
MEMORANDUM

TO: Private and Public Prequalified Prekindergarten Education Programs
FROM: Brad James, Education Finance Director
Kate Rogers, Early Education Programs Manager
SUBJECT: Allowable Use of Publicly-Funded Prekindergarten Education
DATE: Dollars February 20, 2020

Act 166 of 2014, Vermont's Universal Prekindergarten Education law, ensures that each and every child who is 3, 4 or 5 years of age and not enrolled in kindergarten has the opportunity to attend a prequalified prekindergarten education program **at public expense**. This means that each child is entitled to participate in no fewer than 10 hours a week for 35 weeks per school district academic year operated in a prequalified public school or private program **at no cost to the family**.

Act 166 requires school districts to establish contracts with community-based private childcare programs that have been approved by the state as prequalified prekindergarten education (PreK) programs. For each child that is enrolled in a prequalified PreK program, the school district of residence is obligated to pay tuition at the current (2019-2020) rate of \$3,356.00 per academic year per child. All tuition received by the private prequalified PreK program is to fully cover the cost of the 10 hours a week for 35 weeks per school district academic year.

Therefore, the following applies:

- 1) Each private prequalified PreK program **must apply all public education dollars** received from school district/s toward tuition to cover Universal PreK for each resident child enrolled.
- 2) Families should never be charged for the ten hours of publicly-funded PreK education for 35 weeks during the school year.
- 3) Publicly-funded PreK dollars are intended for use during the academic school calendar year only. **Funds may not be stretched out over 52 weeks a year.**
- 4) If a child attends a prequalified PreK education program for only 10 hours per week over 35 weeks of the school calendar year, no tuition may be charged.
- 5) If a child attends the program for additional hours and weeks, **the full \$3,356.00 in PreK tuition must be applied to the family's costs**. Publicly-funded PreK dollars must offset a family's tuition cost and **must be transparent on the family's invoice**.

Contact Information:

If you have questions about this document or would like additional information, please contact: Kate Rogers, Early Education Program Manager, at kate.rogers@vermont.gov.

The Agency of Education (AOE) and Agency of Human Services (AHS) Child Development Division have received complaints from families regarding the application of publicly-funded PreK education dollars toward their costs for children attending private prequalified PreK education programs.

Some families have reported that they are not receiving the full amount (\$3,356.00) of public PreK education dollars paid on behalf of their child by their respective school district. Private prequalified prekindergarten education programs must ensure they are in compliance with the law by providing ten hours of publicly-funded prekindergarten education at no cost to families and by applying the full \$3,356.00 of annual public education dollars received from school districts against parent costs for prekindergarten children enrolled in public PreK. Clear information about fees and payment policies in each program must be provided to families as stated in Child Care Licensing Regulation 4.7 for Center Based Child Care and Preschool Programs and Family Child Care Homes.

Programs that do not comply with the law could lose status as a prequalified PreK education program.

Excerpt from Vermont State Board of Education Manual of Rules and Practices, Series 2600 – Prekindergarten Education, Rule 2609: Tuition

(5) Tuition paid by a district to a public or private prequalified prekindergarten education program shall:

- a. Be paid in accordance with a schedule that allows the prequalified prekindergarten education program to maintain financial stability;
- b. Not inhibit the ability of a parent or guardian to enroll a prekindergarten child in the public or private prequalified prekindergarten education program;
- c. Be made pursuant to an agreement complying with Section 2607 of these rules and requiring quality assurance, transition and other matters deemed necessary by the district, and an agreement by the program to notify the district when the child is no longer enrolled.
- d. Be made in accordance with federal statutes and rules regarding the requirement that Title I funds shall supplement and not supplant the state and local funds expended on prekindergarten education in the state (20 U.S.C. §6321(b)).
- e. **Be used by the program to fully cover the cost of ten hours per week for 35 weeks annually of prekindergarten education.** If the tuition received by the program exceeds the actual cost of ten hours per week for 35 weeks annually of prekindergarten education, then the excess shall be applied to additional hours the child attends the prekindergarten program. A parent or guardian may only be charged for any hours that

exceed ten hours per week for 35 weeks annually and that exceed the cost covered by the annual tuition received.

(7) Prequalified public or private prekindergarten providers may receive additional payment directly from the parent or guardian for prekindergarten education in excess of the hours paid for by the district or for childcare services, or both. Prequalified private programs are not bound by the statewide rate in determining rates they will charge parents or guardians in excess of ten hours per week for 35 weeks annually.