

UPK Consolidation Report



Office of
Early
Learning

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Executive Summary

Report prepared by the New York State Education Department's Office of Early Learning

The 2024-2025 enacted state budget authorized and directed the Commissioner of Education to conduct a study on the consolidation of all prekindergarten funding streams and further directed the Commissioner to provide recommendations for legislative action necessary and appropriate to streamline the funding processes and programmatic implementation (§17-a of Part A of Chapter 56 of the laws of 2024). In addition, the New York State Board of Regents seeks to provide all eligible four-year-olds with full-day prekindergarten services by 2030, and then expand to full-day for all three-year-olds by 2035. This report is intended to build towards a roadmap to achieving this goal by identifying barriers to this work, including New York State's complicated prekindergarten (PreK) funding and [related laws](#). Each of the four dedicated Prekindergarten funding sources has varying requirements for quality standards and different mechanisms for data collection and reporting.

Approximately 75% of eligible four-year-olds are enrolled in the state-funded Universal Prekindergarten (UPK) and Statewide Universal Full-Day Prekindergarten (SUFDPK) programs in the 2023-2024 school year. For UPK to reach universality, several changes need to be considered within the realms of funding and education law. Although the number of prekindergarten students served has grown over the past five years, districts, providers, and the Department have identified challenges to the program, such as availability of appropriate space, insufficient per pupil reimbursement, complex and duplicative laws that govern the same program, as well as incongruent timelines and processes that determine payment and funding as explained below. These challenges have all contributed to the perception that administering UPK in NYS is not an easy process; however, most academic literature shows that attending a high-quality prekindergarten program comes with positive effects on school attainment and other outcomes and the feedback we receive from districts about UPK's benefits is incredibly positive.

Consolidating or blending prekindergarten funding into one source comes with many benefits and challenges. Some benefits include streamlining administrative requirements, reducing duplicative reporting, and auditing burdens, easing programmatic and fiscal planning and oversight, and eliminating concerns about cost allocation. Conversely, some potential risks may include a reduction in per pupil rates for some districts, capacity to serve all eligible students, and a potential end to competitive funding to further expand programs. **The Department believes that consolidating the funding, in addition to merging parts of the applicable laws to make program administration at the district level easier, will allow districts to focus more on program quality, academics, inclusion, and social-emotional needs for children, while**

spending less time figuring out budget rules and legal complexities that are contained in two separate laws over four different funding sources.

This UPK consolidation report explains the complexities of prekindergarten funding, including some of the successes, barriers, challenges, and systems that impact the provision of high-quality prekindergarten programming. This report also highlights the steps for actualizing the potential benefits of consolidation, including, but not limited to universality in access, an integrated framework of laws and policies, and financing for an accessible and high-quality system for all eligible children.

Recommendations for Legislative Action

- The Legislature should create one law that merges all universal prekindergarten Laws (§3602-e and §3602-ee) and consolidates funding streams to allow for clear fiscal and program expectations. **Timeline: 2025-2026 school year.**
- The Department will complete an analysis of per pupil rates for UPK to determine what rates are necessary to preserve existing services and expand services to all eligible students. **Timeline: To be completed by the end of 2025.**
- The enacted budget should provide opportunities for additional funding for districts to annually apply for expansion seats, with a priority given to districts that serve the highest amounts of students in poverty and English Language Learners. **Timeline: 2025-2026 school year.**
- The Department will complete an analysis of funding requirements for both UPK and Special Education PreK funding, to provide guidance in the use of blending and braiding of funds; adjust the law so that the lottery is not an impediment to inclusion of PreK students with disabilities in the UPK classroom. **Timeline: To be completed by the end of 2025.**

A Brief History of State-funded Prekindergarten and Overview of Funding Streams

Prekindergarten in New York State – A Brief History

New York State (NYS) has a long history of investing in early childhood education. In 1966, the state initiated its first PreK program, serving at-risk children. This program later evolved into Targeted PreK (TPK), which continued to serve high-needs populations. Universal Prekindergarten, or UPK, has its origins dating back to 1997 with the enactment of the LADDER legislation¹. The LADDER legislation authorized the provision of free, high-quality prekindergarten education to all eligible four-year-old children five days per week, on a 180-day per year. The UPK program has continued to grow, with increasing numbers of children enrolled each year.

Today, NYS offers various PreK programs in addition to UPK and TPK. To expand access to high-quality early childhood education, Statewide Universal Full-Day Prekindergarten (SUFDPK) expansion grants have been awarded to school districts. These grants will allow districts to create additional full-day seats, enabling more eligible four-year-old children to enroll in these programs. These programs play a crucial role in preparing young children for kindergarten and beyond, fostering their cognitive, linguistic, physical, social, and emotional development. To support the expansion, New York State (NYS) has created significant legislation, policies, and practices that demonstrate a strong commitment to providing high quality PreK services for children. From the start, school districts, and [eligible agencies](#) have worked together to build PreK as a foundation for preparing children for success in kindergarten and beyond. In the 2023-2024 program year, 606 school districts with approximately 950 community-based partners, three Boards of Cooperative Educational Services (BOCES), and 11 agencies, operated a state funded prekindergarten program.

