Pre-Kindergarten Education Funding

Studies have shown that access to full-day, quality pre-kindergarten education significantly increases the likelihood that children, especially those from low-income families, will succeed in grade school.¹ Specifically, access to quality pre-kindergarten education has been found to have beneficial effects on children’s literacy, language, and math skills.²

Public funding for pre-kindergarten education in Vermont is currently regulated under Act 166. This legislation requires every school district in Vermont to provide ten hours of pre-kindergarten education per week for thirty-five weeks a year to children ages three to five who are not enrolled in kindergarten programs.³ Along with these requirements, Act 166 mandates “an annual legislative evaluation of the state’s pre-K efforts.”⁴ Vermont is currently one of only nine states and Washington D.C. that fund public pre-kindergarten education through the K-12 funding formula. This type of funding formula is based on a “per-student funding level,” with additional funds allocated for disadvantaged students and schools.⁵ Although this system does not guarantee sufficient funding, it does mean that funding for pre-kindergarten education is somewhat protected from the undulations of a state’s budget process.⁶

Additionally, Vermont is one of only three states and Washington D.C. to provide Universal Pre-K (UPK)—a pre-kindergarten education system in which age is the only criterion for children to be enrolled in a public program.⁷ UPK programs in Vermont exist in the form of Head Start

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centers, public schools, and community-based programs. UPK programs vary in instructor quality, state funding, physical accessibility, and even in the amount of preschool provided.

Several states, including Vermont, require as little as ten hours of pre-kindergarten education a week; other programs provide full school days that include before- and after-school care programs.

In 2014, Building Bright Futures, Vermont’s early childhood state advisory council, identified several possible areas of improvement for Act 166. Included in these areas for improvement are the need to locate sources of preschool funding other than the education fund, as well as the need to increase the “dosage” of preschool to more than ten hours a week in order to make preschools more accessible to working families. This “dosage” presents accessibility problems, as transportation costs and the need to find additional childcare can deter many working families from enrolling children in public preschool.

Currently, in order to access full-day, high quality preschool, parents in Vermont need to pay for either additional public care programs or a private preschool. The school choice system in Vermont only provides pre-kindergarten educational vouchers to children who do not have a public school operating in their school district. These school districts are required to pay full tuition to other public programs, or they can partially pay for a private institution based on the annual Average Announced Tuition. Average Announced Tuition is calculated by dividing total allowable expenditures for pre-kindergarten students by the current number of full-time students. Vermont’s voucher system does not allocate vouchers based on family income; therefore, the system does not provide many lower-income students with an increased ability to access quality preschool education. The voucher systems of some other states distribute school vouchers on the basis of income, which aim to allow low-income students greater access to quality education. Although these voucher systems are widely used, the limited empirical evidence supporting their effectiveness makes them a controversial subject among legislatures and educators.

School Choice Policy

There are three different variations of private and public school choice programs provided to students from pre-kindergarten through high school: school vouchers, scholarship tax credits,

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9 Barnett and Gomez, “Universal Pre-K.”
10 Barnett and Gomez, “Universal Pre-K.”
and education savings accounts. Traditionally, school vouchers use state funds to assist or completely pay for a student to attend a public or private institution due to an inconvenience or hardship. Scholarship tax credits direct individual and corporate taxes towards scholarships for students pursuing an education at a public or private institution. Educational savings accounts provide students with a flexible spending schedule. State-funded grants are allocated to the student’s educational bank account and the parents are then able to spend the funds on school tuition as well as school related expenses. The funds that remain at the end of a year are carried over—allowing the family to save money for undergraduate tuition expenses in the future.

In terms of the private school choice policy for pre-kindergarten education, Vermont employs a school voucher program. Across the country, fourteen state legislatures and Washington D.C. have passed laws authorizing voucher programs for varying levels of education. The transferable tuition funds available to the voucher-eligible student are dictated by the state or district budget. State legislators design the eligibility requirements of the voucher program to target the demographic of young people lacking educational proficiency. Target demographics can include, “low-income students who meet a special income threshold, students who attend chronically low-performing schools, students living in a certain area, students with disabilities, or students in military families or foster care.” Voucher programs across the nation vary in terms of their eligibility requirements, public school attendance requirements, private school participation standards, number of vouchers available, and value of the voucher. Furthermore, the social and fiscal discourse surrounding vouchers has put education experts and professionals in the field at odds, as its controversial design can have a significant impact on student enrollment and educational experience. Proponents of the issue support the freedom of educational choice inherent to the voucher system, while opponents argue that the program is degrading public educational institutions and can be easily abused. On a national level, school voucher programs are used across all different levels of education—from pre-kindergarten up through high school programs. Regardless of the level of education of the voucher recipient, the programs themselves are implemented in largely the same manner. Therefore, this discussion of the general framework, as well as the debated benefits and drawbacks of school voucher

19 Cunningham, “Private School Choice.”
21 Cunningham, “Private School Choice.”
22 Cunningham, “Private School Choice.”
23 Mace, “Vermont’s Education Voucher System.”
programs, is applicable to Vermont’s continued usage of school voucher programs for pre-kindergarten education funding.

