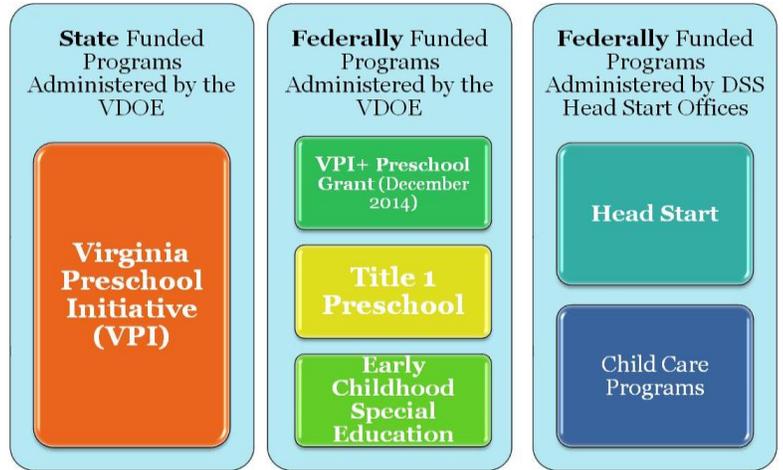


**School Readiness Workgroup: Virginia Preschool Initiative Subgroup
Report and Recommendations for the Commonwealth Council on Childhood Success**

Virginia is home to more than 600,000 children under the age of 6, unfortunately, slightly more than 15% (or 279,000) of them live in poverty; a number which has grown in recent years. There are a number of publicly funded, early childhood education programs that are designed to help disadvantaged children, who are also most at-risk for falling behind their peers academically. Of those programs, Head Start served 2,400 children under the age of 3, and 16,600 children between the ages of 3 and 5 (2013-2014). Meanwhile, the Virginia Preschool Initiative (VPI) served 18,000 children (FY 2015). In addition, 26,000 families received child care subsidies which benefited 43,000 children (FY 2014). Currently the responsibilities to administer these federal and state public education programs, federal child care subsidies for low-income families, and licensing of child care providers, are split between the Virginia Department of Education (VDOE), the Virginia Department of Social Services (VDSS) and locally administered programs (in the case of federal Head Start funds).



Mounting evidence has shown that participation in preschool leads to improved school readiness and success in school. (Yoshikawa & Weiland, et al. *Investing in Our Future: The Evidence Base for Preschool Education*) The Virginia Preschool Initiative was created in 1996 during Governor Allen’s administration and funded by lottery monies. VPI is intended to serve at-risk four year-old children not served by other public preschool programs. Analysis by the Department of Education shows that children who attend VPI are more prepared for kindergarten than children who did not attend preschool. In the fall of 2014, 93% of VPI children met the Phonological Awareness and Literacy Screening Kindergarten (PALS-K) benchmark while only 72% of children who did not attend preschool met the benchmark.

Since 1996, preschool enrollment has grown in the nation and in Virginia. There was a significant push to expand access to preschool under the Kaine administration, including a study of VPI by JLARC released in 2007, but priorities shifted during the Great Recession and expansion plans scaled back. During the 2015 legislation session, interest in reviewing VPI eligibility policies and encouraging mixed delivery led to the formation of the Joint Subcommittee for VPI Reform made up of the House Appropriations and Senate Finance committees. This CCCS workgroup is poised to work in conjunction with the legislative Joint Subcommittee to make recommendations to improve VPI.

Participation in VPI has grown by almost 8,000 children from FY05 to FY15. Actual state annual spending on VPI has similarly grown by more than \$30 million over that same 10 year period. In the most recent school year, 92% of eligible school divisions participated in VPI and only three were not eligible. However, despite increased participation, only 46% of school divisions use their full allocation. There are 13 localities with 100 or more unused VPI slots. Localities cite the inability to contribute the required local match and find classroom space as the most frequent barriers to participation.

Mixed delivery, using both public school classrooms and private preschool providers, is a local option but one that is seldom used. During the FY15 school year, only eight localities had partnerships with private providers. Models blending other federal preschool funds (Head Start, Title I and special education) have been more

widely adopted. In 2014, Virginia received a federal Preschool Expansion Grant (VPI+) that will pilot quality improvement and expansion strategies in 11 communities over a five year period.

Guidance for the Virginia Preschool Initiative is found in the Appropriation Act and is driven primarily by budget discussions. VPI is tied to a complex funding formula that factors in the percentage of students in a school division eligible for free lunch, estimates of the four year-old population, Head Start enrollment and the Local Composite Index to determine a locality's allocation of slots and local match contribution. Funding for VPI is based on a flat per pupil cost of \$6,000. The per pupil cost was established in 2008 and has not been increased for inflation or rebenchmarking, as is the routine practice for other education funding streams.

In recent years, small changes to the funding formula around the process for estimating the number of four year-olds in a locality has created fluctuations in the number of slots allocated to specific localities. Localities have cited the timing of budget decisions and recent fluctuations as challenges to long-term planning for VPI participation. VDOE has the ability to use any unspent VPI dollars to help localities expand and start-up new programs. This school year there will be a push to consider any unspent funds as incentive awards for starting new classrooms, with an emphasis on partnering with private providers.

