



## **Dollars and Cents: Collaborative Funding in Early Childhood programs and Inclusion**

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## DEC NAEYC Definition of Inclusion

Early childhood inclusion embodies the values, policies, and practices that support the right of every infant and young child and his or her family, regardless of ability, to participate in a broad range of activities and contexts as full members of families, communities, and society. The desired results of inclusive experiences for children with and without disabilities and their families include a sense of belonging and membership, positive social relationships and friendships, and development and learning to reach their full potential.

The defining features of inclusion that can be used to identify high quality early childhood programs and services are:

**access, participation, and supports.**

# The Individuals with Disabilities Education Act (IDEA)

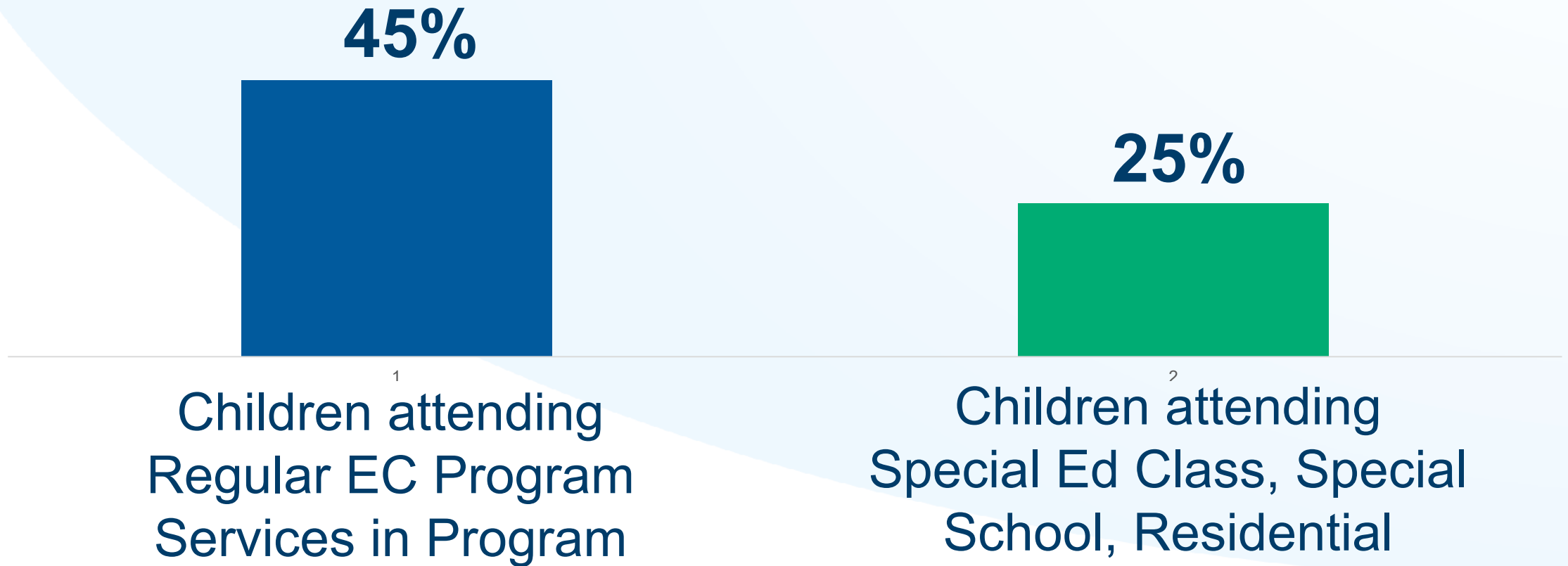
“...the first placement option considered for a preschool child with a disability is the regular public preschool program the child would attend if the child did not have a disability.”