The National Conference of State Legislatures released a comprehensive report analyzing the dynamic nature of voucher systems. Vouchers give families the flexibility to “shop” around, assessing schools based on their overall educational performance standards. The competition to perform at a higher standard puts pressure on schools to increase student academic performance while using the same amount of public funding. A report released by the American Educational Research Association, asserts that voucher programs promote market competition among educational institutions, thus increasing the cost efficiency of public tax dollars. Voucher programs allow families to choose from a variety of public, private, and charter school programs, enrolling their children in the type of educational system that is most compatible with their learning style. The implications of market competition among public, private, and charter schools remains constant across all levels of education, including pre-kindergarten education; therefore, consideration of both the benefits and drawbacks of such competition should be considered alongside any analysis of the Vermont pre-kindergarten voucher program.

Originally, the voucher program was created to cater to the educational needs of low-income students. In Vermont and Maine, however, the voucher system does not target low-income nor vulnerable populations. Thus, middle-and upper-class families who live in voucher eligible districts can take advantage of the voucher program despite their financial stability. The design of the voucher program in Vermont and Maine allows voucher-eligible students to enroll directly in private programs, meaning many pre-kindergarten students may never experience the public education system first. Additionally, given the close association between many private educational institutions and religious institutions, the state tax funds transferred in the form of a voucher blurs the line between church and state. As a result, there have been a series of legal battles within voucher accepting states regarding the close relationship between academic institutions with religious ties and tax dollars. Consequently, state voucher programs remain a contentious issue among educators, researchers, and policymakers.

Voucher Recipient’s Academic Performance

Voucher programs have been studied using student academic performance standards to investigate the impact on educational growth as a direct result of the scholarship. Using

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37 Mace, “Vermont’s Education Voucher System.”
40 Cunningham, “Comprehensive School Choice Policy,” 8.
standardized educational variables in a controlled study, researchers have contrasted the levels of academic proficiency between voucher and a non-voucher students.\(^{42}\)

The National Center for Educational Evaluation and Regional Assistance performed a year-long study of 1,700 students from grades K-12 within the greater Washington D.C area.\(^{43}\) A portion of the students who were admitted to the study received their scholarships through a lottery process to enroll in a local private educational institution.\(^{44}\) The findings of the study concluded that after the first year, the students who had received the scholarships had lower mathematics and reading test scores than the students who did not receive the scholarship.\(^{45}\) Additionally, the study concluded that the scholarship program had no impact on the child’s satisfaction with the school’s fit.\(^{46}\) This study resulted in no apparent correlation between students who received voucher scholarships under the program and an increase in academic performance.\(^{47}\)

John F. Witte, a professor in Political Science and Public Affairs from the University of Wisconsin-Madison, conducted a study on the academic performance of voucher students under the Milwaukee Parental Choice Program (MPCP). Over the past forty years, Mr. Witte has conducted research focusing on the nexus between politics and education, delving into school voucher programs and school choice.\(^{48}\) As an official evaluator of the MPCP, Mr. Witte led two nonconsecutive studies over the course of ten years.\(^{49}\) The results from these two studies focused on outlining the differences between non-voucher and voucher students throughout all aspects of the educational system.\(^{50}\) The two studies concluded that voucher programs offered no clear academic advantage when compared with the control group.\(^{51}\) During the first three years Witte found a decline in voucher students’ math scores; however, this was followed by an increase in scores during the last year.\(^{52}\) Ultimately, Witte found that the differences in math and language scores between voucher and non-voucher students were not statistically significant.\(^{53}\)

Jonathan Mills and Patrick Wolf, research fellows at the University of Arkansas, conducted a similar analysis of the effects of a large statewide school voucher initiative called the Louisiana


\(^{44}\) Dynarski et al., *Evaluation of the DC Opportunity Scholarship*, 23.

\(^{45}\) Dynarski et al., *Evaluation of the DC Opportunity Scholarship*, 23.

\(^{46}\) Dynarski et al., *Evaluation of the DC Opportunity Scholarship*, 23.