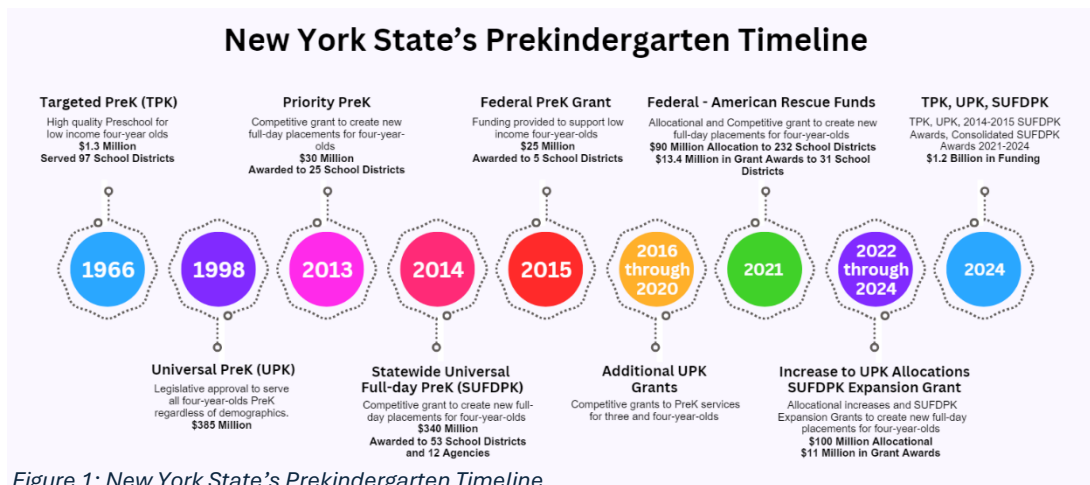


Figure 1: New York State's Prekindergarten Timeline

¹ [Making Prekindergarten Truly Universal in New York, A Statewide Roadmap, October 2013](#)

Current PreK Funding Landscape

Although NYS’s first investments in PreK occurred almost half of a century ago, NYS has shifted focus to full-day programs in the last two years to best meet the needs of families, and in recognition of the evidence that full-day programs produce better educational outcomes for children². The total state funding for PreK has reached an impressive \$50.5 million investment to serve three-year-olds and a little over \$1.2 billion to serve four-year-olds. During the 2023-2024 school year, the total enrollment was 39,987 three-year-old students and 118,969 four-year-old students. The Department currently administers four separate and distinct prekindergarten programs in New York, which will be explained in this report:

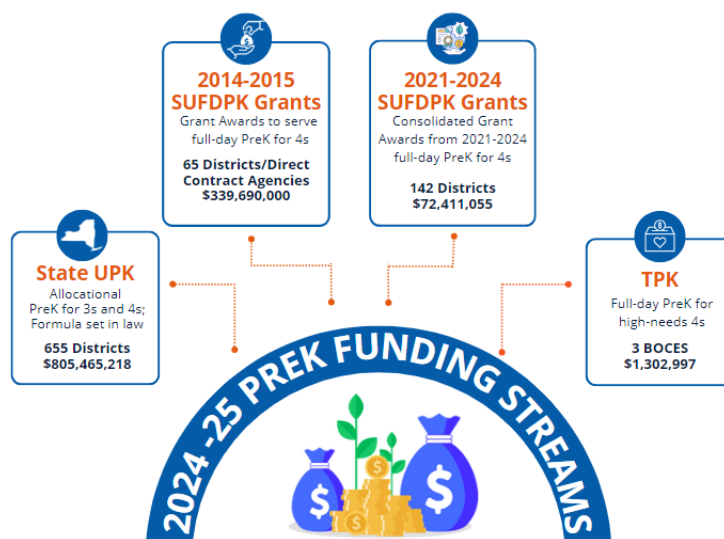


Figure 2: 2024-2025 Prekindergarten Funding Streams
For educational entity specific data, see appendix C.

Targeted Prekindergarten (TPK)

In 1966, the state’s first PreK program only served at-risk three- and four-year-old children in public schools. That effort, known as Experimental PreK, and later as Targeted PreK (TPK), was originally awarded to school districts and Boards of Cooperative Education (BOCES). TPK never evolved beyond serving high needs populations and enrolled a mere 20,000 children at its peak. Over time, school district awards for TPK were rolled into UPK funding; however, three BOCES programs continue to operate TPK programs with \$1,302,997 in funds. In the 2023-2024 program year, three BOCES received funding to provide a prekindergarten program to 88 three-year-old and 129 four-year-old students.

Universal Prekindergarten (UPK)

² Wasik, B., & Snell, E. (2019). Synthesis of preschool dosage: How quantity, quality, and content impact child outcomes. In A. Reynolds & J. Temple (Eds.), *Sustaining early childhood learning gains: Program, school, and family influences* (pp. 31-51). Cambridge: Cambridge University Press. Retrieved from <https://sites.temple.edu>

The foundation of current PreK programs in New York was established in 1997 when the legislature enacted statutes to provide quality half-day PreK to four-year-olds across the State. Pursuant to Section §3602-e of Education Law, Universal Prekindergarten (UPK) is a state-funded program that provides families of three- and four-year-old children the opportunity to voluntarily enroll their children in PreK programs. Funding for the initial investment in UPK was awarded for the 1998-1999 school year to be administered by the Department and allocated to local school districts based on their community needs and number of eligible four-year-old children. These programs are operated by the school district or by other eligible agencies under a contractual agreement with the school district.