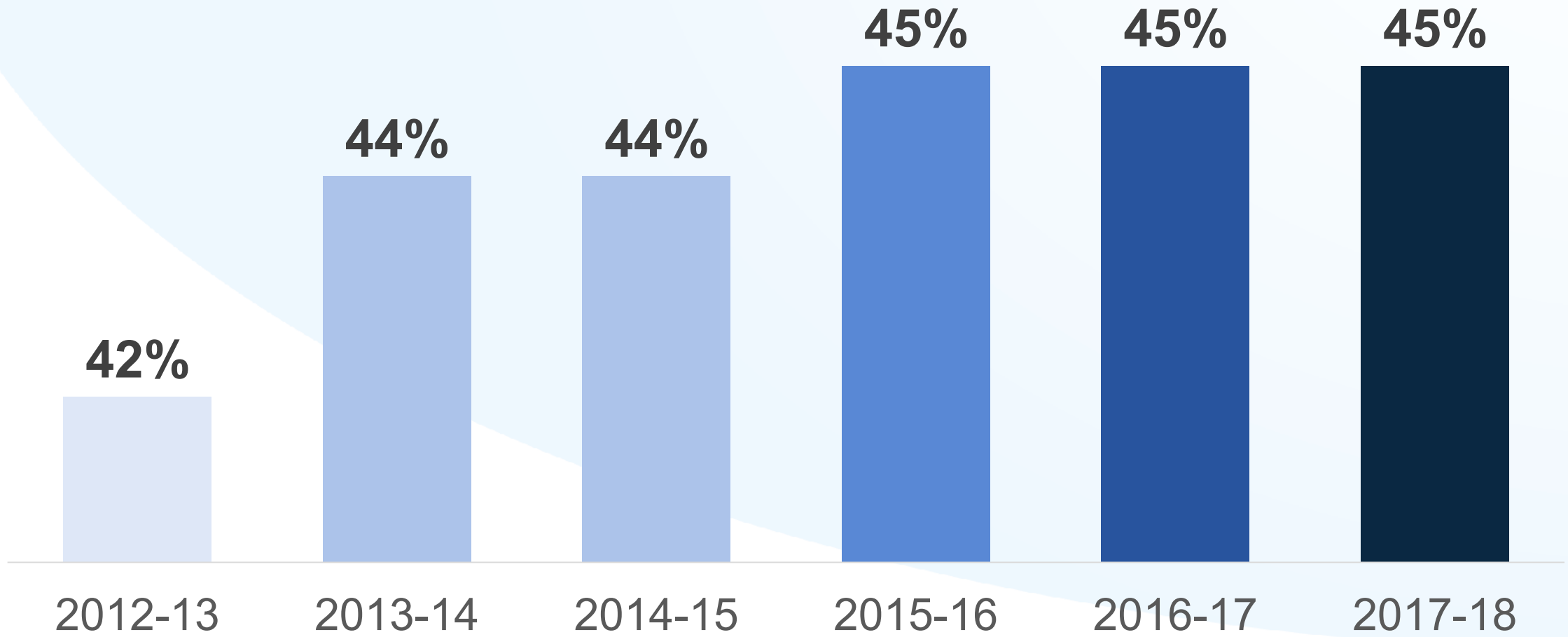


## National Data 2017-2018

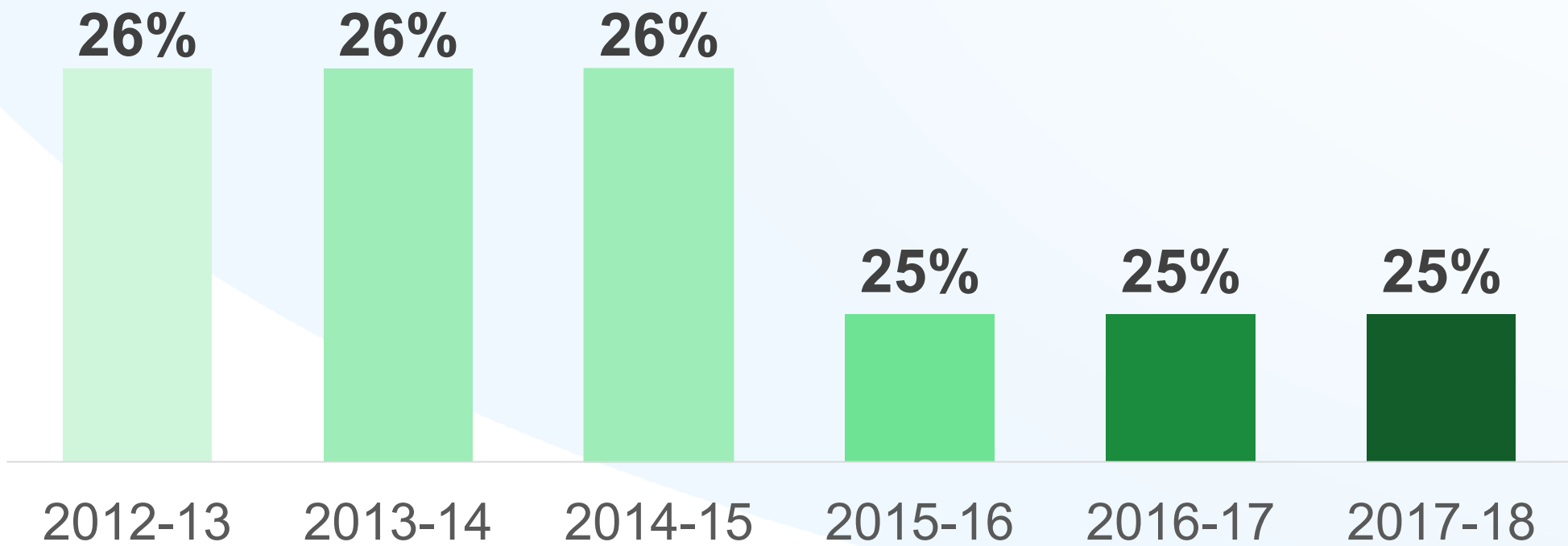
# Education Environments Indicator B6 2017-18 National Data



