

### **Report from the VPI Workgroup**

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*, SCRD & FCD. October 2013) The Virginia Preschool Initiative (VPI) was created in 1996 during Governor Allen’s administration and funded by lottery funds. VPI is intended to serve at-risk four year-old children not served by other public preschool programs. 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 significant study of VPI by JLARC, but priorities shifted during the Great Recession and expansion plans scaled back. During the 2015 legislation session, a review of VPI eligibility policies and practices encouraging mixed delivery led to the formation of the Joint Subcommittee for VPI Reform made up of the House Appropriations and Senate Finance committees.

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 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 increases in participation, only 46% of school divisions use their full allocation. There are 13 localities where 100 or more VPI slots are not used. Localities cite the inability to contribute the local match and 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 that will pilot quality improvement and expansion strategies in 11 communities.

Policies surrounding the Virginia Preschool Initiative are found in the Appropriation Act and are 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 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.

#### ***Values Driving VPI Policy and Budget Decisions:***

- Demonstrated results as a high quality program tied to improved school readiness at kindergarten entry.
- Need to strengthen mixed delivery system supporting public and private programs.
- Sustain targeted approach for at-risk four year-old students in eligibility and funding decisions.
- Current funding level does not support true educational costs in most communities.
- Current policies create challenges for localities’ planning needs.

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- Should be widely available to all at-risk students in the state.

#### **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. 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 (private, non-profit, faith based) while maintaining quality standards 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 to the Department on technical assistance for expanding private partnerships.
- 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 among VPI administrators, Smart Beginnings communities and community leaders around encouraging partnerships.

**Recommendation #3: Continuously improve and refine VPI funding and policies.** Given ongoing improvements to the state's data collection on VPI programs 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.
- 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

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classrooms very difficult for localities. In addition, per pupil funding 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.
- Increase the percentage of in-kind contributions that constitute local match from 25% of local match.
- Maintain the unique 50% cap on the local match.
- Part of the VPI funding formula takes into account the percentage of students qualifying for free and reduced lunch in a school division. Throughout Virginia, high-poverty communities have begun participating in the community eligibility provision whereby free lunch is provided for all students, regardless of income, and their income eligibility is no longer tracked in the same way. Therefore, impact on the VPI formula should be considered to determine 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 (below 200% of poverty) are less likely to participate in preschool and most at-risk of not being prepared for school. Additionally, English language learners, children experiencing high levels of family stress (homelessness, incarceration, military deployment, etc.) and children with developmental delays benefit greatly from preschool experiences. 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.

#### **Characteristics of Early Childhood Educators**

Based on recently released Institute of Medicine report, Virginia should begin the conversation of improving early childhood educators’ qualifications to reflect best practice and reflect these recommendations. Virginia should form panel of stakeholders, such as representatives from higher education, DOE, 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.