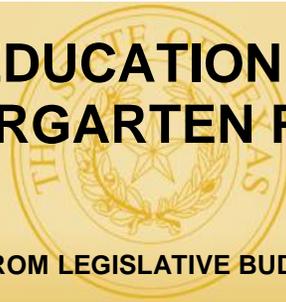


# TEXAS EDUCATION AGENCY PREKINDERGARTEN PROGRAMS



AN ISSUE BRIEF FROM LEGISLATIVE BUDGET BOARD STAFF

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## OBJECTIVE

To prepare children for success in kindergarten by providing half-day prekindergarten to eligible children and working with prekindergarten providers to improve school readiness through a high-quality research-based program.

## KEY FACTS

- ◆ The Texas Education Agency funds half-day prekindergarten through the Foundation School Program for eligible three- and four-year-old children.
- ◆ The Texas School Ready! program works with prekindergarten programs to implement a high-quality research-based program.
- ◆ TEA Rider 66 (2014–15 biennium) provides supplemental prekindergarten funding to school districts and open-enrollment charter schools based on eligible prekindergarten students in average daily attendance.

## BUDGETARY IMPACT

In the 2014–15 biennium, the Texas Education Agency is budgeted to expend approximately \$1.7 billion for prekindergarten education, including \$1.6 billion in the Foundation School Program, \$30.4 million for Texas School Ready!, and \$30 million for supplemental prekindergarten funding.

## STATUTORY REFERENCES

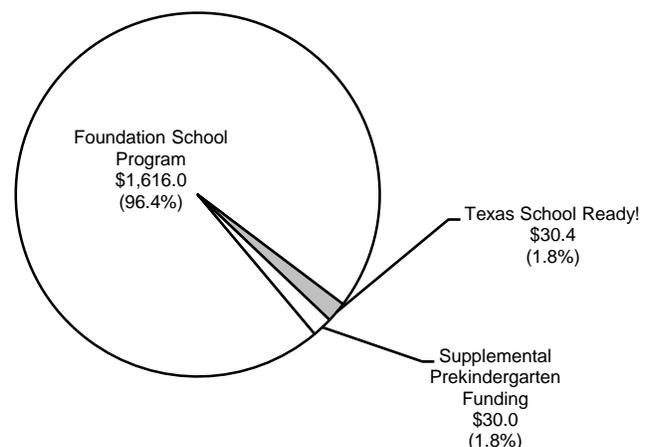
Texas Education Code, Chapter 29, Subchapter E

In Texas, prekindergarten education is funded through the Foundation School Program, the Texas School Ready! program, and supplemental prekindergarten funding. Prior to the 2012–13 biennium, the state also provided funding through the Prekindergarten Early Start Grants program. Fig. 1 shows a funding overview for prekindergarten education and prekindergarten programs for the 2014–15 biennium.

**FIG. 1  
PREKINDERGARTEN PROGRAMS AT THE TEXAS EDUCATION AGENCY  
2014-15 BIENNIUM**

IN MILLIONS

TOTAL = \$1,676.4MILLION



NOTE: Amount for Foundation School Program entitlement is projected.  
SOURCE: Legislative Budget Board, Texas Education Agency.

## FOUNDATION SCHOOL PROGRAM

The state funds half-day prekindergarten for eligible students through the Foundation School Program (FSP). The FSP is the principal vehicle for distributing state aid to school districts for all students. FSP funding is influenced by many variables, including Average Daily Attendance (ADA). ADA, as a general rule, is measured by counting the days present for each child, and dividing the days present by the number of school days. FSP entitlement for prekindergarten is statutorily limited to half-day funding, so attendance is measured on a half-day basis. Therefore, each prekindergarten student can generate one-half ADA at most in a school year.

School districts identifying more than 15 children who meet statutory eligibility requirements are required to offer at least a half-day prekindergarten program.