# Children who Attend a RECP and Receive the Majority of Services in the Program, 2017-18

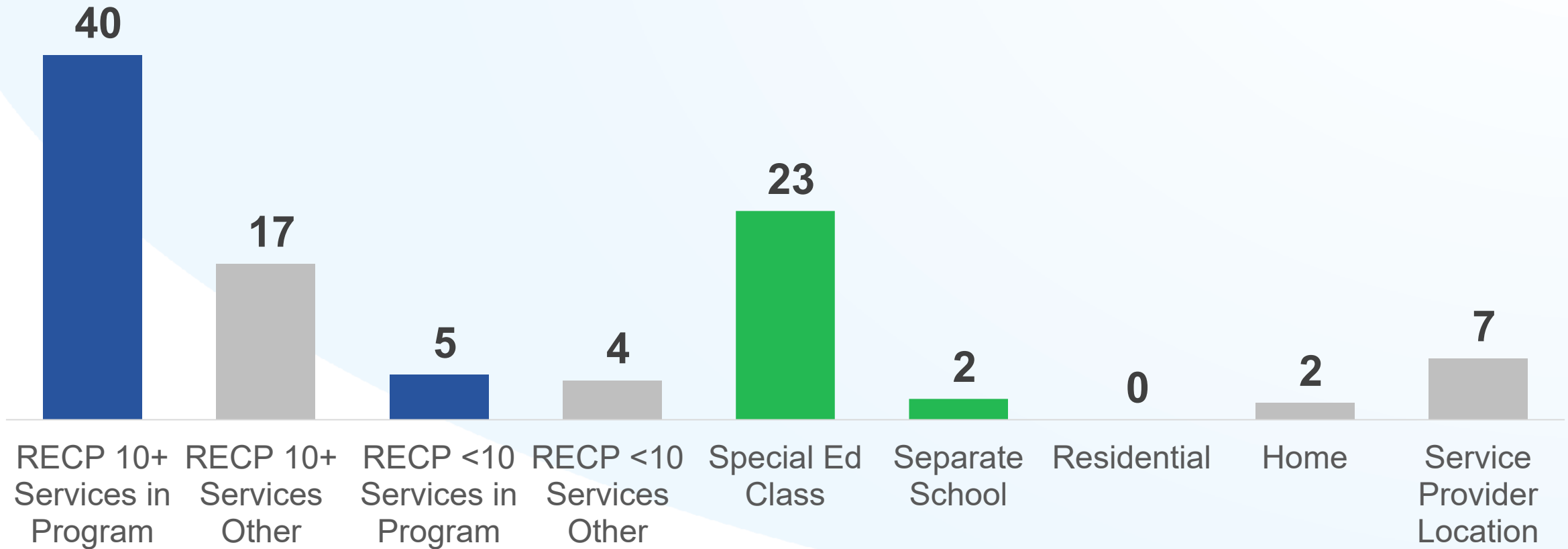


# Children who Attend a Special Education Class, Special School, or Residential Facility



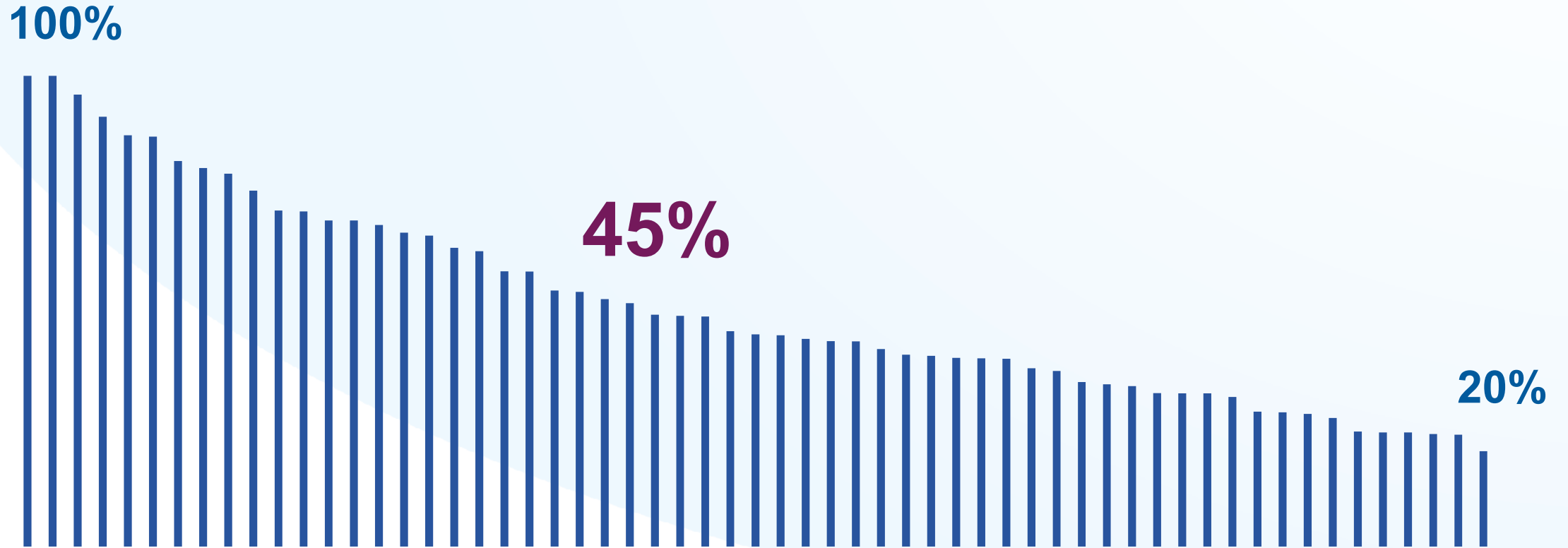
# Educational Environments 2017-18

## Percent of Children 3-5 in Each Reporting Category



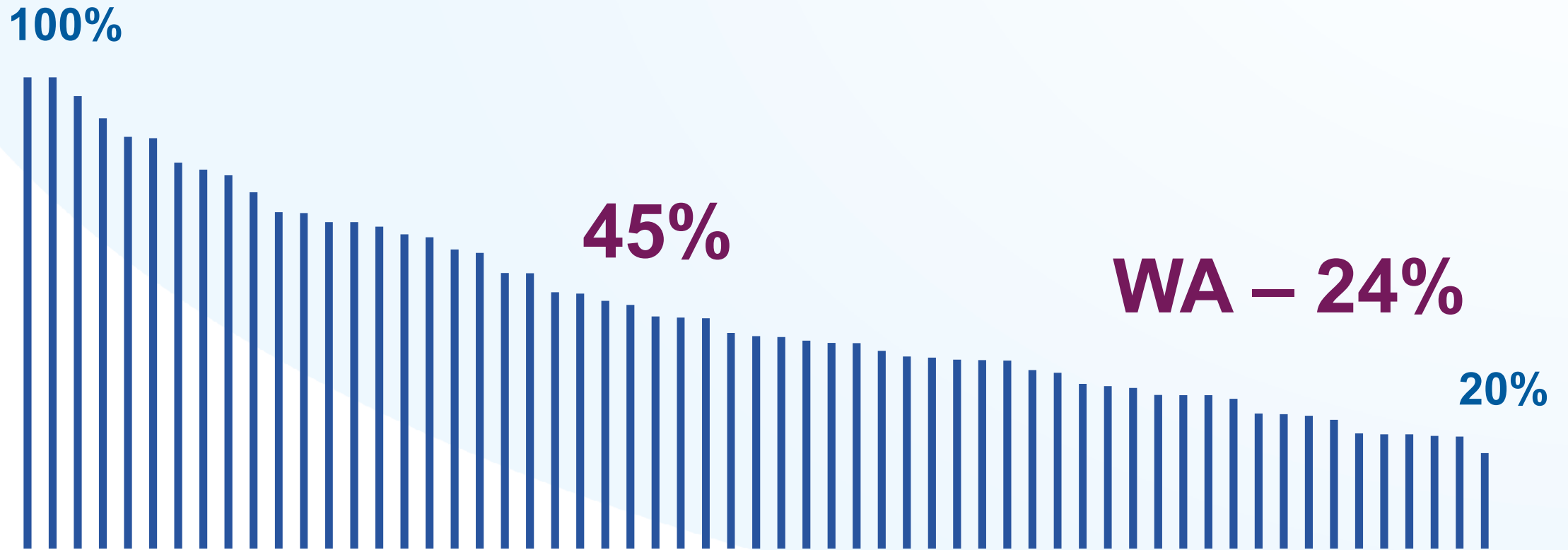


# Indicator 6a Children 3-5 Attending and Receiving the Majority of Services in the Program, 2017-18



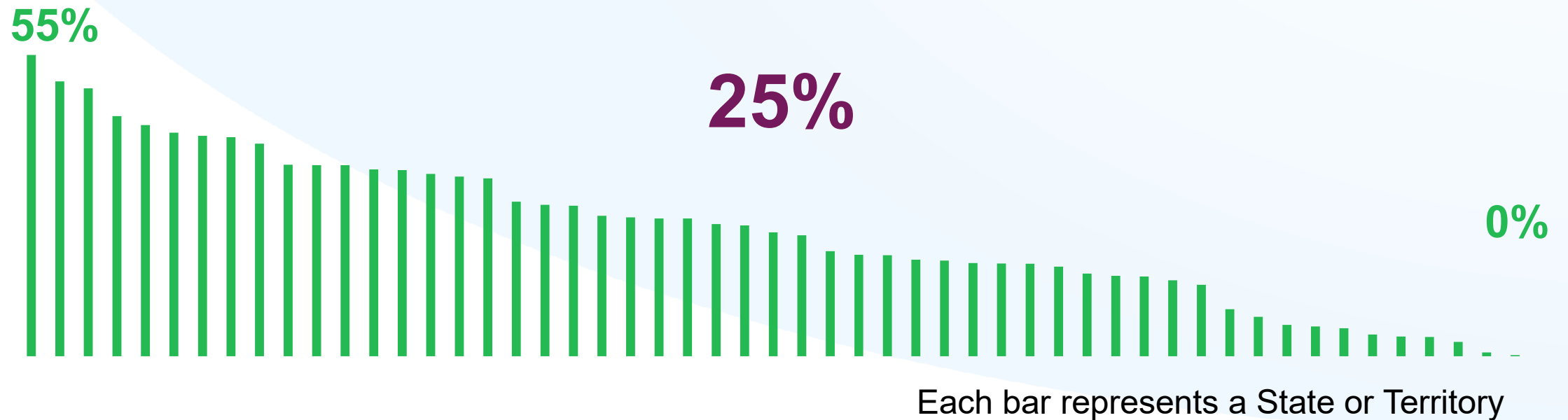
Each bar represents a State or Territory