Statewide Universal Full Day Prekindergarten (SUFDPK)

Statewide Universal Full Day Prekindergarten (SUFDPK) programs are funded pursuant to Section §3602-ee of Education Law. SUFDPK is a competitive grant whereby school districts apply for funding to provide full-day prekindergarten services for four-year-old children. Currently, the State has two separate funding sources for SUFDPK: awards received in 2014-15, which includes 53 districts and 11 agencies, and consolidated grant awards received by districts in 2021-2024, which includes 142 districts.

Each of the funding sources (TPK, UPK, and SUFDPK) has varying quality standards and different mechanisms for data collection and reporting. This report will expand on the complexities of prekindergarten programs in NYS, including some of the successes, barriers, and challenges, as well as the systems in place for ensuring programs are meeting prekindergarten standards. New York State's PreK Timeline can be found in full page version in Appendix B

For a more expanded summary of the Office of Early Learning's responsibilities for Prekindergarten program qualities and programmatic, fiscal, and administrative oversight, please see Appendix A.

Consolidation of Universal Prekindergarten Funding: A Summary of Barriers

The New York State (NYS) Enacted Budget for the 2025 fiscal year includes four separate State-Administered PreK funding sources which total \$1.2 billion (See Figure 3 below). NYS's prekindergarten funding is a complicated process for both state administrators and for those at the local level as oversight and administration are governed by Education Laws (§3602-e, §3602-ee).

Name of Funding Source	Description	Total Amount	Payment Schedule	Number of Educational Entities with Access	M/WBE Requirements
Targeted Prekindergarten (TPK)	Grant designated for serving economically disadvantaged three-year-old and four-year-old pupils	\$1,302,997	25% initial payment in November/ December, with additional payments as districts file for reimbursement (FS-25s) as needed. After FS-10Fs are submitted final payments are made.	3 BOCES	Not Applicable
Universal Prekindergarten (UPK)	Allocation for serving randomly selected eligible three-year-old and four-year-old pupils	\$805,465,218	50% initial payment in November/ December, with additional payments as districts file for reimbursement (FS-25s) as needed, plus 10% reserved for the final expenditure report. After FS-10Fs are submitted an additional payment or an overpayment notice is sent.	655 School Districts	Not Applicable
Statewide Universal Full-Day Prekindergarten (SUFDPK)	Grant awarded in 2014-15 for serving full-day four-year-old pupils	\$340,000,000	Not for profit agencies get an automatic 25% first payment after April 1 (when DOB sets up the cash, usually not until after the budget is approved). For profits need to submit an FS-25 for first payment, future FS-25s allowed up to 90% of the approved budget amount, as needed, and then a final (FS-10F) is required.	53 School Districts and 12 Direct Contract Agencies	30% of eligible expenses
Consolidated Statewide Universal Full-Day Prekindergarten (SUFDPK)	Combination of three separate grants awarded between 2021 and 2024 for serving full-day four-year-old pupils	\$88,360,000	25% initial payment in November/December, with additional payments as districts file for reimbursement (FS-25s) as needed. After FS-10Fs are submitted final payments are made.	142 School Districts	30% of eligible expenses

Name of Funding Source	Description	Total Amount	Payment Schedule	Number of Educational Entities with Access	M/WBE Requirements
NYS Education Law; Article 89; §4410 Children with Disabilities	State share of the costs of the education of preschool children with disabilities	\$1,035,000,000	Municipalities may file a claim for state reimbursement throughout the three-year claiming window and thereafter for tuition rate changes.	57 counties plus NYC (five boroughs)	N/A

Figure 3: 2024-2025 NYS-Administered Prekindergarten Funding Sources

Consolidating UPK funding streams and laws will allow districts to focus more time on program development, academics, and supporting students; however, consolidation could potentially mean that some or all funding sources would be merged into one by combining funding amounts and counts of base eligible pupils to be served, similar to the plans for consolidating federal and State Universal Prekindergarten funding described in NYS Education Law Section §3602-e(19)(e).

To realize the considerable potential benefits of consolidation, an integrated framework of laws and policies is needed, in which financing is used to bring about an accessible and high-quality system for all eligible children. This portion of the report reviews potential barriers to consolidation and recommended modifications.

Challenges to Expansion

Approximately \$160,000,000 of State-Administered PreK funding for 2023-2024 will remain unspent with state and federal UPK allocations as the primary contributors. Districts cite many reasons as to why the funding is unspent, including the complexity of managing four separate funding streams for prekindergarten, a lack of space for running programs, managing the regulations of two separate laws, the complexity of the eligible collaborating agencies (CBO) requirement, and the funding rate for UPK being low for many districts. However, in FFY 2025, the enacted state budget removed the supplement, not supplant requirement for state funds, allowing districts with multiple prekindergarten funding streams to access higher per pupil rates regardless of when the funding was first received. With this provision removed, underspending of prekindergarten funds significantly drops to \$57.4 million in 2024-2025.

