

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Action/Discussion Item:

2014-15 Preschool Funding Process and Funding Rates

Applicable Statute or Regulation:

KRS 157.3175, 702 KAR 3:250

Action Question:

Should the Kentucky Board of Education approve the 2014-15 Preschool Program per-child rates?

Background and Major Policy Implications:

Existing Policy. The Kentucky Preschool Program is a statewide program serving four-year-olds whose family income falls within 150% of poverty guidelines and three- and four-year-old children with disabilities. The preschool program promotes child development and learning through focus on five areas for school readiness: approaches to learning, health and physical well-being, language and communication, cognitive and general knowledge, and social and emotional development. Preschool provides meals to children and training to parents, as well as collaborates with medical, mental health and social service agencies.

Funding Procedures. KRS 157.3175 bases funding on the average number of eligible children served on December 1 and March 1 of the prior academic year. The tentative and final award is calculated from this average, multiplied by the per-child rates for the new school year. The formula removes the requirement to deduct funding when enrollment decreases by five percent. Now the Kentucky Department of Education makes funding decisions with more current data, removes an unintentional incentive for districts to over-identify children with disabilities, and above all, helps to stabilize the funding picture for planning and budgeting purposes.

Also, beginning in school year 2015-16, children who meet the 160% of federal poverty income requirement will be eligible for preschool. Schools districts will need to update recruitment processes and materials to reflect this change, as well as enrollment applications.

Per-Child Rates. There is a standard rate for four-year-old at-risk children without disabilities and three- and four-year-old children with disabilities in the categories of speech/language and developmental delay. There is a weighted amount for three- and four-year-old children with severe disabilities. By creating a flat rate for at-risk, speech and developmental delay categories and a higher rate for severe/multiple disabilities, the Kentucky Department of Education dis-

incentivizes the over-identification of children with disabilities, while at the same time ensures a larger portion of funding is reserved for children with the greatest needs.

Each spring, the Kentucky Board of Education establishes the per-child rates for the Kentucky Preschool Program for the upcoming school year based on the budget approved by the legislature.

Table I. Preschool rates for at-risk and disabilities 2007-2014

Categories	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015 Proposed
At-Risk	\$3,094	\$3,293	\$3,085	\$2,863	\$3,047	\$3355	\$3385
Speech/Language	\$3,249	\$3,457	\$3,240	\$3,007	\$3,199	\$3355	\$3385
Developmental Delays	\$4,332	\$4,610	\$4,319	\$4,009	\$4,265	\$3355	\$3385
Severe/Multiple Disabilities	\$5,879	\$6,256	\$5,862	\$5,440	\$5,789	\$6375	\$6428

State Enrollment Trends

Figure 1: State Funded December 1 count 2000-2013

This graph shows the enrollment of eligible three- and four-year-olds in the state preschool program.