\(^{47}\) Dynarski et al., *Evaluation of the DC Opportunity Scholarship*, 23.


\(^{50}\) Witte, “Voucher Programs,” 13-15.


\(^{52}\) Witte, “Voucher Programs,” 14.

Scholarship Program (LSP). The private schools that were selected to participate in the LSP were predominately Catholic and contained a high proportion of minority students. Over the course of the three-year study, the researchers were able to conclude that the vouchers had no statistically significant impact on voucher students’ proficiency in language arts and math courses. Nevertheless, the study found that the sector of voucher students who entered the program at a lower academic level showed higher language arts scores by the end of the trial period.

Although educational voucher programs have been adopted across fourteen different states and Washington D.C., their effectiveness in improving academic performance has been brought into question by empirical evidence provided by studies conducted across the nation. These studies, conducted by different institutions, all conclude that there is no significant data that shows a statistically significant correlation between vouchers and improved educational achievement. This lack of correlation is an important consideration when evaluating the continued viability of the pre-kindergarten school voucher program in Vermont; and these studies may encourage an independent study in regards to the success of the Vermont pre-kindergarten voucher program in terms of improving education achievement.

Case Studies

Maine

Maine and Vermont both have a high proportion of population living in rural areas, which creates unique ramifications for preschool program access. According to the US Census Bureau, Vermont’s population per square mile is 67.9 people and Maine’s is 43.1 people. The Maine Preschool Expansion Grant, a $14.8 million grant, fostered the implementation and management of Universal Pre-K (UPK). Specifically, the purpose of this grant was to expand high-quality pre-kindergarten education to children from families with moderate to low incomes, with a priority of allocation given to children from families at 200% of the Federal Poverty Level and below. The grant model also identified eleven high-need communities: Androscoggin, Aroostook, Cumberland, Franklin, Kennebec, Knox, Oxford, Penobscot, Waldo, Washington, and York. The grant’s funding covered most communities in the state, but these eleven were a primary focus. The year one (2017-18 school year) federal grant award amount was $3,497,319.

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which is enough to fund materials, equipment, furnishings, and operation costs of several pre-kindergarten programs. School administrations, however, must provide supplemental funding for up to 60% of the amount of federal funds. By year four (2020-21 school year) the grant will support the development and/or expansion of fifty-five classrooms. Among other things, this grant aims to measure and achieve child outcomes that predict school readiness, ensure all public preschool programs meet Maine’s education standards, and create and expand preschool programs in communities with high levels of poverty.

Another way that Maine funds pre-kindergarten education is through Title I, which is a “federal program that provides financial assistance to school districts and schools with high percentages of children from low-income families.” The funds, which are primarily used for at-risk children from disadvantaged backgrounds, are widely distributed to 380 Title I qualified schools in Maine. Schools that are “Title I qualified” are those that receive funding from the federal government to maintain high quality and highly accessible education. The goal of this program is to provide support services that help ensure all Maine students have a fair and equal opportunity to obtain high quality education and reach proficiency on standardized tests. Funds are allocated through four formulas (basic grants, concentration grants, targeted grants, and education finance incentive grants) that are based on census poverty estimates and state education costs. In addition, Title I funds can be used for other early education programs such as Head Start and Early Reading First. Furthermore, eligibility for pre-school enrollment at a Title I program is open to all children living within the attendee area of the school, with a targeted assistance program open to all children deemed at risk of not meeting the state’s achievement standards.

Title I has existed since the 1960s, yet some critics argue that the goals, one of which is a 100% graduation rate per state, are unachievable. Nevertheless, over the years, many amendments and changes have been instituted to increase the effectiveness of the program. For instance, in the case of Maine, the state government has allocated Title I federal funds towards the Maine Migrant Education Program, which “works with migrant agricultural and fishing workers and their families to compensate for educational disruption resulting from their mobile lifestyles.” Although the goals of the Maine Preschool Expansion Grant are ambitious, they are considered more attainable than the goals of Title I in being open to interpretation and are not statistically stringent.

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64 Lajoie, “Pre-k Grant Opportunity.”
65 Maine Department of Education, Maine Preschool Development Grant.
66 Maine Department of Education, Maine Preschool Development Grant.
68 Maine Department of Education, Title I, Part A.
69 Maine Department of Education, Title I, Part A.
70 Maine Department of Education, Maine Preschool Development Grant.
73 Maine Department of Education, Maine Preschool Development Grant.
Oregon

Oregon, like Maine and Vermont, is a predominately rural state. The two major pre-kindergarten funding models in Oregon are Oregon Prekindergarten (OPK) and Preschool Promise. OPK was established in 1987 by the Oregon legislature and it was modeled and designed in accordance to federally funded Head Start programs. Oregon’s 28 grantees include school districts, educational service districts, and community action programs. By Oregon law, 20% of the children who benefit from this program are to come from families not in poverty, another 10% must be children who have identified disorders, and the remaining 70% must be children from impoverished families.