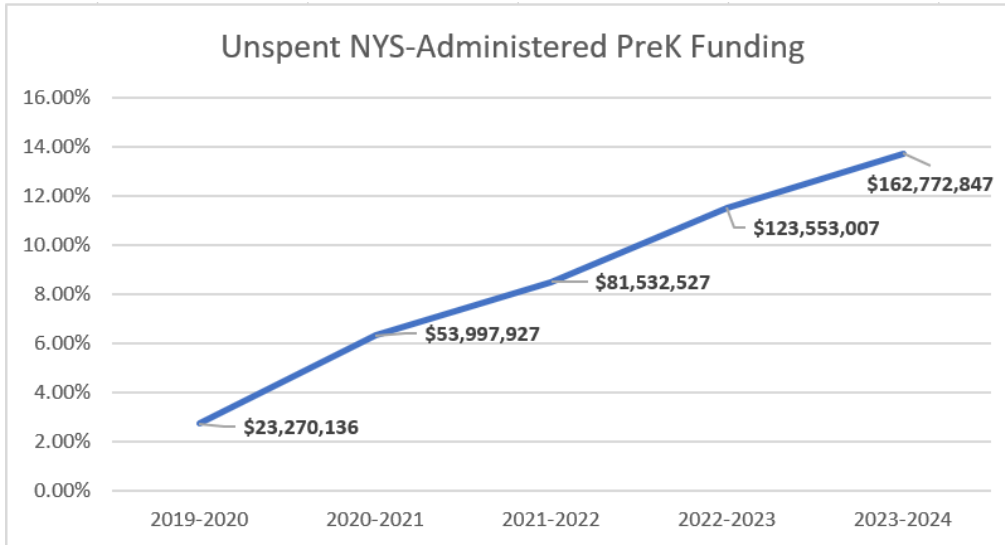


Figure 4: Unspent PreK Funding

Per Pupil Rates Not Sufficient

The method of assigning each funding stream (UPK and SUFDPK) is statutorily defined. UPK allocational funding is based on formulas written in NYS Education Law §3602-e, where per pupil allocations to each LEA is based on the greater of Foundation Aid. SUFDPK funds have been competitively awarded and based on the certification status of the teacher instructing a PreK child. It should be acknowledged that with any program there are elements of a local share that need to be considered.

Many districts and collaborating partners have remarked that the per pupil rates, which have not been raised in years, are inadequate and have not kept up with inflation and the cost of running a program. The flat funding of UPK has neither adjusted for the increased cost in educating a child in a prekindergarten program, nor has it adjusted to reduce the difficulty of certain district[s] to meet required maintenance of effort. The program allocations are formulated on a per-child cost that reflects, among other things, the relative cost in that district. To put this into perspective, currently there are 81 school districts, 11 direct contract agencies, and three TPK BOCES that have not had their state-administered prekindergarten funding increased since the 2016-2017 school year.

Actual UPK per pupil allocational rates range from \$3,068 to \$15,381. The average rate for three-year-old students is \$9,324, and the average rate for four-year-old students is \$7,324 because a larger portion of four-year-old allocations precede those of three-year-old students. Currently, 167 LEAs in New York State have a per pupil rate of \$5,400 or less. Of these entities, 11 receive less than \$5,400. To put this into perspective, in New York, the average total

expenditures was \$33,108 per student in the 2022-23 school year³. Additionally, UPK allocations' rate per pupil are typically less than the childcare market value for serving four-year-old students ⁴ during a ten-month school year. While market rates ranged from \$10,120 - \$14,200 during the 2021-2022 school year, approximately 86% of current UPK rates are less than \$10,000, as seen in figure 5 below.

UPK Rate Range for 4-Yr.-Old Students	Number of Districts	% of All Districts
\$15,381 - \$13,000	8	1.22%
\$12,999 - \$10,000	83	12.67%
\$9,999 - \$7,000	211	32.21%
\$6,999 - \$5,401	186	28.40%
\$5,400 - \$3,068	167	25.50%

Figure 5: 2021-2022 Per Pupil Rates

The State currently provides \$1.2 billion dollars for prekindergarten spending; however, trends have shown that school districts who receive the lowest UPK per pupil rates access their available UPK funding less often, thus leaving eligible pupils unserved. The graph below illustrates increases in amounts of unspent NYS-Administered Prekindergarten funding each school year since 2019-2020.

Data from 2023-2024 is tentative, pending Grants Finance's processing of FS-10-F final expenditure reports.