# Indicator 6a Children 3-5 Attending and Receiving the Majority of Services in the Program, 2017-18

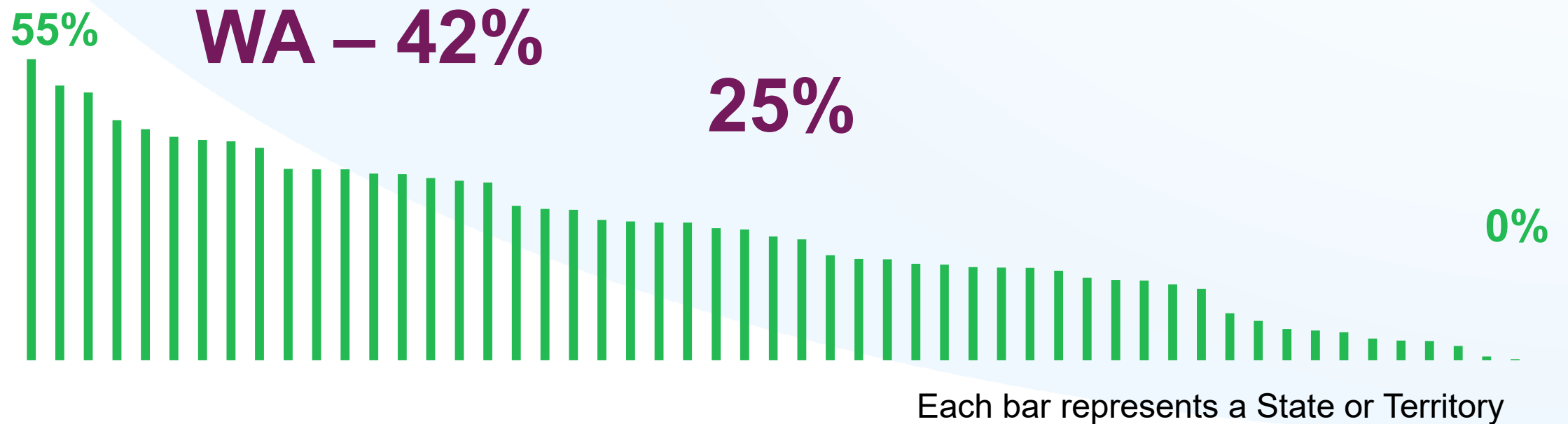


Each bar represents a State or Territory

# Indicator 6b Children 3-5 Attending Special Ed Class, Separate School or Residential Program 2017-18

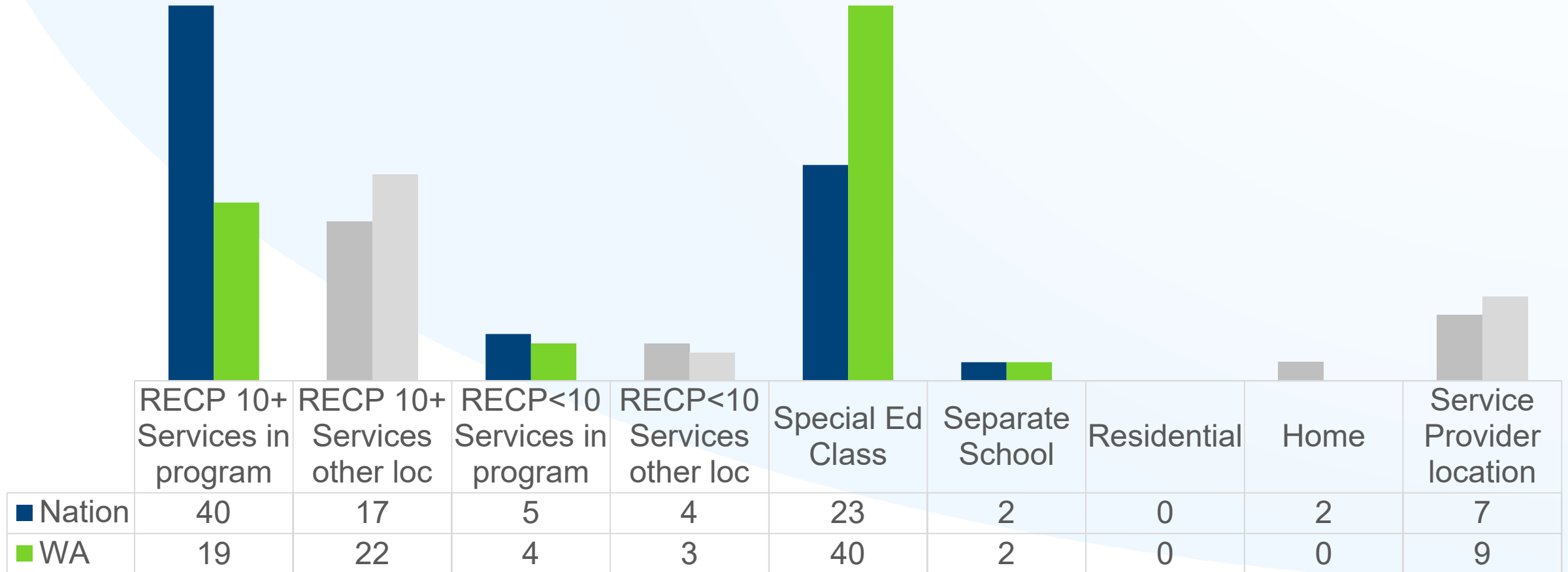


# Indicator 6b Children 3-5 Attending Special Ed Class, Separate School or Residential Program 2017-18



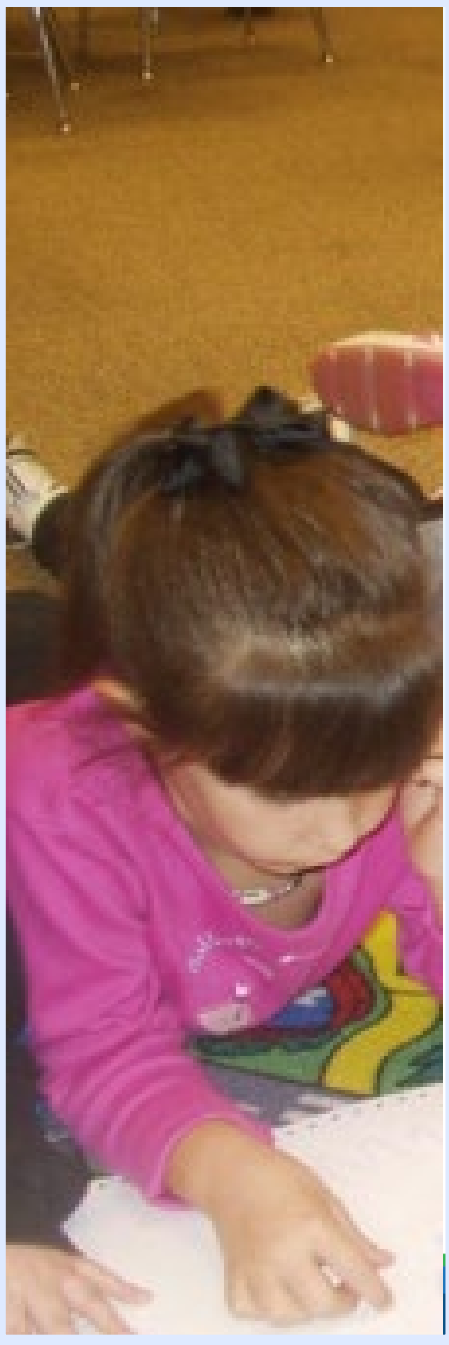
# Educational Environments 17-18

## National and Washington Percent of Children in Each Reporting Category



# Questions

- Does the data surprise you?
- What is your district data?
- Based on what the data can tell us, where do you think you want to start in your district?
  - Having service provided in the placements children already attend?
  - Creating more inclusive opportunities?



