Framework"), renewed every five years, which is a set of Citywide outcomes for services to children and families. The Council consists of the Mayor, the Superintendent of the School District, thirteen City department heads, thirteen School District members, and fourteen public members appointed by the Mayor.

Amendments to Current Law

The proposed Charter amendment would require the Council, by January 1, 2028, in consultation with the Controller, to develop a policy to evaluate whether expenditures eligible to be included in the Children and Youth Fund baseline or the PEEF are consistent with the Outcomes Framework. Starting on February 21, 2026 and each year thereafter, each City department that anticipates expending funds that count toward the Children and Youth Fund baseline or other services related to children and youth must provide the Council with its expenditures in the previous fiscal year and its anticipated expenditures in the upcoming budget. And, starting on February 21, 2026 and each year thereafter, the School District must provide the Council with a report describing how it expended funds during the prior fiscal year and how it plans to use the City's annual contribution to the School District under the PEEF, both as measured by the Outcomes Framework.

Starting April 30, 2029 and each year thereafter, the Council would prepare a report for the Mayor and Board of Supervisors ("Board") evaluating whether each department's proposed, current, and prior year expenditures for the Children and Youth Fund baseline and the PEEF are consistent with the Outcomes Framework. The Council would also review the School District's expenditures for the PEEF against the Outcomes Framework. Under the proposed Charter amendment, the Mayor would consider the Council's report and the Board would consider and hold a public hearing on the report. Beginning with the biennial budget for Fiscal Year 2029-2030, the Board would make findings, by resolution, that all anticipated expenditures from the Children and Youth Fund baseline and the PEEF are, on balance, consistent with the Outcomes Framework or otherwise serve an overriding public purpose.

The proposed Charter amendment would also create a joint initiative, called the Our Children, Our Families Initiative, led by the Mayor and the Superintendent of the School District that would align and coordinate the City's services for children, youth, and disconnected transitional-aged youth. And, the Charter amendment would modify the composition of the Council so it would consist of seven seats; four appointed by the Mayor and three appointed by the Board.

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