

**Universal PreKindergarten Program Options 2024-25
Summary Report for the Board of Trustees
February 8, 2024**

Universal PreKindergarten

Universal PreKindergarten (UPK) is a new initiative in the State of California. It was designed to serve more children ages 3-to 4-years-old, statewide, in high-quality programs. In MVWSD UPK includes the California State Preschool Program (CSPP) and Transitional Kindergarten (TK). The District also runs a Special Education Preschool at Theuerkauf School. In order to meet MVWSD's Strategic Plan goal 1 of providing effective and consistent instructional practices that meet the needs to all students and goal 5 equitably distributing of resources that support student success, the District is considering a variety of factors related to the expansion of Transitional Kindergarten and the District's State Preschool Program.

On November 16 the Board provided direction to staff to keep expanding TK and keep preschool. Staff has investigated a variety of options for preschool and TK expansion and the impacts on facilities and budget for consideration by the Board of Trustees.

Background Information

Preschool Funding

Preschool funding is a complex system. Funding is dependent on a variety of factors including:

- Number/Type of slots available through CSPP contract
- Number of students enrolled
- Number of days students are enrolled
- Eligibility - family income level
- Need - demonstrated need for preschool services (full day only)

Current CSPP Contract

The District must apply each year for continued CSPP funding. Currently MVWSD is funded for a part-day/part-year California State Preschool Program (CSPP - 3 hours a day/175 days per year) The Maximum Reimbursable Amount (MRA) the District may earn is \$2,076,710.00 if part day slots are filled for the school year. Preschool programs can "earn" up to the MRA but not more than. CSPP programs are also required to enroll 5% of students w/IEPs in 2023-24, 7.5% in 2024-25, and 10% in 2025-26 (funding could be impacted if the threshold is not met). MVWSD's preschool enrollment of students with IEPs has ranged from 11%-16% since 2019-20 (currently 13%). Students with IEPs have one of the highest priorities for enrollment as long as they are income eligible. Then, students are prioritized by other eligibility factors.

Funding is dependent on the District enrolling children in preschool as outlined by the contract - part day slots. The minimum age is 3 years old by December 2nd and maximum age is until the student is age-eligible for Kindergarten. Enrollment is also income based except for families residing in the Castro neighborhood, students with Individualized Education Programs (IEP), children in Child Protective Services, and families experiencing homelessness or current aid recipients. Castro Neighborhood families qualify for “free-part-day preschool for all 3- and 4-year olds regardless of income rule” (at Latham site only).

Contract earnings are typically projected by estimating the number of students enrolled each day of the school year. MVWSD’s program is never at full enrollment on the first day of the school year, even though we enroll all CSPP students on the waitlist for the following year during our spring enrollment period. Many students apply and enroll later in the school year (September through February) due to becoming age eligible or moving into the area. The program loses funding for each day for every vacancy we have. In non Hold Harmless years, MVWSD must enroll more students than the minimum projected to earn our MRA to cover the shortfall in earnings due to fall vacancies. For example: If our MRA is \$2,000,000 and we project that 128 students are needed to earn our CSPP contract fully, we strive to enroll 150 or more students by February to make up for any early-year losses.

MVWSD offers an extended day program (8:00 am - 3:00 pm) for part-day state preschool eligible families at a reduced rate as well as some full-fee spaces for families that do not meet income requirements. MVWSD is not earning its full contract partially due to the large number of extended day spaces. Expenditures for the extended portion of the day are completely separate from CSPP, paid by parent fees and district general funds. The District uses the general fund to offset the costs of preschool. In years past, underearning the contract would result in the District losing funding (decreasing the MRA). Due to COVID and the expansion of TK, CSPP providers are being “Held Harmless” and will continue to be able to earn their full contract through the end of the 2024-25 school year.

Preschool Funding - New Contract (Pending)

The CSPP continued funding application was due on December 1, 2023. Based on input from the November 16th meeting of the Board, the District requested to amend the CSPP contract to include both part-day and full-day slots for students and continue with part year (175 days) preschool. The funding application can still be amended for the 2024-25 school year based on programming decisions made. Accepting full-day, part-year CSPP funding will reduce the overall number of children we are required to serve within our contract. The District will not receive any additional funding even though the costs to run a full day program will increase. The MRA will continue to be approximately \$2,076,710 if all part day and full day slots are filled.