Children who start preschool  
in segregated settings

are more likely  
to remain in segregated settings





# Funding Inclusive Placements

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Braiding, Layering, and Blending – And Not Supplanting

# Defining Braiding, Layering, and Blending



# Collaborative Funding

**“... two or more funding sources are coordinated to support the total cost of a service.”**

- Revenues are allocated
- Expenditures tracked by categorical funding source
- Cost-allocation methods are required
  - No duplicate funding of service costs
  - Each funding source is charged its fair share

Source: <https://www.theounce.org/wp-content/uploads/2017/03/NPT-Blended-Funding-Toolkit.pdf>

# Braided Funds



Private / Philanthropic

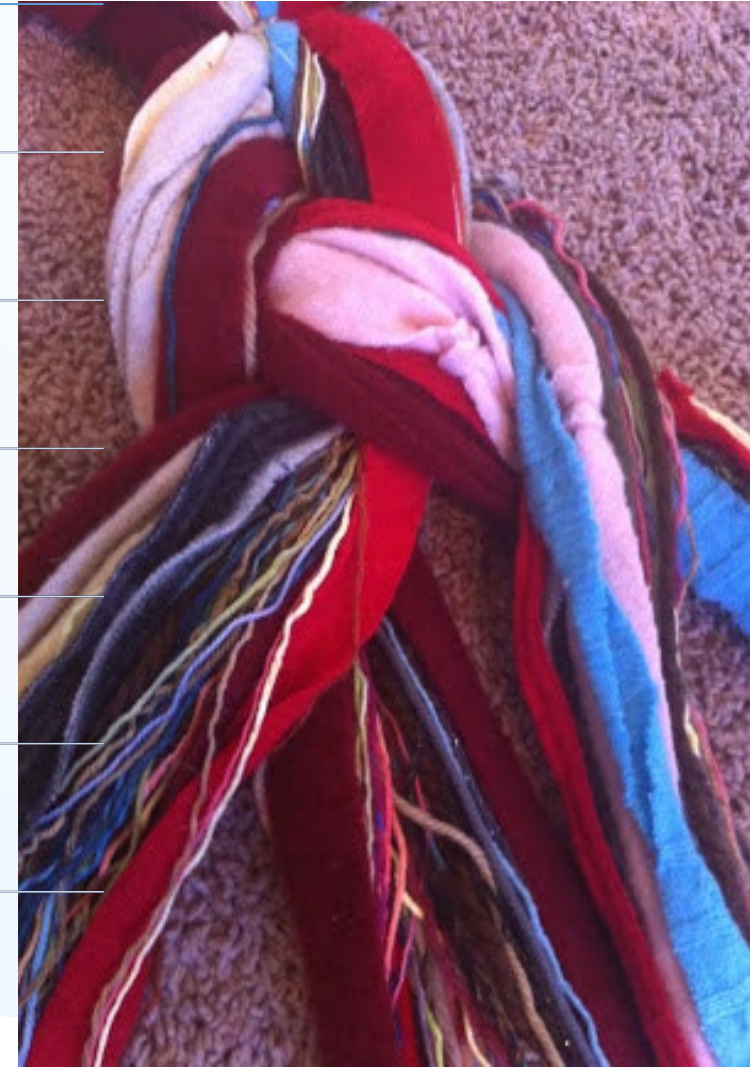
Community Funds

State Pre-K

Title Funds

Federal IDEA

Federal Head Start



# Layered Funds



Private / Philanthropic

Federal IDEA

State Pre-K

Title 1 Funds

Community Funds

Federal Head Start

# Layering – a North Carolina Early Childhood Partnership Example

## First Layer\*

- Funds the program is already receiving to operate (e.g., subsidy). \*These funds cannot be **supplanted**.

## Second Layer

- Funds for comprehensive services required by Early Head Start (e.g., staff training, equipment, and supplies).

## Third Layer:

- Early Head Start funds exclusively to eligible children (e.g., screenings, home visits, assigned family service workers).



Source: <https://pdg.grads360.org/services/PDCService.svc/GetPDCDocumentFile?fileId=26705>

# An Example of Braiding—NYC

New York City [EarlyLearn NYC](#)

- **Braided** child care, Head Start, and state universal prekindergarten funds
- **Common Goal:** improve access and continuity for low-income children and their families.
- **Achieved:** higher program quality standards , redistribution of contracts, and increased supply of care in targeted high-need neighborhoods.

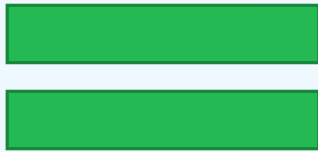
Source: <https://childcareta.acf.hhs.gov/systemsbuilding/systems-guides/financing-strategically/maximizing-impact-public-funding/blending-braiding-funding> [retrieved 10/31/2017]

Supplement = “ADDS TO”

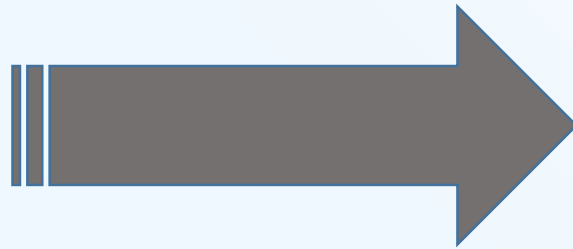




# Supplant: “REPLACES”



## Blending Funds. . . Maybe Not



# Blended Programs – YES!



2017 - Photo by Ryan's momma; shared with permission.

# IDEA Funds

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# IDEA Funds

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## Individuals with Disabilities Education Act (IDEA) Funds

- ❖ IDEA Part B Section 611 funds for children ages 3-21 and 619 funds for children ages 3-5
- ❖ State and local may agencies also provide funds
- ❖ Funds are used to provide special education and related services to children with disabilities, costs in excess of the regular education costs

# Use of IDEA Funds

- Special education teachers
- Administrators
- Related services providers
- Specialized equipment or devices
- Materials and supplies
- Professional Development
- Technology for recordkeeping, data collection
- Case management activities for providing services described in a child's IEP



## Use of IDEA Funds

Part B funds may pay for all education costs in a preschool program if no local or state funds are available for nondisabled children

This means, generally:

- if child is eligible for a public funded program, special education funds for services
- if no funded placement is available, special education funds may be used to pay for a preschool placement





# Incidental Benefit



IDEA funds may be used for services and aids that also provide incidental benefit to children without disabilities.

