

Office of Early Learning and School Readiness
Early Childhood Education Entitlement Program
General Information and Requirements
FY 2013

Program Purpose

The purpose of the Early Childhood Education funding is to provide high quality early learning services to eligible children.

Program Requirements

In accordance with Section 267.10.10 (G) in Am Sub H.B. No. 153: Each early childhood education program shall do all of the following:

- (1) Meet teacher qualification requirements prescribed by section 3301.311 of the Revised Code;
 - (2) Align curriculum to the early learning content standards developed by the Department;
 - (3) Meet any child or program assessment requirements prescribed by the Department;
 - (4) Require teachers, except teachers enrolled and working to obtain a degree pursuant to section 3301.311 of the Revised Code, to attend a minimum of twenty hours every two years of professional development as prescribed by the Department;
 - (5) Document and report child progress as prescribed by the Department;
 - (6) Meet and report compliance with the early learning program guidelines as prescribed by the Department;
- (H) Per-pupil funding for programs subject to this section shall be sufficient to provide eligible children with services for a standard early childhood schedule which shall be defined in this section as minimum of twelve and one-half hours per school week as defined in section 3313.62 of the Revised Code for the minimum school year as defined in sections 3313.48, 3313.481, and 3313.482 of the Revised Code. Nothing in this section shall be construed to prohibit program providers from utilizing other funds to serve eligible children in programs that exceed the twelve and one-half hours per week or that exceed the minimum school year.

For any provider for which a standard early childhood education schedule creates a hardship or for which the provider shows evidence that the provider is working in collaboration with a preschool special education program, the provider may submit a waiver to the Department requesting an alternate schedule. If the Department approves a waiver for an alternate schedule that provides services for less time than the standard early childhood education schedule, the Department may reduce the provider's annual allocation proportionately. Under no circumstances shall an annual allocation be increased because of the approval of an alternate schedule.

- (I) Each provider shall develop a sliding fee scale based on family incomes and shall charge families who earn more than two hundred per cent of the federal poverty guidelines, as defined in division (A) (3) of section 5101.46 of the Revised Code, for the early childhood education program.

Eligibility Requirements

For children to be eligible to participate in the Early Childhood Education Program there are two requirements; age and family income.

Age

Children must be three years of age and not eligible for kindergarten. (One exception: Children with special needs who are kindergarten-age may attend an Early Childhood Education program if the child's Individualized Education Plan requires it.) Verification of age must be kept on file by the grantee. A birth certificate or other type of identifying credential is needed for age verification. The grantee may keep a copy of the actual documentation or have a staff member sign and certify that appropriate documentation was provided at the time of registration.

Family Income

Gross income that includes gross earned and gross unearned income shall be used for the purpose of determining income eligibility of families. See below for further clarification. Children from families whose income is at 100 percent of the federal poverty level (see below) or below attend tuition-free.

Children from families whose income is between 101 percent and 200 percent of the federal poverty level attend on a prorated tuition basis (see information about sliding fee scales below). Once a program has enrolled the number of children for which the grant was funded (funded number), children from families whose income is above 200 percent of the federal poverty level may be enrolled on a tuition basis. *Note: All children included in the "funded number" must be from families who earn no more than 200 percent of the federal poverty level with the exception of children with disabilities.* Children with Individualized Education Plans attend the program at no cost to the family (regardless of family income level). It is

not necessary for the families of children with disabilities to provide income information.

Verification of income must be kept on file by the grantee. A 1040 annual tax report or other type of income verification is needed to document income eligibility. The grantee may keep a copy of the actual documentation or have a staff member sign and certify that appropriate documentation was provided at the time of registration.

Income Standards

Income guidance regarding determination and verification of eligibility

What is gross earned income?

- ✓ Gross earned income is the total earnings received in a month by all of the employed individuals in the family. These include payments received before taxes and other deductions, for services performed as an employee, or by an individual as a result of self-employment. State temporary disability insurance and temporary workers' compensation payments are considered gross earnings.

How is gross earned income calculated for people who are self-employed?

- ✓ Self-employment earnings are the total profit from a business enterprise. Total profit is determined by deducting the self-employment expenses (i.e., the business expenses directly related to producing the goods or services) from the gross receipts. Personal business and/or entertainment expenses are not an allowable deduction.
- ✓ In situations that an individual has self-employment income, gross earnings for the month shall be based on an estimate of the individual's gross annual earnings. Whenever possible, secure a copy of the self-employed individuals previous year's tax return. In order to estimate the expected earnings for the current and future months, use income listed on the previous year's tax return as well as the individual's current business records in order for a projection of annual gross income to be determined. The individual's gross monthly earnings shall be one-twelfth of the determined projected earnings. This method should be applicable in situations in which the individual has been self-employed for some time, earnings have remained fairly constant and there is no anticipated change in circumstances.
- ✓ In situations where there is no previous year's tax return or when there are anticipated changes in circumstances that impact self-employment earnings, the individual must provide a projected estimate of gross earnings for the current taxable year, based on current business records that support the estimate. One-twelfth of the estimate of income for the current taxable year shall be the monthly gross earnings. In the absence of both previous year's tax return and current business records, the individual is required to provide a written best estimate of projected

annual income and expenses. One-twelfth of the projected annual gross earnings shall be the monthly gross earnings.