Additionally, the District will no longer be able to charge fees for CSPP eligible families who qualify for full day resulting in increased cost to the District to operate preschool.

Enrollment in the part day state preschool slots will continue to be income based except for families residing in the Castro neighborhood, those with students with Individualized Education Programs (IEP), children in Child Protective Services, and families experiencing homelessness. Enrollment in full day preschool slots will be based on income and need.

Families wishing to enroll their child in full day preschool must meet eligibility and need requirements. New legislation will allow most families that meet full-day eligibility and need requirements to attend for free, others will pay 1% or less of their gross monthly income. Meeting need requirements can be more difficult. Parents must provide documentation that no parent in the family is available and capable of providing care during requested time and that supervision of the family's children is not otherwise being provided by another public school program, a private school, or other early learning and care services. Documentation provided will determine the number of hours/days a child may be enrolled in full day preschool potentially resulting in under enrolled classes and loss of contract earnings.

Certification of Eligibility & Need for Full-Day CSPP is more complex than that for part day CSPP.

1. Families must meet one of the 7 categories for Eligibility:
 - a. Most families are currently eligible based on their income
 - b. Income eligible families provide documentation of paycheck stubs, employer certification, self-certification w/back-up documentation such as bank statements, etc And...
 - c. Verification of family size usually w/birth certificates for all children living in the home And...
 - d. Sign a form allowing staff to contact their employer for further verification of employment
2. Families must meet one of the 9 categories of need for Full-Day CSPP
 - a. Depending on the category of need (seeking housing/employment), families may be certified for no more than 32.5 hours/week
 - b. Parents must provide documentation of days/hours of employment, enrollment in educational programs or vocational training
 - c. Additional service hours may be allowed for travel (up to 4 hrs/day), study (up to 2 hrs/week/unit), and sleep time (if a parent is employed from 10 pm - 6 am)
 - d. Certified days of service may be less than 5 days/week (student comes only 3 days per week)
 - e. Certified hours of service may be less than 8 hrs/day (student comes only 4.5

hours per day)

3. Family fee determination is made based on hours of certified need (for the child enrolled for the longest period), adjusted monthly income, and family size.

Opportunity for Additional CSPP Funding

The California Department of Education is expected to release a Request for Funding Application (RFA) for LEAs only in early 2024. As an LEA we are eligible to apply for additional CSPP funding although the awarding of additional funding will require MVWSD to expand its current preschool program to serve more students when facilities are already stretched. Any additional funding will not be able to be used to offset the cost of our current program.

Applications for funding are prioritized based on the county’s Needs Assessment issued annually by the Local Early Education Planning Council (LPC). The Needs Assessment reviews data on children eligible for subsidized preschool services, and those already being served. Based on this criteria, zip codes are given priorities. Due to Mountain View’s lower overall child population and the number/percentage of unserved children compared to the rest of the county, we do not meet priority definitions. Thus, MVWSD will be competing with districts statewide. Application request decisions will not be available until August 2024 when current programs have already started and been staffed although funding could be used beginning in 2025-26.

Enrollment Survey Data

During 2023-24 enrollment parents were given a survey regarding preferences for preschool after care (3pm - 5pm). Surveys were collected between January 8, 2023 and December 8, 2023. Ninety-nine parents responded:

- 55 enrolling at Latham
- 44 enrolling at Theuerkauf

Of the 99 respondents, 22 indicated that they would be interested in aftercare if it was offered from 3pm-5pm and 29 indicated they would be interested only if it were free.