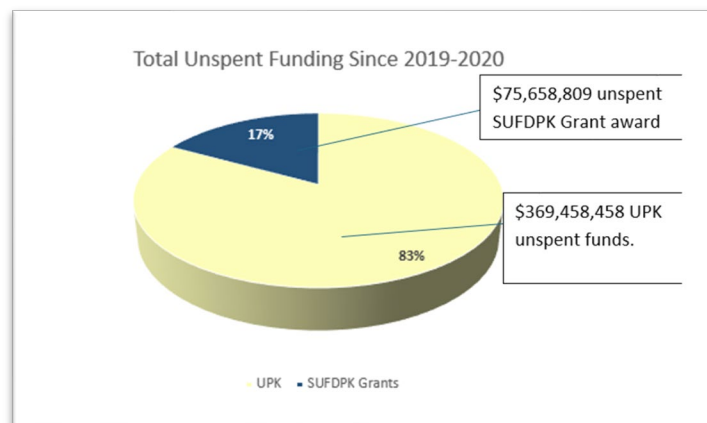


Figure 6: Unspent PreK Funding Since 2019-2020
Of the \$445 million in total unspent NYS-Administered Prekindergarten funding since 2019-2020, UPK allocations are the greatest contributor.

³ New York State Education Department, Fiscal Profiles, 2024.

⁴ The Office of Children and Family Services, The New York State Market Rate Survey Report, 2022

Statewide Universal Full-Day Prekindergarten (SUFDPK) per pupil rates tend to be greater than UPK rates, especially for districts that are not accessing or fully utilizing awarded UPK funds. SUFDPK is a competitive grant award for education entities to add new full-day slots for four-year-olds and provides a per pupil rate of \$10,000 when taught by certified teachers or \$7,000 per pupil when taught by uncertified teachers of record. Additionally, this grant program also enables educational entities to use these funds in combination of UPK funds to convert a half-day slot to a full-day slot. The per pupil rate for “conversion slots” are based on calculations of Foundation Aid which range from \$500 to \$19,538. However, when these slots are combined with UPK half-day rates, the total per pupil rates range from \$250 to \$9,769. A barrier to the use of these slots is that the per pupil rates change annually, and generally in a downward direction, due to updates to Foundation Aid that are generally positive.

The flat funding of UPK and SUFDPK has neither adjusted for the increased cost in educating a child in a prekindergarten program, nor has it adjusted to reduce the difficulty of certain district[s] to meet required maintenance of effort. The program allocations are formulated on a per-child cost that reflects, among other things, the relative cost in that district. However, these allocations are outdated and no longer reflect the actual cost of a quality half-day program. Additionally, there are less four-year-olds in New York State now than there were when the maintenance of effort requirements was established and have since become burdensome for many districts with declining populations.

Decreasing Enrollment

In addition to insufficient per-pupil rates, funding for UPK and SUFDPK programs is directly tied to student enrollment. This means that even if funding streams differ, entities receive a maximum grant amount based on the number of students they serve. Failure to meet these enrollment targets can result in reduced funding.

Recent population trends in New York State, including declining birth rates and outmigration, particularly among young professionals and families, are impacting the enrollment of these programs. This demographic shift can lead to challenges in meeting enrollment targets and securing adequate funding. For district specific information please see the Office of Early Learning Website’s [State-Administered Prekindergarten Programs | Allocations and Financial Forms](#).

Challenges with Funding Consolidation

One main challenge with consolidation is that differing per pupil rates would cause negative effects for some districts after fund consolidation. If UPK and SUFDPK are combined, the average per pupil rate for 179 districts will be lowered when compared to either UPK or

SUFDPK. Of the 180 school districts with UPK allocations and SUFDPK grants, 153 would have per pupil rates that are greater than current UPK rates, but less than the SUFDPK rate for a new full day slot with a certified teacher. Twenty-six other districts have UPK rates greater than \$10,000, which would lead to consolidated rates less than current UPK rates. Analyzing the history of total prekindergarten students served by all available funding and total funding spent reveals the effects of a funding consolidation that would include lower per pupil rates. The graph below illustrates the combined rate per pupil spent with all available funding sources in NYS-Administered Prekindergarten since 2014-2015.

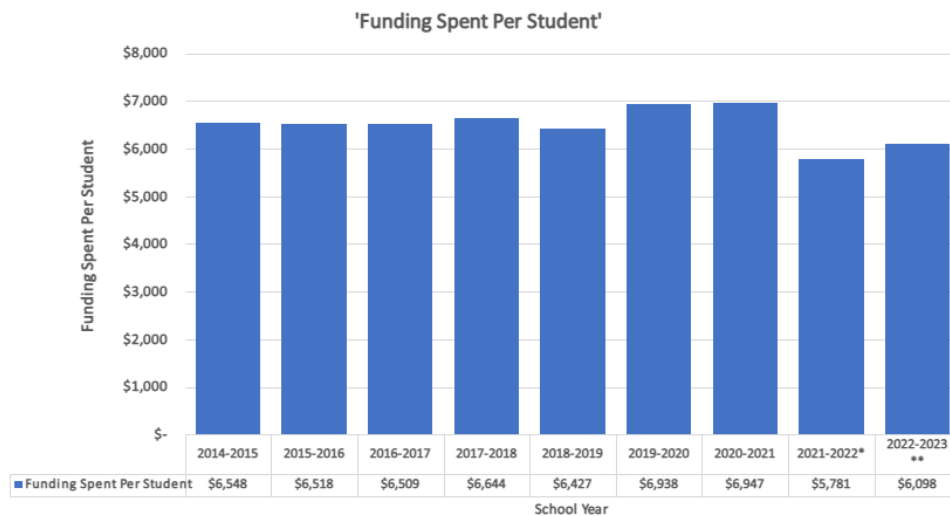


Figure 7: Funding Spent per Student

* For 2021-2022 per pupil rates were impacted due to LEAs receiving Federal UPK which provided a rate of \$5400.

