

KENTUCKY DEPARTMENT OF EDUCATION

STAFF NOTE

Action/Discussion Item:

2015-16 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 2015-16 Preschool Program per-child rates?

History/Background:

Existing Policy. For 25 years, the state-funded preschool program has provided learning opportunities to all four-year-olds whose family income falls within 150% of poverty guidelines and three- and four-year-old children with disabilities. Beginning in 2015-16, income eligibility for students will expand to 160% of the federal poverty requirement. Intentionally designed to be developmentally appropriate for young children, the state-funded preschool program focuses on promoting each child's physical, intellectual, and social/emotional development. Services include meals to children and training to parents, and the program 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.

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 disincentivizes 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	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016 Proposed
At-Risk	\$3,293	\$3,085	\$2,863	\$3,047	\$3,355	\$3,385	\$4,682
Speech/Language	\$3,457	\$3,240	\$3,007	\$3,199	\$3,355	\$3,385	\$4,682
Developmental Delays	\$4,610	\$4,319	\$4,009	\$4,265	\$3,355	\$3,385	\$4,682
Severe/Multiple Disabilities	\$6,256	\$5,862	\$5,440	\$5,789	\$6,375	\$6,428	\$8,896

State Enrollment Trends

Figure 1: State Funded December 1 Count 2000-2014

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

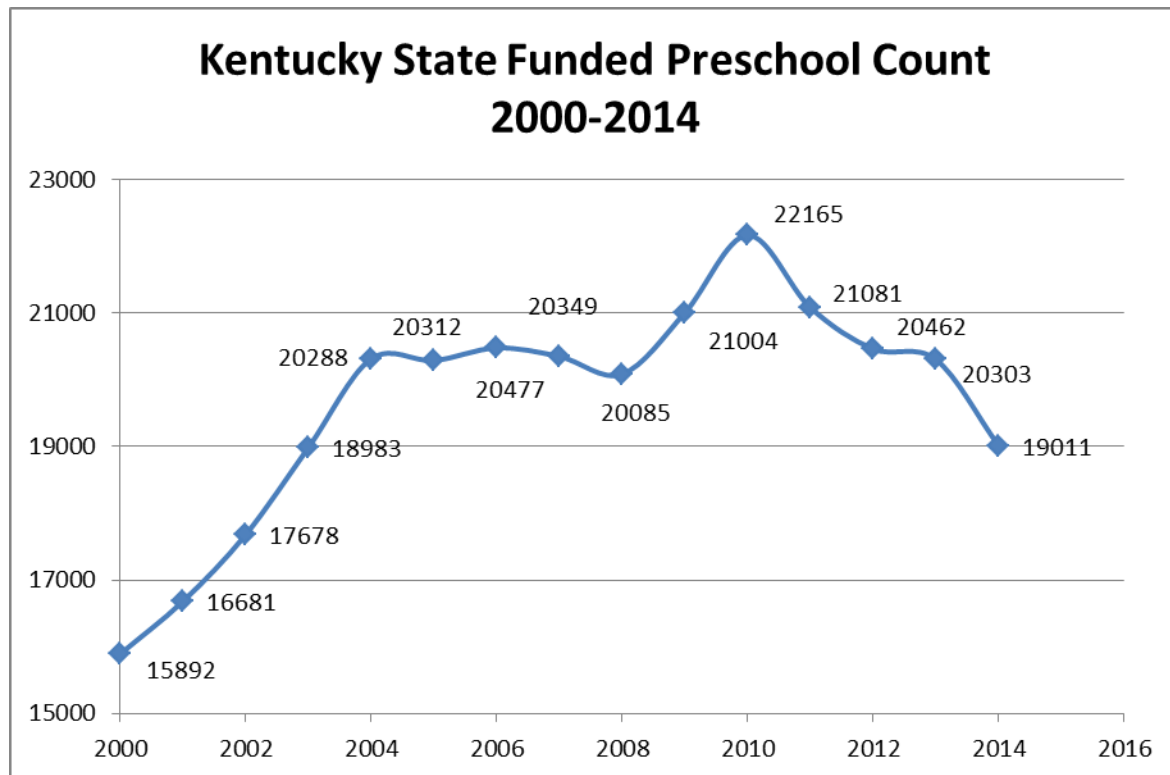
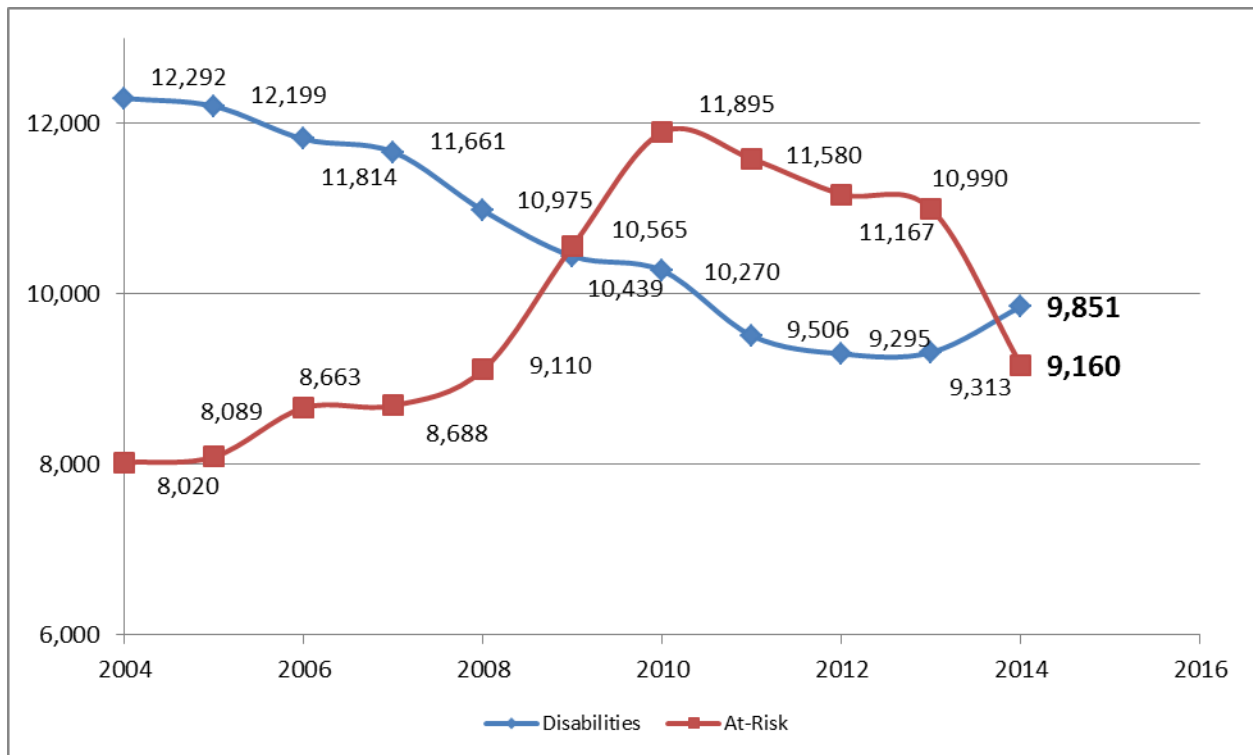