Special education and related services, supplementary aids and services, all provided in a regular early childhood setting to a child with an IEP may also benefit children without IEPs.

# Comingling Funds is Not Allowed

- ❖ IDEA funds must be used as intended and must not be comingled with state funds.
- ❖ Use of a separate accounting system that includes an audit trail of the expenditure of funds is required.



# Cost of Inclusive Programs

Lower costs were associated with more inclusive programs across public schools, community, and Head Start programs



Inclusive preschool models were less expensive for school districts than segregated models

# Types of Collaborative Funding

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# Collaborative Funding

## Braided funding

- Cost sharing
  - each program pays the same amount
  - cost contribution
- Specific cost funding
- In-kind sharing
- Funded enrollment
- Class size waivers
- Holding slots
- Professional competencies, certifications and licensure
- Professional development



# Specific Cost Funding

Each preschool program pays for part of the program cost.

- One program pays for the teacher, another for an assistant.
- Special education pays for an additional assistant to assist in the classroom.





## In Kind Sharing

When one program provides a service or other operating functions:

A school may have extra rooms, or an older building no longer being used.

They provide space to a program – public or private, in return for spaces for children with disabilities

## Funded Enrollment



When determining placement, always consider a regular program first.

If a child is not in a program, and the IEP team determines a regular placement is needed:

If there is not a public placement at no cost to the family, IDEA funds should be used to pay for the placement.

Pay for time needed to implement the IEP.



# Service Delivery Models

- **Co-teachers** (regular and special education) in classroom
- **Dually certified teacher** who provides regular and special education
- **Additional support** for the classroom by regular or special education paraprofessionals or teacher assistants
- **Consultation** with the regular education classroom teacher
- **Itinerant special education teacher** and/or teacher assistant work with the child (or children) in classroom. Related special education service providers (therapists) in classroom
- **Paraprofessional** or assistant providing support to an individual child as specified in a child's IEP

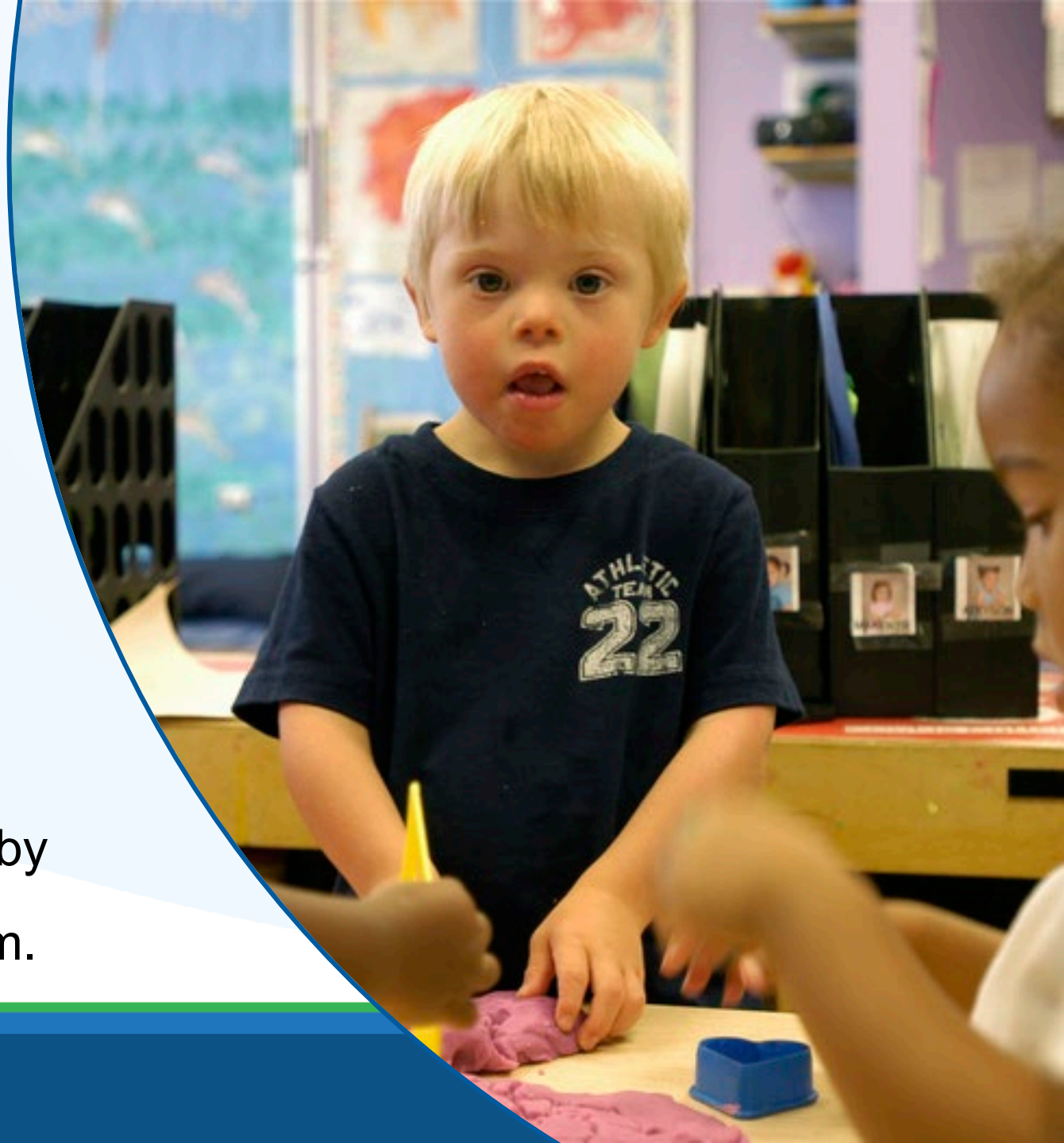
# Cost Sharing

## The same amount per child

Funds determined based on the cost of the program or classroom.

Each funding source pays the same amount for each child.

The cost of the classroom is divided it by the number of children in the classroom.



## Cost Sharing – Cost Contribution



Each funding source pays the amount per child generated by their program.

Funds for the classroom are based on the amount the funding program spends per child.

Example:

- Pre-K \$5,000 per child
- Title I \$4,600 per child

# A District Story

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Hillery Clark, Shoreline Schools

# EDWIN PRATT EARLY LEARNING CENTER



**Funded by February 2017 Bond  
Opened on January 7, 2019**

# EDWIN PRATT ELC VISION AND MISSION

## Shoreline Early Learning

### Vision

Our vision is to eliminate the opportunity gap by optimizing the foundational early learning years in an inclusive, equitable community where every child belongs and is supported in developing friendships and becoming a lifelong learner.