** For 2022-2023, the overall per pupil rate increased due to the additional SUFDPK grant awards and additional state UPK allocations

Programmatic Differences

The goal of State-Administered PreK is to provide full-day early education to three-year-olds and four-year-olds; however, each funding stream is connected to a section of Education Law or specific set of Commissioner’s Regulations which has implications for eligible students, program requirements, and monitoring responsibilities. For example, TPK funding is meant to serve economically disadvantaged students, whereas UPK and SUFDPK provides equitable opportunities to all eligible students through a lottery requirement where students are selected randomly. Consolidation would streamline the program requirements between the laws that govern UPK and SUFDPK, while ensuring the provision of high-quality prekindergarten programming.

Conclusion: What is Needed to Get to Universal Prekindergarten for All

As stated earlier in this report, The NYS Board of Regents is committed to universality for both three- and four-year-olds by 2035. Although the number of universal prekindergarten students served has grown over the past five years (see figure 8 below), to achieve the goal of universality the critical challenges of funding and legal complexities need to be addressed.

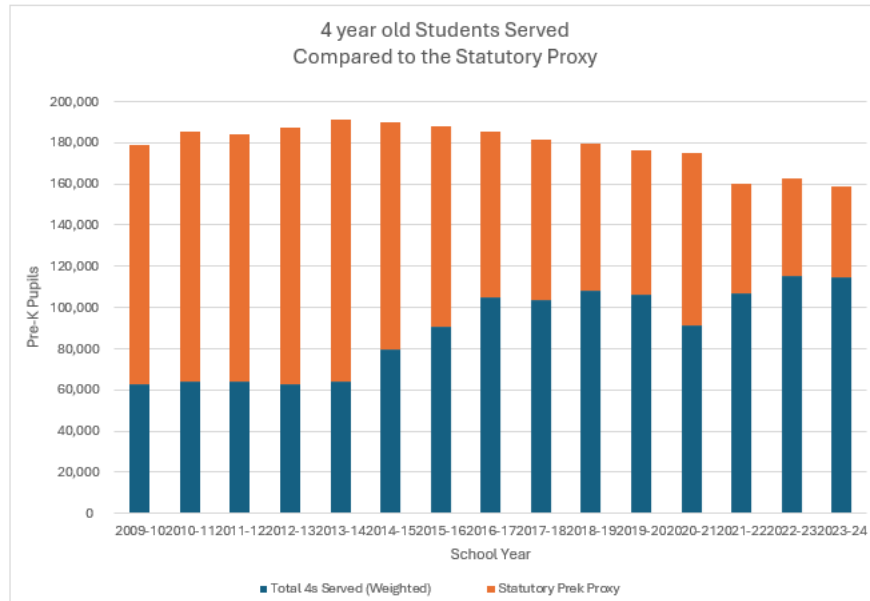


Figure 8: Portion of 4s (weighted) Serves of the Statutory Proxy

Challenges to the program have been identified, such as availability of appropriate space, the per pupil reimbursement rate not being sufficient, the complexity of having two main sets of laws govern the same program, and the timeline and process for payment and funding for districts. The Department believes that consolidating the funding, in addition to merging parts of the laws (3602-e and 3602-ee) to make program administration at the district level easier, will allow districts to focus more on program quality, academics, inclusion for students with disabilities, and social-emotional needs for children, and spend less time figuring out the fine grain budget rules and legal complexities that are contained in two separate laws over four different funding sources, with different timelines for district payment.

Recommendations and Impact/Considerations

Recommendation: The Legislature should create one law that merges all Universal Prekindergarten Laws (3602-e and 3602-ee) and consolidate funding streams to allow for clear fiscal and program expectations.

Impact/Considerations: Since both Ed Law 3602-e and 3602-ee oversee a similar program but come with different stipulations and requirements for funding, merging these two laws would

make program administration more manageable at the district level, leaving more time for focus on building a quality UPK program. A major factor in consolidating the laws is alignment of the funding payment schedules, so the legislature might consider the establishment of one timetable for district payment for both UPK and SUFDPK funding. UPK and SUFDPK funds are provided to districts on differing schedules, making it difficult for districts to plan and pay partners. UPK is paid in two payments during the school year in which services are provided, and approximately 70% falls into the first state fiscal year. SUFDPK grant awards are paid entirely in the second state fiscal year, and 75% of the aid is paid the school year after services are provided. To align the SUFDPK payment schedule to match the current year payments used for UPK, the SUFDPK grant would need a double payment to catch up. For districts with multiple funding streams, the payments coming at separate times makes it difficult to budget. Proper planning and coordination would be necessary for districts to plan their future budgets, how many seats need to be available, and to understand any changes to the laws when they merge.