To be eligible for foundation school program prekindergarten funding, a student must be at least three years of age and:

- unable to speak and comprehend the English language,
- educationally disadvantaged (eligible to participate in the federal free or reduced-price lunch program),
- homeless,
- the child of an active duty member of the armed forces,
- the child of a member of the armed forces who was injured or killed while serving on active duty, or
- have been in the conservatorship of the Department of Family and Protective Services

Although only half the day is eligible for FSP funding, many school districts provide full-day prekindergarten programs funded from other sources. Additionally, state law allows school districts to serve children who do not meet eligibility criteria for FSP funding for prekindergarten on a tuition basis. In fiscal year 2013, 227,568 students were enrolled in prekindergarten programs in school districts and charter schools. Fifty-one percent, or 115,173 students, were enrolled in half-day programs while the remaining 112,395 students were enrolled in full-day programs. In fiscal year 2013, services for 2,996 full-day prekindergarten students, or 2.7 percent, were funded wholly or partially by tuition, while 1,176 students enrolled in half-day prekindergarten programs, or 1 percent, were tuition funded. From fiscal years 2000 to 2011, full-day prekindergarten was provided for some FSP-supported half-day students through a state-funded grant program that provided funding for the remaining half-day of service. In fiscal year 2014, FSP funding for half-day prekindergarten is estimated to total \$797 million, based on 104,970 ADA. For fiscal year 2015, FSP funding for half-day prekindergarten is projected to be \$819 million, which is based on 106,774 ADA. As noted above, ADA is at most 0.5 per student for prekindergarten.

### **TEXAS SCHOOL READY! PROGRAM**

Texas School Ready! (TSR!) is an early childhood program that works with prekindergarten programs in public school districts, open enrollment charter schools, Head Start Programs, and for-profit and nonprofit child care programs. The program aims to provide a developmentally appropriate and rigorous curriculum, continuous student progress monitoring, and professional development for teachers. Additionally, TSR! assists in implementing a School Readiness Integration Partnership, in which a school district provides a certified teacher to a Head Start or child care classroom to provide a minimum of three hours of daily instruction to eligible students using state-adopted instructional materials. To be eligible to participate in this program, a prekindergarten program must serve at least 75 percent low income students. In school year 2013–14, Texas School Ready! grants served 31,858 students in 34 school districts.

In the 2014–15 biennium, the Texas Education Agency was appropriated \$30.4 million for TSR!, including \$7.0 million in General Revenue funds and \$23.4 million in Interagency Contracts from the Texas Workforce Commission (TWC). TWC's transferred funds are federal Child Care and Development Funds. TEA has contracted with the Children's Learning Institute of the University of Texas Health Science Center at Houston to implement the Texas School Ready! program. The Children's Learning Institute has operated the program since 2003.

Prior to fiscal year 2014, the Texas Education Agency also operated the Kindergarten Readiness System (KRS). The KRS, previously called the School Readiness Certification System, was a voluntary program through which public and private early childhood education providers applied to be certified to successfully prepare students to enter kindergarten. Beginning in fiscal year 2014, the Texas Education Agency began use of the Early Childhood Data System (ECDS), a new reporting feature in the Texas Student Data System. The ECDS will collect early childhood data to inform schools districts and stakeholders about the effectiveness of prekindergarten programs in preparing students for kindergarten.

### **SUPPLEMENTAL PREKINDERGARTEN FUNDING**

General Appropriations Act (2014–15 Biennium), Rider 66, page III–19 allocated \$15 million in General Revenue each fiscal year for supplemental prekindergarten funding based on eligible prekindergarten students in average daily attendance for the 2014–15 biennium. For fiscal year 2014, school districts and open-enrollment charter school received an additional \$147 in supplemental prekindergarten funding per prekindergarten student in average daily attendance in school year 2012–13. For fiscal year 2015, it is estimated that each school district and open-enrollment charter school will receive an additional \$143 per eligible prekindergarten student in supplemental prekindergarten funding. Schools districts and open-enrollment charter schools have broad discretion in the expenditure of these funds on prekindergarten programs.

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