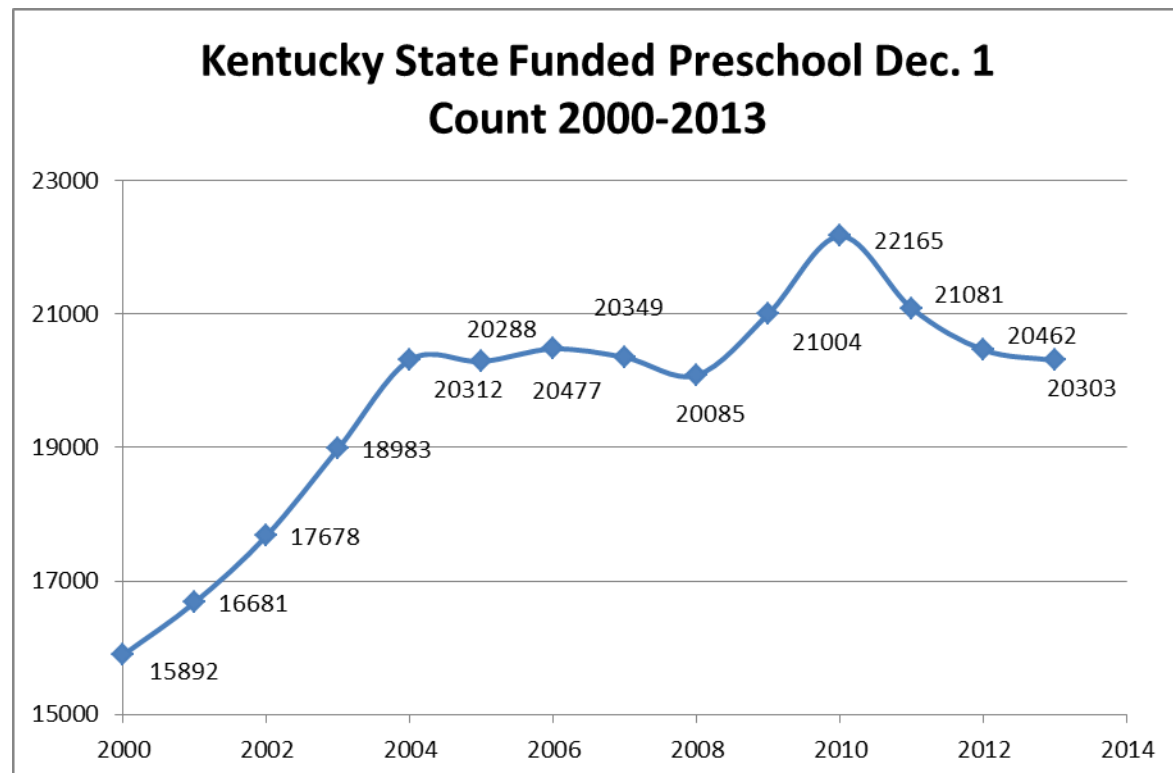
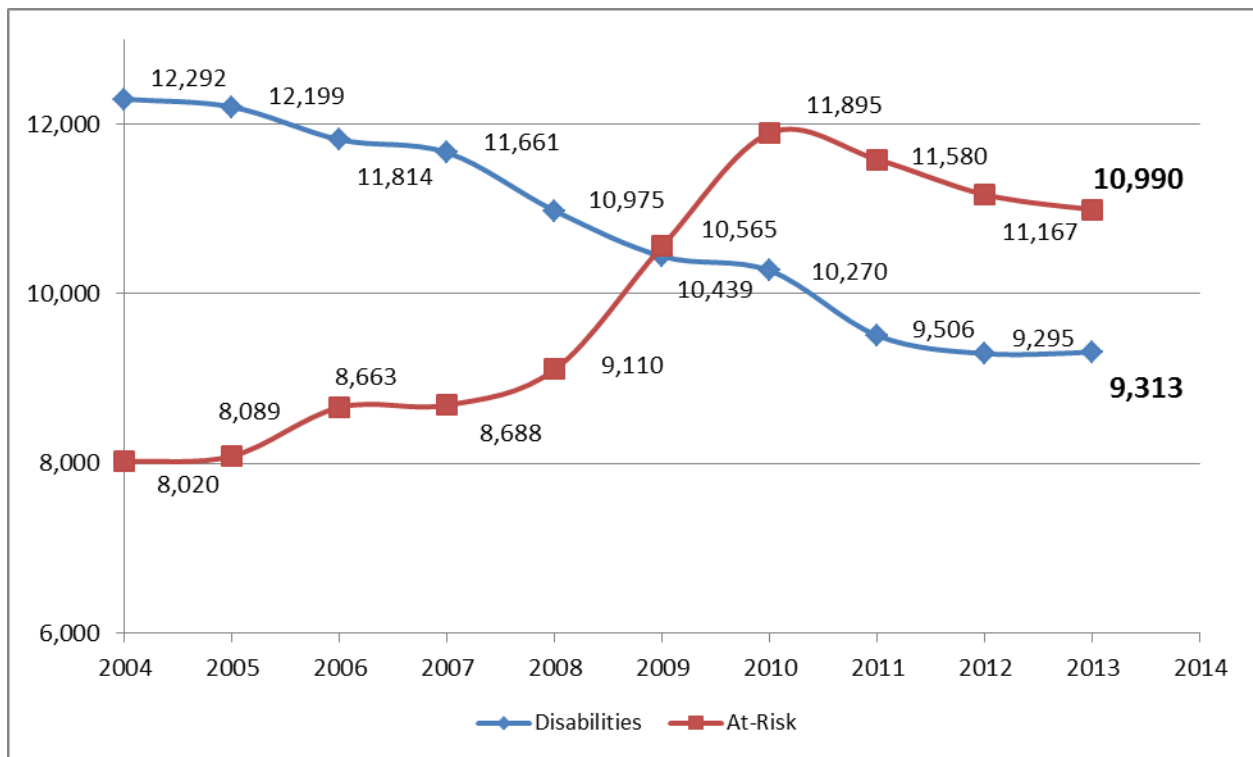


Figure 2: Number of at-risk children and children with disabilities served in Kentucky's state-funded preschool program 2004-2013

This graph shows the at-risk four-year-old enrollment plot (square, bottom line) increasing over time and children with disabilities (diamond, top line) decreasing since 2004. The overall decrease of children with disabilities reflects the implementation of Kentucky's System of Intervention (KSI).

Kentucky Preschool Program December 1 Count



District Challenges. A new minimum age requirement for state-funded preschool students will take effect July 15, 2014, moving from October 1 to August 1. Beginning in school year 2014-15, children who are four (4) years old by August 1 are age-eligible for the state-funded preschool program. Preschool eligibility for state-funded preschool may be determined up to four (4) months prior to the start of school (704 KAR 3:410). Students turning four between August 1 and October 1 who are enrolled before July 15, 2014 for the 2014-15 school year have only one year of preschool eligibility. In 2015, when students are age eligible for both programs, the student must transition to kindergarten or a private setting.

Table 2. Projected Preschool Program allocation for 2014-2015 school year with calculations for at-risk and children with disabilities and mid-year growth allocation

Per Child Rates: At-Risk	\$3385
Speech/Language	\$3385
Mild/Developmental Delays	\$3385
Severe/Multiple Disabilities	\$6428

Staff Recommendation and Rationale:

Staff recommends that the board approve the per-child rates for 2014-15. The rates are based upon the budget approved by the General Assembly.

Impact on Getting to Proficiency Efforts:

Every child should enter school ready to engage in and benefit from early learning experiences that best promote the child's success. Adequate preschool funding is essential for districts to build and sustain high quality, developmentally appropriate environments that will prepare children for successful experiences in school and life.

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Commissioner of Education

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