Current Preschool Programming

LM1 AM/PM (Inclusion)	LM2 AM/PM	LM3FD	TH3FD	TH23FD	TH24FD	TH25 AM/PM (Co-taught)
16	16	20	20	20	20	16
16	16					16

Facilities	7 classrooms 4 full day (8am - 3pm) and 3 part day (3 hours per session)
Current Capacity	166 CSPP and 10 Fee Based slots (priority to staff)
Potential Enrollment	125 CSPP and 5 fee based (3 staff) + 25 students w/enrollment appointments
CSPP contract Maximum Reimbursable Amount	\$2,076,710
Anticipated amount of CSPP contract earned if based on Hold Harmless	\$1,715,470
Anticipated amount of contract earned if based on enrollment	\$1,673,122.50
Total anticipated tuition revenue from fees	\$315,000
2023-24 District contribution estimated	\$348,000

2024-25 Preschool Programming Options

Option 1

LM1 AM/PM (Inclusion)	LM2 AM/PM	LM3FD	TH3FD	TH23FD	TH24FD	TH25 AM/PM (Co-taught)
16	16	20	20	20	20	16
16	16	After School Care 3-5pm		After School Care 3-5pm		16

Facilities	7 classrooms 5 full day (8am - 3pm) and 3 part day (3 hours per session) 2 classrooms with after school care (3pm - 5pm) with priority for staff
Potential Enrollment	164
CSPP contract Maximum Reimbursable Amount	\$2,076,710
Anticipated amount of CSPP contract earned if based	\$1,715,470

on Hold Harmless	
Anticipated amount of contract earned if based on enrollment	\$1,673,122.50
Anticipated cost to provide free program to staff (8am - 5pm)	\$95,000
Additional anticipated program expenses	\$75,000
Anticipated total staffing costs	\$2,376,973
Total anticipated tuition revenue from fees	\$315,000
Yearly District contribution estimated	\$516,503

Option 1 keeps the current classroom configuration and staff and allows the District to collect below market fees to offset the cost of full day preschool. It provides free full day preschool for staff not eligible for state preschool and allows the District one more year to assess the impacts of TK on enrollment and apply for/find additional funding. Option 1 however still requires state preschool eligible families to pay for ½ of the full day of preschool at below market rates. The district does not make contract earnings for extended day or fee based spaces since we are only contracted for half day slots and annual salary/benefits increases will increase costs to the District over time. In order to implement this option the District would request to amend the CSPP funding application back to part day/part year programming for 2024-25.

Option 2

LM1	LM2	LM3	TH3	TH23	TH24	TH25
16 PD	20 FD	20 FD	20 FD	20 FD	20FD	16PD
16 PD						16PD

Facilities	7 classrooms 5 full day (8am - 3pm) and 2 part day (3 hours per session)
Potential Enrollment	164 (minimum of 128 CSPP to earn full contract/can add fee based slots)
CSPP contract Maximum Reimbursable Amount	\$2,076,710
Anticipated amount of CSPP contract earned if based on Hold Harmless	\$2,076,710

Under enrollment projection (100 CSPP students only due to TK expansion)	\$1,673,122.50
Additional anticipated program expenses	\$75,000
Anticipated total staffing costs	\$3,009,000 (incl. 7 Teachers, 16 IAs)
Yearly District contribution estimated	\$1,007,300 to \$1,410,900

Option 2 adds one additional full day class and amends the state CSPP contract to full and part day classes. Full day preschool becomes free or very inexpensive for families that qualify although families must now qualify based on income and need. Option 2 requires hiring additional staff. It is possible that some families may not qualify for 5 full days of preschool leaving open slots that are difficult to fill and leading to over staffing. If the program is under enrolled the cost to the District will increase and annual salary/benefits increases will increase costs to the District over time. The impact of expanded TK on final enrollment and contract earnings is unknown at this time.