What income is excluded from calculating the gross earned income?

- ✓ The gross earnings of a minor child in the family who is a full time student as defined by the school, unless the minor is a parent.
- ✓ Child support payments paid by a family member for a child outside the family. The amount paid, up to the amount ordered, is excluded.
- ✓ Alimony paid pursuant to a court order.
- ✓ The verified amount that is being garnished from the income.
- ✓ Earned Income Tax Credit (EITC) payments when added to the individual's wages.
- ✓ Earnings received for participation in the Americorp Vista Program.
- ✓ Any other income amounts that federal statutes or regulations require to be excluded.

What is gross unearned income?

- ✓ Gross unearned income means the total amount of unearned income that is received in the month by all members of the family. Unearned income is income that is not gross earned income from employment or self-employment. Unearned income includes cash contributions received by the family from persons, organizations or assistance agencies.

What income is excluded from calculating the gross unearned income?

- ✓ Income of a recipient of Supplemental Security Income (SSI), including the SSI payment and earned income.
- ✓ Income of a child for whom federal, state or local foster care maintenance payments are made, including the foster care payment.
- ✓ Income of a child for whom federal, state or local adoption assistance payments are made, including the adoption assistance payment.
- ✓ Child support payments paid by a family member for a child outside the family. The amount paid, up to the amount ordered, is excluded.
- ✓ Alimony paid pursuant to a court order

- ✓ Income tax refunds received by any of the family members.
- ✓ The verified amount that is garnished from the income.
- ✓ Any other income amounts that federal statutes or regulations require to be excluded.

What income is used to compute poverty status?

- ✓ Includes earnings, unemployment compensation, workers' compensation, Social Security, Supplemental Security Income, public assistance, veterans' payments, survivor benefits, pension or retirement income, interest, dividends, rents, royalties, income from estates, trusts, educational assistance, alimony, child support, assistance from outside the household, and other miscellaneous sources.
- ✓ Noncash benefits (such as food stamps and housing subsidies) do not count.
- ✓ Before taxes.
- ✓ Excludes capital gains or losses.
- ✓ If a person lives with a family, add up the income of all family members. (Non-relatives, such as housemates, do not count).

What is the definition of "enrolled" as it relates to the Early Childhood Education grant?

- ✓ Children must be receiving services to be considered enrolled. It is expected that all children enrolled are receiving services as described in the Early Childhood Education grant application.

What is the definition of "funded number?"

- ✓ The "funded number" is established by the Office of Early Learning and School Readiness and defines the minimum number of eligible children that are expected to be served by the Early Childhood Education grant. Continuation dollars are based upon the number of eligible children served and verified through the EMIS December Child Count process. This number may be decreased and subsequently restored depending on fluctuations in enrollment.

What is the definition of children "most in need?"

- ✓ Children considered most in need live in the highest poverty areas and do not have access to an alternate preschool experience.

Can foster children be included in the count of the "funded number?"

- ✓ Yes. Foster children may be included in the count of the "funded number" in the federal poverty level category of fewer than 100 percent and attend the program at no

cost to the foster parents, regardless of the income of the foster parents.

Can children with special needs be included in the count of the “funded number?”

- ✓ Children with special needs, who participate fully in the Early Childhood Education program as indicated on the Individualized Education Plan, attend the program at no cost to the family and may be counted. It is not necessary for families of children with special needs to provide income information. [Would expect 5 or fewer per class.]

What is a Sliding Fee Scale?

- ✓ Programs must establish a sliding fee scale and collect fees from families earning more than 100 percent of the federal poverty level. Establishing the tuition rates based on a sliding fee scale is determined at the local level by the school district’s board of education. The sliding fee scale must be based on the Federal Poverty Guidelines and uniformly applied to all eligible families.

What are the Federal Poverty Guidelines?

- ✓ Federal Poverty Guidelines are established annually by the US Department of Health and Human Services. New poverty levels are usually announced in mid to late February each year. The poverty level chart can be viewed on the Office of Early Learning and School Readiness Web site for Early Childhood Education:
<http://www.ode.state.oh.us/ece>

What are Ohio’s Early Learning Program Guidelines?

- ✓ Ohio’s Early Learning Program Guidelines have been developed to provide a framework for early education programs to better meet the educational needs of children. The guidelines have been developed to address desired outcomes for children, families and educators and the process by which programs self-assess their progress.

Can an Early Childhood Education Grantee sub-contract with another entity to provide Early Childhood Education services?

- ✓ Yes. A school district may contract with an Educational Service Center, a Head Start agency, chartered nonpublic school or licensed child day-care program to provide preschool services. Copies of written contracts or Letters of Agreement between the parties involved must be on file with ODE. Grantees must provide an itemized list of proposed contracts including the following information for each contract:
 - A narrative justification identifying the specific services to be provided
 - Proposed cost of contract
 - Name of contractor
 - Assurance that by entering into a contract with this entity the grantee is in no way giving the appearance of personal or organizational conflict of interest

- Signed contracts must be submitted to the Office of Early Learning and School Readiness.