As part of this consolidation, to align the programmatic requirements, the Department recommends the law maintains the obligation and ability for SED's Office of Early Learning to visit and assist each UPK-funded school district in the state. At present around 200 districts that receives SUFDPK receive these visits. To expand to all districts, we recommend the creation of a statewide rotating schedule for monitoring (every 3-5 years). With Early Learning's team, that process would allow more programmatic and fiscal oversight of the state's funding for UPK. Currently, the Department has seen some SUFDPK-funded districts three years in a row on monitoring visits, and not much has changed in their programs, but the office has not seen some large UPK programs in person ever. By visiting all districts we can share resources for literacy, social-emotional learning, and other prekindergarten-focused resources to best support students, as well as connect districts to each other to learn and grow professionally. As a next step, we recommend a meeting between the legislature, the Department, the Division of Budget, and the Executive's Office to address interests and concerns around merging the laws into one.

Recommendation: The Department will complete an analysis of per pupil rates for UPK to determine what rates are necessary to preserve existing services and expand services to all eligible students. Timeline: To be completed by the end of 2025.

Impact/Considerations: While working with districts and collaborating agencies from across the state, the per pupil funding rate, which is formula-based and has remained flat for many districts over many years, is noted as one of the main reasons districts are not able to expand. The rising costs of materials and running a program, combined with the challenge of some collaborating agencies not accepting the low contract rates, has made it difficult for districts to

serve more students, especially in geographically isolated areas. As noted previously in this report, the average national funding rate to educate a K-12 public-school student averages out to \$26,571 per student, while childcare market rates ranged from \$10,120 - \$14,200 during the 2021-2022 school year. When districts are not able to open and operate another physical classroom due to space and cost, eligible partners will not operate programs at state rates, which are generally under \$10,000 per student, and districts cannot or will not enhance those rates with local funds, then growth of UPK stalls. This can be seen in underutilized funding now. This challenge, along with regional population loss in NY State, could be the reason that UPK expansion went down by approximately 2% in 2023-2024. By completing a full analysis on how to raise the allocational rate while merging the funding streams, plus adding \$25-50 million to the state budget for an annual expansion application process, without creating a new separate program, the additional potential funds would allow some districts who have held back on growth to take the next step and add more students that are currently on waitlists. The following chart, from our 2022-2023 UPK application shows that in addition to challenges with physical space, the per pupil reimbursement rate not being sufficient is a top reason from districts for lack of capacity to serve more UPK students.

Rationales for Lack of Capacity to Serve More Eligible Four-Year- Old Students	# of LEA Responses
Not Applicable - There is sufficient space.	447
Availability of appropriate space	139
Per pupil reimbursement rate is insufficient	127
Facilities	80
Lack of potential collaborating CBOs	71
Childcare market rate is greater than available funding	55
Lack of qualified staff	44
Providers are unable or unwilling to comply with NYS PreK requirements	27
Supplement Not Supplant requirement in Law prohibits use	11
Other	39

Recommendation: The enacted budget should provide opportunities for additional funding for districts to annually apply for expansion seats, with a priority given to districts that serve the highest amounts of students in poverty and English Language Learners. Timeline: 2025-2026 school year.

Impact/Considerations: Although universal prekindergarten is accessed across NY State, each region faces unique needs and challenges for expansion, some related to geography and teacher availability, or eligible collaborating partners. In the 2023-2024 program year, 606 school districts with approximately 950 community-based partners, 3 Boards of Cooperative Educational Services (BOCES), and 11 agencies operated a state-funded prekindergarten program. Those districts and partners need funds to expand, so the Department recommends an additional amount of expansion funding each year in the budget so that districts, especially those that serve many students in poverty and English Language Learners, can expand

programs, and serve more students. A simplified expansion application process, along with a study for a rate increase to keep up with inflation, would encourage more participation. The expansion of UPK seats has previously been implemented through a competitive RFP for districts, which was a lengthy and complex process that had school districts competing against each other for funds, and which advantaged larger districts with more experienced grant writers. Since the grant came with a higher rate (\$10,000 for a NYS certified teacher and \$7,000 for non-certified), districts that receive lower UPK allocational rates were eager to apply and grow their programs. Some districts not experienced in competitive grant writing were not successful, but the need to expand still exists. The new funding would prioritize districts that serve a high number of students in poverty as well and English Language Learners. With this new expansion funding, centering on students in need, the Department will be expanding more opportunities for prekindergarten.

Recommendation: The Department will complete an analysis of funding requirements for both UPK and Special Education PreK funding, to provide guidance in the use of blending and braiding of funds; adjust the law so that the lottery is not an impediment to inclusion of PreK students with disabilities in the UPK classroom. Timeline: To be completed by the end of 2025.