Option 3

LM1	LM2	LM3	TH3	TH23	TH24	TH25
16 PD	20 FD	20 FD	20 FD	20 FD	20FD	16PD
16 PD						16PD

Facilities	7 classrooms 5 full day (8am - 3pm) and 2 part day (3 hours per session)
Potential Enrollment	164 (minimum of 128 CSPP to earn full contract/can add fee based slots)
CSPP contract Maximum Reimbursable Amount	\$2,076,710
Anticipated amount of CSPP contract earned if based on Hold Harmless	\$2,076,710
Under enrollment projection (100 CSPP students only due to TK expansion)	\$1,673,122.50
Additional anticipated program expenses	\$75,000

Anticipated total staffing costs	\$3,136,000
Yearly District contribution estimated	\$1,134,290 to 1,537,878

Option 3 extends all full day classes until 5pm and adds one additional full day class. The CSPP contract would be amended to include part day and full day classes. Full day preschool becomes free or very inexpensive for families that qualify although families must qualify based on income and need. It is possible that some families may not qualify for 5 full days of preschool leaving open slots that are difficult to fill and leading to over staffing. Option 3 includes an large Increase in staffing costs including a stipend for one Teacher at each site (two) in the role of Site-Supervisor from 3-5pm (approximately \$8,500 each), and Increase of 10 IAs from 6.0 hours to 8.0 hrs (1.0 FTE) to cover extended care from 3:00 - 5:00 pm and additional IAs depending on how many children qualify for care until 5:00 pm. If the program is under enrolled the cost to the District will increase and annual salary/benefits increases will increase costs to the District over time. The impact of expanded TK on final enrollment and contract earnings is unknown at this time.

Preschool Options Summary

Option	Potential Enrollment	MRA	Additional Impact on General Fund
Current Program	166	\$2,076,710	\$348,000 (2023-24)
Option 1	164 (minimum of 128 CSPP)	\$2,076,710	\$516,503
Option 2	164 (minimum of 128 CSPP)	\$2,076,710	\$1,007,300 to \$1,410,900
Option 3	164 (minimum of 128 CSPP)	\$2,076,710	\$1,134,290 to 1,537,878

Transitional Kindergarten

Education Code section 48000(c) requires any school district operating a Kindergarten to also provide a TK program for all 4-year-old children by 2025–26. All children whose fourth birthday occurs by September 1 will have access to TK at a school district as a quality learning experience the year before Kindergarten. In 2023-24, children turning five between September 2 and April 2 are eligible for TK. The age by which children are eligible for TK will expand over the next two years as follows:

- In the 2024–25 school year, children who turn five between September 2 and June 2 are eligible for TK
- In the 2025–26 school year, and in each school year thereafter, children who will turn

four by September 1 are eligible for TK

Parents may choose to enroll their 4-year old child(ren) into TK or preschool.

TK classroom teachers must have 24 Early Childhood Education units in addition to their Teaching Credential by the 2024-25 school year and classes must keep the following ratios:

- 2023-24 & 2024-25
 - 1:12 or 1:10 if the District enrolls any students outside of the age range for the current school year
- 2025-26
 - 1:10 for all classes

TK classrooms must contain restrooms that are self-contained within the classroom or within the TK/Kindergarten complex.

TK Facilities

The District expanded to eight classes in 2023-24 at five different sites in order to offer more choice for parents and support consistency in instruction at sites that are struggling with emerging readers:

Theuerkauf - 2

Monta Loma - 2

Castro - 1

Mistral - 1

Imai - 2 co-taught classes

Classes at Mistral and Theuerkauf have 2 instructional assistants to accommodate the lack of bathrooms in the classroom. The District anticipates needing to add 3 classrooms to accommodate TK enrollment for the 2024-25 school year which includes 3 additional teachers and 3-6 instructional assistants pending the location and availability of bathrooms. Predicting enrollment in TK is difficult as TK is not a mandated grade and parents can choose to enroll in PreK or TK.

For the 2024-25 school year the District plans to open TK classes at the following sites:

- Landels: Room 3 (bathroom in room)
- Imai Room: Room 6 (bathroom next to room)
- Monta Loma: Room 6 (bathroom next to room)

The rooms at Landels and Imai are pending District enrollment. If Kindergarten numbers increase then the District will relocate the YMCA to other classrooms/portables and use their portables potentially decreasing lease revenue.

TK Funding and Costs

TK is an unfunded mandate for MVWSD and all staffing, facilities, curriculum and materials costs are only offset by the UPK planning grant. The District will use the grant to offset costs although

the District will fully spend the grant in 2024-25.