### Mission

Our mission is to provide high quality early learning experiences to all Shoreline and Lake Forest Park preschool aged children. Our mission prioritizes:

- Underserved populations
  - Inclusive learning
- Culturally responsive teaching
- Working together with all families

# EDWIN PRATT ELC

## VISION AND MISSION

### Equity and Inclusion

- Tuition Assistance
- Meeting National/State Standards and Licensing
- Universal Design for Learning
- Blended/Inclusive Environments
- Advocacy for Sustained Funding
- Growing ECEAP and Head Start Capacity
- Trauma Informed Practices
- Braided Funding/Shared Resources
- Diverse Hiring Practices

### Teaching and Learning

- Professional Development (high quality, time, aligned across programs, coaching)
- Collaboration and Planning (across and between programs)
- Evidence-Based Curriculum and Assessment
- Emphasis on Social-Emotional Development
- Strengths-Based Approach

### Family Engagement and Outreach

- Single, Streamlined Application
- Natural Leaders
- Family Education and Engagement
- Responsive to Linguistic and Cultural Diversity
- Family Advocates
- Collaborate with Community Providers

# EDWIN PRATT ELC PROGRAMS

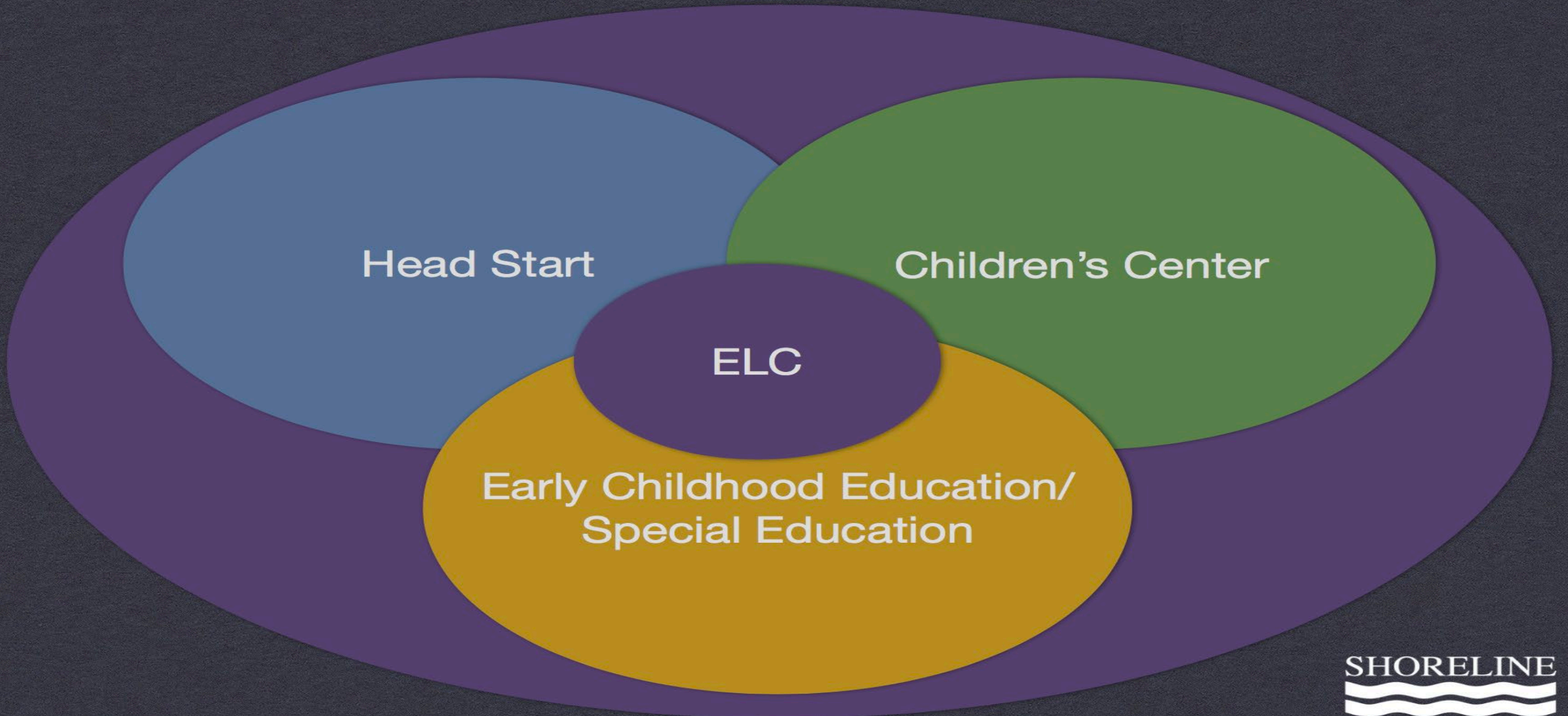
Head Start

Children's Center

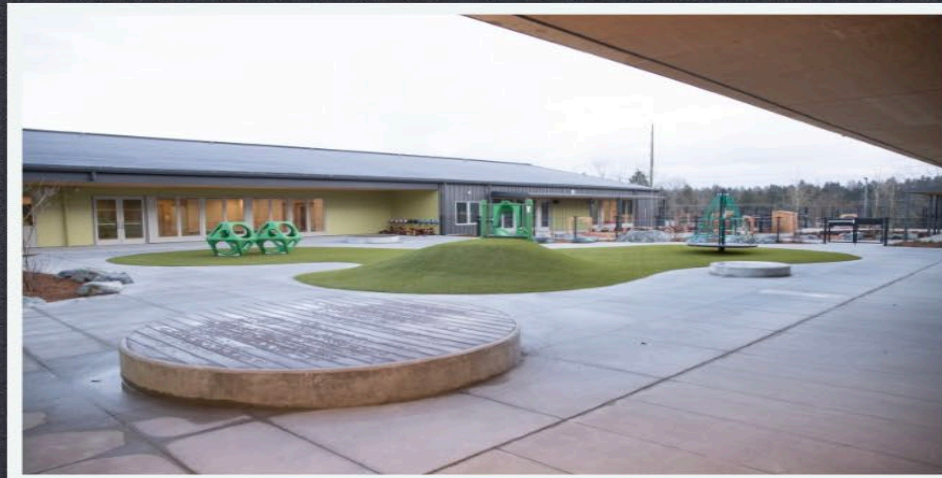
Early Childhood  
Education/  
Special  
Education



# EDWIN PRATT ELC PROGRAMS



# UNIQUE FACILITIES



# Discussion

1. What is happening related to serving children in the community in your district?
2. Does funding come up in conversations about program models?
3. What guidance is available to collaboratively fund programs?

# Tools to Support Collaborative Funding

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## Financing Strategies and Collaborative Funding

### Systems

[Inclusion](#)

[Federal Laws and Guidance](#)

[Tools](#)

[State Examples](#)

[Policy and Position Statements](#)

[Research and Studies](#)

[Financing Strategies and  
Collaborative Funding](#)

[Professional Development](#)

[National Early Childhood Inclusion  
Indicators Initiative](#)

• [Partners](#)

Many collaborative strategies, sample interagency agreements, planning tools, and funding sources exist to assist states and communities in providing inclusive preschool special education services. Additional information related to financing IDEA Part C and Section 619 services can be found on the ECTA Center's topic page on [Finance](#).