Figure 2: Number of At-Risk Children and Children With Disabilities Served in Kentucky's State-Funded Preschool Program 2004-2014

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. In 2014, the number of at-risk four-year-olds dropped below the number of preschool students with disabilities for the first time since 2008. This may be explained in part by the change in the minimum age requirement for state-funded preschool students that took effect in 2014, which moved from October 1 to August 1.

Kentucky Preschool Program Count



District Challenges. Change in the income eligibility requirement for state-funded preschool may significantly increase enrollment of at-risk four-year olds in 2015-16. Districts must plan for this change to ensure sufficient capacity exists to accommodate newly eligible students. This can be accomplished through a variety of strategies, including partnerships with child care and Head Start.

Table 2. Projected Preschool Program Allocation for 2015-16 School Year With Calculations for At-Risk and Children with Disabilities and Mid-Year Growth Allocation

Per Child Rates: At-Risk	\$4682
Speech/Language	\$4682
Mild/Developmental Delays	\$4682
Severe/Multiple Disabilities	\$8896

Staff Recommendation and Rationale:

Staff recommends that the board approve the per-child rates for 2015-16. The rates are based upon the budget approved by the General Assembly.

Impact on Getting to Proficiency:

The path to college and career readiness begins in early childhood. It is critical that school districts collaborate effectively in their communities with existing early childhood partners and develop new relationships with potential stakeholders. By working together, districts and early childhood providers can improve the quality of and access to services for all young children.

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Commissioner of Education

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