	2023-24	2024-25	Notes
Certificated and Classified Salaries and Benefits	\$1,810,755	\$2,597,737 - \$2,849,401	*Adding 3 classes and 3 or 6 IAs depending on facilities space
Furniture	\$38,400	\$36,400	3 classrooms
Instructional Materials	\$50,400	\$50,400	3 classrooms - pending new curriculum which will increase costs for purchase for all 11 classrooms
Total Costs Before Grant	\$1,899,555	\$2,684,537 - \$2,938,201	
TK Planning Grant	\$333,000	\$115,000	

Preschool and Transitional Kindergarten Fiscal Impact

The table below shows potential estimated fiscal impact to the District’s budget for preschool and TK combined and pending the preschool option implemented for the 2024-25 school year.. It is important to note that numbers are estimates only. Costs could increase depending on enrollment in both programs and will increase as TK expands in 2025-26.

Preschool Options/Costs	TK Cost	Estimated General Fund Costs
Current Program \$348,000	\$2,684,537 - \$2,938,201	\$3,032,537 - \$3,286,201
Option 1: \$516,503	\$2,684,537 - \$2,938,201	\$3,201,040 - \$3,454,704
Option 2: \$1,007,300 to \$1,410,900	\$2,684,537 - \$2,938,201	\$3,691,837 - \$4,349,101

Option 3: \$1,134,290 to 1,537,878	\$2,684,537 - \$2,938,201	\$3,818,827 - \$4,476,079

Considerations

Preschool funding is complex and is based on a variety of factors that are not easily predicted including income, enrollment, attendance, and need. All expenditures are estimated and could increase depending on the above factors. The District’s preschool funding is a set amount (no matter if we offer part or full day) and will not increase unless we apply for and are awarded additional funding through the state or we can access other local funds (i.e. shoreline). If the District applies for and receives additional funding from the state, the program will be required to serve more students - funding will not be able to be used to offset District costs. While the state is currently working to change/increase the rate of reimbursement to providers for CSPP services because the cost of care exceeds funding, the timing or amount of the increase is unknown at this time. No matter what option is chosen there will still be an impact to the District’s general fund.

TK is an unfunded mandate and the District’s costs will continue to increase due to continued age expansion and salary and benefits costs. The full impact of TK on Preschool will not be clear until after the 2025-26 school year when TK is fully expanded and then it will still be unpredictable as parents have the choice to enroll in Preschool or TK. The demand for part day vs. full day preschool may change as TK expands and preschoolers are younger (2.9 to 4 years). Preschool and TK compete for the same facilities (rooms with bathrooms). The District’s enrollment is projected to increase thus limiting available facilities. Rooms have not been identified for TK in 2025-26. Staffing for both programs is challenging especially as students get younger when they enroll.

The initial enrollment period for preschool 2024-25 occurs from March through the end of May for students to begin on the first day in August. Enrollment then resumes in September. Delayed decisions regarding 2024-25 services impacts preschool staff ability to maximize enrollment for the start of school.

Staff Recommendation and Board Direction - Preschool

District staff recommends implementing Option 1 for the 2024-25 school year. Option 1 keeps potential enrollment at the same level as current programming and keeps current staffing. It provides free extended care, 3pm - 5pm for up to 10 staff (currently 3 staff have students in preschool currently) and adds extended care available for an additional 30 students at a reduced rate. Option 1 keeps the encroachment on the general fund at a minimum while the

District assesses the impact of TK on preschool enrollment. It provides the possibility of attaining additional funding to cover costs of free full day preschool through increases to local funding (i.e. Shoreline).

Based on the information provided and recommendation, District staff is asking for Board direction on the configuration of the preschool program for 2024-25 so that preschool staff can begin preparations for enrollment in March.

Next Steps

Next steps include Preparation for 2024-25 preschool enrollment based on Board direction and Preparation for TK expansion (purchase materials, hire teachers etc). Staff will also complete PreK/TK curriculum pilot and bring recommendation for adoption in May/June and consider requesting for additional CSPP funding if it is released by the state.