### Preschool Inclusion Finance Toolkit

#### [Preschool Inclusion Finance Toolkit 2018](#)


ECTA's 2018 update of the finance toolkit contains more details and examples of funding requirements and strategies that promote early childhood inclusion.


*(February 4, 2019) Worksheets included in this toolkit:*


 [Early Childhood Programs Comparison Worksheet](#)

 [Determining Costs Inclusive Worksheet](#)

### Planning Tools and Self-Assessments

 [Fiscal Management Checklist for Partnerships](#) (Early Head Start - Child Care Partnership, 2014) - focuses on the fiscal aspects of early education partnerships including: funding sources, braided funding, fiscal agreements and fiscal reporting.

 [Considerations for Making Finance Decisions to Promote Preschool Inclusion](#) (2012) - a tool kit developed by NECTAC for Section 619 Coordinators, LEA program staff, community partners and early childhood TA providers.

 [Putting it Together: A Guide to Funding Comprehensive Services in Child Care and Early Education](#) (2012) by Christine Johnson-Staub of CLASP helps states look beyond major sources of child care

### Page Contents

- [Preschool Inclusion Finance Toolkit](#)
- [Planning Tools and Self-Assessments](#)
  - [State Example: OH, WI](#)
- [Collaborative Strategies](#)
  - [State Examples: FL](#)
  - [Local Examples: CA, FL, WI](#)
- [Interagency Agreements](#)
  - [State Examples: CA, NJ, VA, WV, WI](#)
  - [Local Example: TX](#)
- [Funding Streams and Accountability](#)

# Determining Costs Worksheet

## Determining Costs within Inclusive (or Blended) Programs

There are several costs that can be calculated as an approach to supporting inclusive (or blended) programs. The following worksheets provide some. As a reminder, there are also necessary factors with less direct costs. One support is to plan for routine team meeting time. This may be a direct cost (substitute teachers, for example) or an indirect cost, time that is planned into the weekly schedule as non-attendance or early-release time of children.

### All Programs Pay Equal Share

#### I. Lead Program – cost per child

Each program enrolling children pays the equal share per child. When a child with an IEP is eligible and enrolled in the program, special education would pay only excess costs of special education and related services and not the 'cost per child'. Enter the total expenses per classroom per year.

- Add/delete rows for additional annual expenses as needed.
- Divide the Total Cost above by the number of children in the classroom.

Annual Expense	Cost	Cost Per Child
Teacher		
Assistant		
Materials		
Additional annual operating cost (specify)		
If Applicable:		
Professional Development		
Transportation		
<b>Total Cost per Year</b>		<b>Cost per child</b>
Divide the total cost by the number of children in the classroom =		\$

#### II. Participating Programs – number of children funded

Once cost per child has been determined, this form may be used to determine how many children are being funded by each participating program.

- Enter each program name, number of children funded multiplied by the cost per child to determine the total cost per program. (The cost per child is the same for all children.)

Program Name	# Children	Cost per child	Total Cost
<b>Total Children and Program Cost</b>			

## Determining Costs within Inclusive (or Blended) Programs

### All Programs Pay Their Program's Base Cost Contribution per Child

#### III. Cost Contribution

A program pays the annual cost per child based on that program's actual cost per child (or agreed upon amount) for the enrollment of a child in the blended program.

- Enter the program name, the program's cost contribution per child and multiply by the number of children.
- Add or delete rows as needed.
- Add the total contribution per child.

Program Name	\$ per Child	# Children	Total Cost Contribution
<b>Total Children and Program Cost Contribution</b>			

#### IV. Determining Blended Program Costs

Determine the annual cost for operating the blended program (or classroom).

Annual Expense	Cost
Teacher	
Assistant	
Materials	
Additional annual operating cost (specify)	
If Applicable:	
Professional Development	
Transportation	
<b>Total Cost per Year for operating the blended program</b>	

#### V. Contribution and Costs

- Compare the cost contributions expected with the cost of the blended program.
- Agree upon cost contribution adjustments in the case of shortfalls or excess revenue.

<b>Total Cost Contribution</b>	
<b>Total Cost of Blended Program</b>	
<b>Balance (+ or -)</b>	

# Comparison Chart

	State Pre-K	Head Start	Title I	Child Care	Special Education	Other
Local Agency Responsible						
Local Lead						
Mission, Vision						
Eligibility & Enrollment						
Age of children served						
Hours						
Class size						
Teacher-child ratio						
Staff Qualifications by title:						
Teacher						
Assistant						
Licensing						
Required PD or training						
Monitoring						
Curriculum						
Learning Standards						
Child Assessments						
Attendance						
Referrals						
Suspension and Expulsion						
Regional Agency						
Regional Lead						
Website						
State Agency Responsible						
State Lead						
Website(s)						
Web-Site						

# Specific Funding Examples

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# Cost of Inclusive Programs

Lower costs were associated with more inclusive programs across public schools, community, and Head Start programs



Inclusive preschool models were less expensive for school districts than segregated models

# Serving 24 Children – Self-Contained

1

- Teacher \$50,000
- Para \$15,000

2

- Teacher \$50,000
- Para \$15,000

3

- Teacher \$50,000
- Para \$15,000

Each Class = \$65,000 Total = **\$195,000**

# Serving 24 Children – Self-Contained

1	2	3
<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• Para \$15,000</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• Para \$15,000</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• Para \$15,000</li></ul>

Add classroom expense \$10,000

Each class – \$75,000, Total **\$225,000**

# Serving 24 Children – Self-Contained

1	2	3
<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• Para \$15,000</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• Para \$15,000</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• Para \$15,000</li></ul>

Add bus expense \$30,000

Each Class = \$105,000 Total = **\$315,000**

# Serving 24 Children – Itinerant Model

1	2	3
<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• 8 children 2x per week</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• 3 children 3x week</li><li>• 3 children 2x week</li><li>• 3 children 1x week</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• am class 2 children</li><li>• pm sees 6 children</li></ul>

No para, classroom or bus expense

**Total = \$150,000**

# Serving 24 Children – Itinerant Model

1	2	3	4
<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• 8 children 2x per week</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• 3 children 3x week</li><li>• 3 children 2x week</li><li>• 3 children 1x week</li></ul>	<ul style="list-style-type: none"><li>• Teacher \$50,000</li><li>• am class 2 children</li><li>• pm sees 6 children</li></ul>	<ul style="list-style-type: none"><li>• Para \$15,000</li><li>• am class 2 children</li><li>• pm sees 6 children</li></ul>

No para, classroom or bus expense

**Total = \$160,000**

# ecta Early Childhood Technical Assistance Center

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Find out more at [ectacenter.org](http://ectacenter.org)

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- The ECTA Center is a program of the FPG Child Development Institute of the University of North Carolina at Chapel Hill, funded through cooperative agreement number H326P170001 from the Office of Special Education Programs, U.S. Department of Education. Opinions expressed herein do not necessarily represent the Department of Education's position or policy.