The workgroup agreed that the following values should be given strong consideration in any policy and budgeting decisions the Commonwealth makes as it continues to refine and improve the VPI program:

- High quality preschool programs are essential to help prepare children for success in school and kindergarten readiness.
- Virginia should sustain its targeted approach in serving at-risk four year-old students through the Virginia Preschool Initiative and work towards ensuring all at-risk students can be served, especially children from economically disadvantaged families (at or below 200% of the federal poverty line).
- Children, families and communities benefit from comprehensive services that public and private partners can offer through a mixed delivery system. Virginia should strengthen and enhance public-private partnerships and approaches to blending and braiding programs and funding.
- Adequate funding is needed to finance the true cost of VPI in all Virginia localities. High quality can be assured and implemented through adequate funding.
- The current policies and processes for VPI funding create challenges for localities' long term planning needs. Policy changes should enhance program stability and continuity.

Administration of the Virginia Preschool Initiative

Recommendation # 1: Provide VDOE additional capacity to offer administrative oversight, programmatic site visits, and technical assistance to VPI programs. Funding for oversight and site visits of VPI and FTE positions at VDOE were eliminated in recent years, while the needs have become more complex. This has hindered the ability of the department to provide assistance to local programs. Additional dedicated resources at VDOE would permit the department to provide technical assistance on how existing classrooms can improve quality; expand access to the program for eligible children by supporting and providing technical assistance for community based partnerships; and help programs blend and/or braid funding streams with other publicly funding streams.

Recommendation # 2: Develop and actively promote a mixed delivery system of VPI programming in all communities. Policies should encourage partnership with community providers (public, private, non-profit, faith based, military, special education) while maintaining quality standards and alignment with the Virginia Foundation Blocks for Early Learning, so as to maximize the availability of programs for qualifying children in every community. With increased capacity, VDOE should consider the follow strategies to increase mixed delivery:

- Provide additional resources so the Department can offer technical assistance to localities regarding a mixed delivery system, which often helps localities overcome the frequent challenge of finding appropriate space for VPI classrooms (per recommendation #1)
- Issue guidance on operating policies for community based partnerships and disseminate to all localities, not just those participating in VPI+.
- Create a learning community to share best practices and lessons learned to include, among others: VPI administrators, early childhood special education providers, Smart Beginnings coalitions and community leaders around encouraging partnerships.

Recommendation # 3: Continuously improve and refine VPI funding and policies. Given ongoing improvements to the state’s collection on VPI program outcomes, and research on the benefits of preschool experiences on specific at-risk populations, careful consideration should be given to the following strategies:

- As the state implements VPI + and begins collecting data and outcomes on the innovative models and benefits of expanded access, Virginia should use that information to improve quality standards of all VPI programs and consider expanding access to additional at-risk students.
- As state and federal early childhood funding streams and policy requirements continue to evolve, blending and braiding best practices should be encouraged and broadly disseminated.
- In the fall of 2015, VDOE will have more information on the eligibility criteria from localities, and income levels of students. Analysis of these reports should help inform funding and policy decisions.
- The CCCS VPI Workgroup should continue to work with VDOE and the Joint Legislative Subcommittee as this issue receives further study and discussion.

Funding of and Eligibility for the Virginia Preschool Initiative

Recommendation # 4: Modernize VPI funding levels and formula. Current VPI funding is based on a complex formula of multiple variables. In recent years allocations have fluctuated based on changes in how each component is collected or calculated, making long term planning for classrooms very difficult for localities. In addition, per pupil funding, which is not adjusted for cost of living variations, has remained flat and is one of the few “direct aid for education” related funded streams not subject to rebenchmarking or automatic inflation adjustments. Recognizing the complexity of the formula, and the negative unintended consequences of manipulating any variable, the following strategies should be considered for revising the formula:

- Tie per pupil funding to the rebenchmarking process, as is already done for other educational funding streams, so as to keep pace with inflation and enrollment.
- Increase the percentage of in-kind contributions that constitute local match from 25%.
- Maintain the unique 50% cap on the local match.
- Fully fund the VPI formula based on need rather than participation.
- Throughout Virginia, high-poverty communities have begun participating in the community eligibility provision for school lunch and therefore individual students’ income eligibility is no longer tracked in the same way. This change could impact the calculation of the VPI formula, so the Commonwealth should consider other factors to identify the at-risk population in each community, such as the American Community Survey poverty estimates.

Recommendation # 5: Maintain flexible and research based eligibility criteria for high risk students. Research shows that economically disadvantaged young children (at or below 200% of poverty) are less likely to participate in preschool and are most at-risk of not being prepared for school. English language learners, children experiencing high levels of family stress (homelessness, incarceration, military deployment, foster care, etc.) and children with developmental delays benefit greatly from preschool experiences. Additionally, families participating in VPI programs benefit significantly from the comprehensive set of services and family

engagement model the programs employ. Therefore, the group recommends that these factors continue to be reflected in eligibility for and funding of VPI. While the state may identify some common priority risk factors that determine eligibility for VPI, this workgroup recommends that localities maintain some flexibility to address local needs, and unique risk factors, through their eligibility criteria.

Recommendation # 6: Develop a CCCS Workgroup to Address and Support the Professional Qualifications of the Early Childhood Workforce. Virginia lacks a comprehensive professional development framework for early childhood providers and educators across the early education field, including and beyond the VPI program. Given ongoing national research, particularly the recently released [Institute of Medicine report: *Transforming the Workforce for Children Birth Through Age 8*](#), Virginia should continue the conversation about improving early childhood educators' qualifications and ongoing professional development to reflect best practices. A CCCS workgroup of stakeholders, to include representatives from higher education, DOE, DSS, VCCS, private providers, localities and others, to review opportunities to strengthen the educational background of early childhood professionals and the processes and costs associated with establishing higher education criteria for early childhood professionals. This subgroup would support the Governance workgroup and/or the development of a new early childhood entity/collaborative; Virginia Cross-Sector Professional Development's (VCPD) ongoing work; and VDSS as it develops a state plan.