

## **Attachment C**

### **Early Childhood Education Expansion Funding Distribution FY15**

As outlined in House Bill 59, \$12 million is allocated for academic year 2014-2015 to support the expansion of early childhood education services. The following allocation method was determined by the Office of Governor John Kasich and the Ohio Department of Education with input from the Early Childhood Advisory Council.

The funding for year two, similar to year one, will be distributed to ensure that children are served in high quality settings in the highest need areas of the state as quickly as possible during the 2014-2015 school year. The following distribution method reflects implementation and distribution strategies for year two.

#### **Priorities for Year Two**

1. Distribute funds as effectively and efficiently as possible to ensure children attend preschool for the majority of the school year.
2. Serve new children who are not receiving current state subsidized child care funding or other local, state or federal funding to attend preschool.
3. Use existing regions and criteria to distribute slots.

#### **Child Eligibility - Priority Placed on Serving New Children**

These funds need to be used to provide preschool to economically disadvantaged children who are not currently receiving, or are not eligible to receive, preschool services from other state or federally funded programs. Eligibility criteria includes the following:

- Children ages three and four as defined in Ohio Revised Code 3321.01.
- Family income falls below 200 percent of the federal poverty level (FPL).
- Children who are not receiving publicly funded preschool services, whether from Head Start, ODJFS, preschool special education, or local funds.
- Eligibility will be determined by providers.

#### **Per Child Funding**

Consistent with the per child allocation to districts currently receiving early childhood education funding, the per child allocation for these services remains at \$4,000 per child for year two.

#### **Allocation of Slots in Year Two of the Biennium**

Slot Allocation: \$11,760,000 n=2,940

- Step 1: **Allocate slots between 12 distinct geographic regions of the state:**
  - Make use of the existing 12 regions currently utilized by the Ohio Department of Health, Ohio Department of Mental Health and Addiction Services, Ohio Department of Job and Family Services and Ohio Department of Education for the Race to the Top Early Learning Challenge Grant to provide technical assistance and professional development to early childhood programs in all sectors.
    - Allocate 2,940 slots among the 12 regions based on proportion of economically disadvantaged kindergarten children within the region relative to those within the state. *Note: Economically disadvantaged is defined as children who have one or more of the following characteristics: eligible for or is member of a household in which a member is eligible for free/reduced-price lunch, receives or has a guardian known to be receiving public assistance, has completed a Title I student income form and meets income guidelines of being below 200 percent of poverty.*

- Step 2: **Rank high need school districts within each of 12 regions:**
  - Districts will be examined based upon the following criteria:
    - 1) Percentage of kindergarten children in Band 1 of KRA-L
    - 2) Percentage of economically disadvantaged kindergarten children
    - 3) Percentage of third grade children not proficient on the reading portion of the Ohio Achievement Assessment
  - Districts will then be ranked, based on an index that calculates an average across these three factors.
  - The top 10 high-need districts will be identified in each region based upon the ranking outlined above.
  
- Step 3: **Identify the number of slots that each school district geographical area will get within that region:**
  - Allocate each of the 12 region's slots (previously calculated in Step 1) into the top 10 districts based on the proportion of economically disadvantaged kindergarten children that each district serves within that region. This proportion will act as a cap for the maximum number of slots that will be allocated within that school district geographical area. In order to ensure each district has at least 5 slots, each of the top 10 districts will be allocated 5 slots and the remaining slots within that region will be proportionally allocated among those districts that had more than 5 slots in the original proportional allocation.
  
- Step 4: **Identify existing high quality preschool programs:**
  - For top 10 high-need districts within each region, identify existing high-quality early childhood preschool programs within each district service area.
    - Existing high-quality preschool programs include: Ohio Department of Job and Family Services licensed Step Up to Quality, 2-star programs and 3- star programs (based on the 3-star rating system); existing early childhood education programs (school districts, educational service centers, joint vocational schools); Ohio Department of Education licensed preschools that are not receiving early childhood education grant funded; and chartered nonpublic preschool programs that meet the original early childhood education requirements as outlined and set forth in House Bill 59, Section 263.20.
  - Data suggests that existing programs would have capacity and infrastructure to immediately serve children in high-quality environments.
  - Early childhood program sites that meet the above criteria and are within the boundary of each of the top 10 school districts will be contacted for capacity.
  
- Step 5: **Determine capacity of existing programs to serve additional children:**
  - High-quality programs in identified school districts will be asked to assess their capacity to serve additional children (ages three to four) in the 2014-15 school year. Programs must commit to serve additional children a minimum of 12.5 hours per week.
    - Programs will be made aware that children can be served through a.m./p.m. or full-day/part-day options.
    - Programs should give priority to serving new children that live in the geographic area of the target district.
    - Programs will be made aware that this funding is intended to serve disadvantaged children who currently are not receiving other preschool services and these funds cannot be used to supplant any existing preschool spending.
  
- Step 6: **Allocate slots and initiate contract/agreement process with providers:**
  - Based on the responses to the inquiry outlined above, slots will be allocated with these priorities in mind:

- Serve as many children as possible in high-quality early childhood education programs within high need school districts to ensure there is an impact on Kindergarten Readiness Assessment scores.
  - The slots available to each school district area will be capped. The cap will be calculated based on the percentage of economically disadvantaged kindergarten children within that district in proportion to those in the region.
  - Slots will be awarded to programs already demonstrating quality according to the following order of g priorities:
    - Step Up To Quality 4- and 5--star rated programs and existing early childhood education programs will be offered slots first.
    - If programs in priority one do not have capacity to serve in that district boundary, then Step Up To Quality programs that received a 3-Star rating, Ohio Department of Education licensed preschools that are not receiving early childhood education grant funds and chartered nonpublic preschool programs will be offered the slots next.
    - If there are no programs available within a district boundary after going through priorities one and two, the slots will be offered to programs in the highest need district within that region. If programs in that district are not available, the slots will move to the district with next highest need until distributed.
  - If the additional capacity, reported by the eligible programs, exceeds the maximum number of slots for the targeted school district service area, it is recommended that the Ohio Department of Education distribute slots as equally as possible between public and private programs.
  - In the event that there are more programs that serve the highest need children within a district applying for slots than there are available slots, a lottery system will be used to determine which programs will be awarded the slots.
    - ODE will prioritize allocating slots to ensure parental choice by awarding slots to more than one program should there be sufficient number of slots to do so.
  - Priority should be given to programs that can serve at least five or more new children.
- **Step 7: Allocate unfilled slots in a region**
    - In the event slots in any region are left unfilled by all eligible providers in the top 10 districts, the cap (set in Step 2 above) on school district slots in that region will be lifted and/or slots may be distributed to another district or region.