What procedures must be followed to purchase capital equipment with Early Childhood Education grant funds?

- ✓ Requests for capital equipment (other than vehicles) must include a narrative justification describing how purchase is needed to provide high quality services. Identify the specific item(s), individual price(s), and the improvement(s) that will occur as a result of the purchase(s).

What procedures must be followed to purchase computer software and equipment?

- ✓ Summarize the analysis performed to determine the computer needs of the agency. Describe the hardware/software currently used by the program. Specify the total amount of state funds that have been used to purchase computer equipment, peripherals and software over the last two years. Indicate if the program currently accesses the Internet. Identify the specific hardware/software items to be purchased.
- ✓ Describe the competitive procurement procedures to be used.
- ✓ Indicate how future systems needs are incorporated into this request.
- ✓ If appropriate, indicate the capability of the hardware to accommodate internal and external networking.
- ✓ For the system(s) to be purchased, indicate the level of support available from the vendor for set up and maintenance.
- ✓ Indicate the training to be provided to operate the software.
- ✓ Identify other funding sources that would use the system. Indicate their estimated dollar contribution(s) toward its purchase to assure a fair and equitable distribution of cost.
- ✓ Indicate the ability to meet, within the existing funding level of the award, the ongoing operational costs (consumables, maintenance, and support personnel) of the new system.
- ✓ Describe the plan for evaluating the effectiveness of the system.

What procedures must be followed to purchase a vehicle with Early Childhood Education grant funds?

- ✓ Requests for vehicles must include a narrative justification addressing each of the following:
 - For Used/Replacement Vehicle
 - Why the vehicle needs to be replaced
 - A complete description of the vehicle including: type of vehicle (bus, van, etc.), year of vehicle, current odometer reading, seating capacity of vehicle, acquisition cost of vehicle
 - Repair costs projected for one year
 - Trade-in value
 - For New Car Purchase
 - Describe type of vehicle (bus, van, etc.), year of vehicle, seating capacity of vehicle, and acquisition cost of each vehicle.
 - Assurance that child safety requirements are met
 - Assurance that state regulations are met
 - Assurance that the vehicle is handicap accessible

What information must be included in a request for renovation or construction expenditures?

- ✓ Requests for renovation or construction costs must include a narrative justification addressing each of the following:
 - Reason for repairs/renovation
 - Benefits of the relocation or change
 - List location(s) - address and city
 - Description of renovation and/or repair request of property including the number of square feet owned, leased or to be used
 - Evidence of collaboration with the Community Development Finance Fund for new construction, renovations or facility purchases
 - Needs of community, particularly the location of age and income eligible children in your service area, and the location of other preschool programs serving these children
 - The ability to meet, within the existing funding level of the new base award, the ongoing operational costs of the new facility
 - All federal and state awards used by the within the last four years to repair/renovate this facility
 - Projected useful life of the facility in relation to the value of the investment of

state award funds

- ✓ If property will not be used exclusively for applicant, describe how other user(s) will finance a fair and equitable share of costs.
- ✓ If a leased property, describe owner/lessee's obligation to finance renovation/repair costs
- ✓ If facility will be shared with federally funded program, describe the cost allocation

- ✓ Allowable Construction or Renovation Costs
 - Physical characteristics - interior dimensions, surfaces, furnishings, and finishes
 - Utility services - plumbing, electricity, gas, vacuum
 - New construction
 - Relocation of exterior walls, roofs, or floors
 - Installation in unfinished shell space utilities, furnishings, or finishes so as to make the space suitable for human occupancy
 - Facilities Renovation or Repair to Remedy Health, Safety, Compliance or Licensing Problems

Allowable/Unallowable Expenditures

Allowable Expenditures

Expenditures may include but are not limited to the following:

Accounting and Auditing
Accreditation Fees (e.g. NAEYC)
Fiscal and administrative costs (not to exceed 15 percent of the award in any fiscal year)
Benefits
Computers (see instructions below)
Construction (see instructions below)
Costs of leasing additional classroom space
Equipment (see instructions below)
License Fees
Materials and Supplies
Parent Involvement
Postage
Purchased Services (see instructions below)
Renovation
Minor renovation to meet building code requirements (see instructions below)
Salaries
Staff Development
Staff and Student Recruitment
Staff Travel
Telephone
Transportation

Unallowable Expenditures

Expenditures which are not in compliance with the provisions of Allowable Expenditures
Expenditures that exceed the total approved application budget
Construction, renovation, vehicles, equipment and computer costs that do not meet guidelines and/or requirements
Funds may not be used to reduce or supplant expenditures from funds received from other sources. Funds that supplant the purchase or supply of food provided by a school district for children participating in the free and reduced price food program (breakfast and/or lunch).
Expenditures that supplant preschool special education program monies