



Nancy S. Grasmick
State Superintendent of Schools

200 West Baltimore Street • Baltimore, MD 21201 • 410-767-0100 • 410-333-6442 TTY/TDD

TO: Members of the State Board of Education
FROM: Nancy S. Grasmick *Nancy*
DATE: September 23, 2008
SUBJECT: Maryland Preschool for All – Proposed Business Plan

PURPOSE:

To provide a proposed business plan regarding the expansion of prekindergarten services in Maryland based on the recommendations of the Task Force on Universal Preschool Education.

BACKGROUND:

Current Prekindergarten Program and Task Force on Universal Preschool Education

Since 1980, four-year-old children received prekindergarten services at the local school systems' Extended Elementary Education Program (EEEP). With the enactment of the Bridge to Excellence in Public Schools Act in 2002, i.e., legislation which significantly increased state aid to education, all local boards of education were required to provide by school year 2007-2008, prekindergarten to all four-year-olds from "economically disadvantaged backgrounds,"

During the 2006 session of the Maryland General Assembly, HB 1466 was approved with the overall purpose of establishing a Task Force on Universal Preschool Education. It issued recommendations in its report, *Preschool For All in Maryland: Recommendations of the Task Force on Universal Preschool Education – Report to the Governor and General Assembly as Required by HB 1466* (Copy Attached) and submitted it to the Governor on December 2007. The report called for MSDE to draft a business plan, including cost estimates, which would outline the program, its operation, and specific cost calculations.

Maryland's prekindergarten program currently offers publicly funded educational services to all four-year-old children from families with economically disadvantaged backgrounds (i.e., 185% of the federal poverty guidelines) or who are homeless. The mandate for access to prekindergarten was established in 2002 by the Bridge to Excellence of Public Schools Act. The overall goal of the program is to provide learning experiences to help at-risk children develop and maintain the basic literacy, cognitive, social, emotional, and physical skills necessary for successful school performance.



Prekindergarten services are regulated by the State and administered by local boards of education as part of the K-12 public school system or by qualified vendors, i.e., Head Start programs, State or nationally accredited child care centers, or nonpublic schools approved by MSDE to provide prekindergarten. In school year 2007-08, local school systems enrolled a total of 27,300 prekindergarteners.

Preschool for All Business Plan

The business plan (Copy Attached) serves as starting point for the development of the program. It proposes three major tenets which define *Preschool for All*:

- *Preschool for All* would be a supplement to the existing Bridge to Excellence (BTE) mandate for prekindergarten;
- MSDE would have oversight and be accountable for implementing *Preschool for All*;
- Funding for *Preschool for All* would be shared by the State and local governments. MSDE would establish a categorical fund program similar to the now-defunct Extended Elementary Education Program (EEEP)

Since local boards of education are required to comply with the prekindergarten provision of BTE, the additional prekindergarten classrooms through *Preschool for All* serve two purposes:

- Expand access to high quality prekindergarten;
- Provide relief for local boards of education to meet the increasing demand in high quality prekindergarten.

The case for expanding access to high quality prekindergarten has been made by the Task Force on Universal Preschool Education in its report. Less well known is the tangential benefit of expanding the number of prekindergarten classrooms by meeting the ever increasing demands by families of four- year olds to access the program. Currently, local school systems accommodate, under considerable strain, four-year olds who have educational needs but are not eligible under the Bridge to Excellence mandate.

According to the proposed plan, MSDE would have oversight of Preschool for All, including the following:

- Budgeting
- Grants management
- Monitoring and accountability

The main reason for MSDE's oversight is the expansion of the program to non-public school facilities, such as accredited child care, nursery schools, and Head Start. MSDE has established six (6) pilot sites featuring a range of service delivery models for prekindergarten, while maintaining the standards of the current program operated by local boards of education.

Funding for the *Preschool for All* program would be shared by the State and local governments. The business plan uses methodologies of specifying base costs, i.e., costs associated with the basic operation of a program for four-year olds, and enhancement costs, i.e., costs associated with meeting the Task Force's recommended standards and the State's prekindergarten regulations. The estimated base and enhancement costs for a half-day prekindergarten are \$2,705 per child and \$5,308 per child for full-day prekindergarten. Assuming a mix of half-day and full-day prekindergarten sites, the estimated total costs for families with household incomes at or below 300% of the Federal Poverty Guidelines is \$31.5 million. Based on a local match of 30 percent, the estimated State share of the additional funds would be \$22.4 million and \$9.6 million provided by local governments. The total estimated cost for bringing all, i.e., about 57,000 four-year olds, into the program would be \$115 million with 70 percent (80.4 million) borne by the State.

SUMMARY:

Subsequent to establishing requirements for providing prekindergarten services for four-year old children from economically disadvantaged backgrounds, the General Assembly passed a bill in 2006 to establish a Task Force on Universal Preschool Education to develop a report on the feasibility of extending the service to all four year olds. The Task Force issued a report on its findings and charged MSDE to draft a business plan to establish a program called *Preschool for All*. The plan includes information about the current program and how *Preschool for All* would be operated and financed.

ACTION:

For information only. No action required.

Attachment