The Preschool Promise program was instituted in 2015 and similar to a Maine program, it focuses on families whose incomes are at or below 200 percent of the Federal Poverty Level. This program allows for flexibility to be delivered in a way that supports parent’s choice of the education provider setting. This method of allowing families freedom of choice is often dubbed a “mixed delivery” system because it recognizes parent preference given the assessment that high quality early learning experiences can take place in a wide variety of settings.

These two Oregon programs have many similarities with regard to how benefits are distributed. Both target disadvantaged families and aim to fulfill some series of goals related to academic and familial success. An important difference is that OPK operates under a federal framework, whereas Preschool Promise was created and is managed by state agencies. Another noteworthy distinction is that OPK has significantly more overall funding in comparison to Preschool Promise, yet the funding per student is lower. For instance, the 2015-17 legislatively approved budget for OPK was $8,900 per child of funding for 8,156 children. Preschool Promise’s average cost per child in its first year was $11,458 per child for 1,300 children (these numbers do not reflect funding that went into teacher salaries and other costs). Another notable aspect of Preschool Promise that differs from OPK is that Preschool Promise funds “hubs,” which are educational centers operated in low-income areas. This method resolves problems of transportation by maintaining high quality program centers in proximity to lower-income neighborhoods. In general, OPK takes on a geographically and demographically holistic approach, whereas Preschool Promise uses an area-focused approach, indicating that the two programs are compatible, if not mutually reinforcing.

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Upstate New York

Upstate New York resembles Vermont in terms of population density given that most of the population is rural and there are large swaths of land that are uninhabited (i.e., the Green Mountains and the Adirondacks). Researchers at Cornell University, with the support of the New York State Rural Education Advisory Committee and the New York State Legislative Commission on Rural Resources, published a report in 2009 detailing the policy implications of the Universal Pre-K (UPK) program in rural New York. There are some important findings and suggestions in this report that may be useful when applied to the Vermont context, specifically, with respect to the issues of limited educational opportunities and transportation.

Limited pre-kindergarten options is a problem in rural New York, as well as Vermont, because the capacity of rural communities to serve the needs of children under age five is low due to the limited number of available pre-kindergarten education slots. Another limitation to pre-kindergarten education opportunities in rural New York is that low-income rural districts are less likely to operate state-funded pre-kindergarten programming in comparison to low-income urban districts. That is, “rural districts without pre-kindergarten programming tend to be those with the sparsest populations.” Some of the solutions that the New York State Center for Rural Schools researchers recommend are state funded technical assistance for rural school districts and support from rural districts with pre-kindergarten programs for those without.

The second issue prevalent in rural New York, and relevant to Vermont, is transportation to and from pre-kindergarten programs. There are three problems in rural communities, namely, the lack of public transportation, a greater overall distance to services, and higher relative transportation costs in sparsely populated areas. This transportation problem is significant to pre-kindergarten funding considerations in Vermont because low-income families in rural areas may not have the means or time to transport their children to education service providers, thereby rendering the UPK model unworkable. Some possible solutions to these transportation problems are to examine co-sponsored opportunities to transport children to and from services, to explore provisions of gas subsidies for parents needing to travel far distances, to ensure sufficient transportation funding to cover half-day bus runs for pre-kindergarten programs, and to make accommodations for pre-kindergarten children on buses.

The similarities between rural New York and Vermont, especially in their UPK program recipients and difficulties regarding rural access to pre-kindergarten providers, means that it is

likely that the issues facing New York’s pre-kindergarten programs are similar to problems in Vermont. Therefore, the same potential remedies regarding pre-kindergarten access and assistance programs also apply.

Washington D.C.

Currently, Washington, D.C. leads the nation in providing three- and four-year-old children with quality pre-kindergarten education. According to a 2017 report from the National Institute for Early Education Research, Washington D.C. provides the highest percentage of children with access to quality pre-kindergarten education. Along with this, Washington, D.C. leads the nation in resource rankings and per child spending. Washington, D.C. provides public pre-kindergarten education for all three and four-year-old children for 180 days a year, five days a week, for 6.5 hours a day. Thus, the amount of instructional time provided for pre-kindergarten students equals that of students in grades K-12. Funding for public preschools in Washington, D.C. is allocated using the Uniform Per Student Funding Formula, a formula that adjusts spending to take into account the costs of different grade levels and community needs. This funding is drawn from the DC General Education Fund, as a large portion of pre-kindergarten programs in Washington D.C. are housed within public elementary schools and charter schools.

Although Washington D.C. is markedly different from Vermont in regards to population density, certain aspects of Washington, D.C.’s pre-kindergarten program could benefit pre-kindergarten education programs across the country. For example, D.C.’s commitment to providing preschool aged children with full-day preschool, as well as continuously increasing the quality of preschool education, are both aspects that could be adopted under Vermont’s UPK program. A case study published in 2010 by the Foundation for Child Development examined the success of D.C.’s Pre-K for All campaign, and the effectiveness of D.C.’s Pre-K Enhancement and Expansion Act of 2008. The study attributed the success of this act to the pace at which it was implemented. Following the passage of the Pre-K Enhancement and Expansion Act, Washington, D.C. spent the first year ensuring the city could provide 100% of children with access to basic universal pre-kindergarten. Once this had been established, the city shifted its focus to improving the quality of preschool education. In 2010, the city passed emergency legislation that effectively sped up the process for implementing quality UPK programs. This emergency legislation required the Office of the State Superintendent of Education to establish programs with D.C. colleges and universities to develop a pre-kindergarten “workforce development plan.”

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95 Bernardine H. Watson, “A Case Study Of The Pre-K For All DC Campaign,” Foundation For Child Development, (Battle Creek, Michigan), November 2010, 1, https://www.fcd-us.org/assets/2016/04/Pre-K-for-All-DC-Case-Study.pdf.
96 Watson, “Pre-K For All DC Campaign,” 68.
97 Watson, “Pre-K For All DC Campaign,” 68.
98 Watson, “Pre-K For All DC Campaign,” 69.
99 Watson, “Pre-K For All DC Campaign,” 69.

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Council to help provide a voice to early childhood education stakeholders. This emergency legislation significantly improved the pace at which the Pre-K Enhancement and Expansion Act was implemented, and generated increases in instructor quality and enrollment in UPK programs. Washington D.C. continues to ensure its pre-kindergarten programs provide quality education through the use of yearly evaluations. Public charter schools use the classroom assessment scoring system (CLASS) to measure the quality of teachers and child attendance rates. Public schools evaluate their pre-kindergarten programs using IMPACT, a teacher evaluation system that measures teacher quality based on the expectations found in the Head Start Performance Standards.

Furthermore, Washington D.C. enacted a school choice program in 2004 that provides eligible low-income families living in D.C. with vouchers to private schools. The program currently provides vouchers to just over 1000 D.C. students, but enrollment in D.C.’s voucher program has been declining steadily for the past three years. The voucher program gives preference to students who have previously attended a D.C. public school that has been identified as one of the “lowest-performing.”

Conclusion

Many state legislatures are pushing to provide quality pre-kindergarten education to students across all demographics. Across the country, this has resulted in a breadth of pre-kindergarten designated programs that receive varying levels of funding. Sharing similar population density, Vermont can benefit from examining the basic framework for pre-kindergarten funding mechanisms and programs adopted in Oregon, Maine, and rural New York. Furthermore, with the noted success of the Washington, D.C. UPK program, Vermont can look to D.C.’s system for examples of how to increase enrollment and quality of pre-kindergarten programs. Even though Vermont has made strong strides in financially assisting families, the vague scope of Act 166 has done little to correct some of the issues surrounding pre-kindergarten enrollment and diversity. Under Vermont’s current educational legislation, school voucher and private school choice programs are the main pre-kindergarten funding mechanisms to provide greater educational accessibility for students living in rural areas. Vermont is one of few states that have adopted the educational voucher system to provide funding for its pre-kindergarten students, but the program’s controversial eligibility profile brings into question its viability. Providing access to pre-kindergarten education for low-income and rurally based families in Vermont is

100 Watson, “Pre-K For All DC Campaign,” 69.
101 Watson, “Pre-K For All DC Campaign,” 70.
108 Oregon Department of Education, Oregon Preschool Legislative Report, 1-27; Lajoie, “Pre-K Grant Opportunity Funding.”
possible through directed and diverse funding cycles, quality education standards, and vulnerable population outreach.

This report was completed on April 20, 2018 by Brian Angel, Noah Boland, and Elie Jordi under the supervision of Professor Jack Gierzynski and Professor Robert Bartlett with the assistance of Research Assistant Catherine Curran-Groome in response to a request from Rep. Kate Webb.

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