Impact/Considerations: Special education inclusion at the prekindergarten level carries great benefits for students with and without disabilities. Currently, approved preschool special education programs (also referred to as 4410 programs) and other state-administered prekindergarten funded programs must navigate separate special education funding (4410) streams either individually or through a collaborative agreement. The Department will analyze whether UPK funding for inclusive classrooms should be augmented, with consideration of 4410 reimbursement, to ensure these blended funding streams fully support the needs of all children in the classroom. An additional recommendation would be to guarantee per pupil UPK funding for all preschool students with disabilities served in a UPK program. One identified barrier to inclusion is the UPK lottery system, which is required if there are more interested students than slots, so the current UPK laws would need to be changed.

The Office of Early Learning held a panel presentation on preschool inclusion, with district presenters, at the May 2024 *Navigating PreK Day* Event, which prompted districts attending to reflect on what can be done to make it easier to open and maintain inclusive PreK classrooms to serve more preschool students with disabilities. Inclusive classrooms require a significant amount of preplanning, including staff assignments, professional development, and collaboration on the universal design of instructional materials and activities. Additionally, UPK SCIS (Special Class in an Integrated Setting) programs have prescribed student to teacher ratios for classroom seats set aside for preschool students with disabilities. Currently if those students

are not selected in the lottery, the school district loses the general education revenue, which may not otherwise be covered through the 4410-reimbursement rate. In addition to avoiding a revenue loss, a UPK funding guarantee for preschool students with disabilities supports school districts' improvement in fulfilling the responsibility for the provision of Free and Public Education (FAPE) in the Least Restrictive Environment to resident preschool students with disabilities. Furthermore, it is essential to leverage the expertise and capacity of existing 4410 providers to meet student needs. A UPK funding guarantee to preschool students with disabilities, along with UPK funding for students without IEPs in inclusive classrooms, should promote contracts and collaborations between school district and private 4410 programs. The Department, in its analysis for funding requirements, will also make recommendations to the Legislature regarding which parts of the law would need to be addressed to promote more preschool inclusion in the UPK program.

Conclusion - What is Needed to Get to Universal Prekindergarten for All

In conclusion, the Department wants to underscore our commitment to expanding truly universal prekindergarten, which has great benefits for students, families, and society. Much has been published about the lasting benefits of having a strong educational start at age four, so by making the necessary adjustments to the law, providing more funding for expansion, studying the flat funding rates, and continuing the Department's commitment to provide monitoring and district-level technical assistance, we believe New York will be on its way to achieving the goal of having universal access for each four-year-old in New York State.

APPENDIX A – Prekindergarten Program Qualities and Oversight

New York’s Prekindergarten Program Qualities

The [NYS laws and regulations](#) governing PreK programs emphasize the importance of developmentally, culturally, and linguistically appropriate instructional practices, quality teachers, and safe/healthy environments. Research indicates that children who participate in high-quality early education programs are far more likely to read at grade level and graduate from high school⁵. Quality full-day prekindergarten programs are credited with producing significant increases in student performance in math and reading by the second grade, as well as decreasing the rates of grade retention⁶.

Research also indicates that as much as one-half of the achievement gap is already established before students enter kindergarten⁷. Investing in high-quality prekindergarten programs has demonstrated to have a positive long-term impact on children’s life outcomes, narrowing the achievement gap between adequately served and underserved youth, and providing benefits to children and taxpayers that outweigh their cost.

High-quality prekindergarten programs, especially those that provide full-day services and serve low-income or high need students, help those students stay on track to graduate from high school and, over the long term, significantly reduce costs for remedial education, social services, health, and criminal justice programs⁸. In addition, existing research supports the idea that early, high-quality exposure to multiple languages results in enhanced child language outcomes across each of the languages⁹.

New York State PreK laws and regulations require all prekindergarten programs to adopt and implement curricula that contains key skill areas for 21st Century Learners that aligns with the full articulation of the New York State P-12 Next Generation Learning Standards. New York State also has a robust set of prekindergarten early learning standards that reflect current research on effective early childhood instruction and learning. Age 3 Learning Standards are currently under development. These learning standards promote classroom activities that support effective learning experiences in all essential domains of school readiness. The domains include pre-reading, communication, writing, math, science, technology, and the integration of

⁵ Bakken, L., Brown, N. & Downing, B. (2017). Early Childhood Education: The Long-Term Benefits. *Journal of Research in Childhood Education*, 31 (2), 255-269.

⁶ Conger, D., Gibbs, C.R., Uchikoshi, Y. & Winsler, A. (2019). New Benefits of Public School Prekindergarten Programs: Early School Stability, Grade Promotion, and Exit from ELL Services. *Early Childhood Research Quarterly*, 48, 26-35.

⁷ Garcia, E. & Weiss, E. Reducing and Averting Achievement Gaps: ‘Education Inequalities at the School Starting Gate’ and Comprehensive Strategies to Mitigate Early Skills Gaps. Economic Policy Institute, 2017.

⁸ McCoy, D. C., Yoshikawa, H., Ziol-Guest, K. M., Duncan, G. J., Schindler, H. S., Magnuson, K., ... Shonkoff, J. P. (2017). Impacts of Early Childhood Education on Medium- and Long-term Educational Outcomes. *Educational Researcher*, 46(8), 474–487.

⁹ Garcia, E. & Weiss, E. Reducing and Averting Achievement Gaps: ‘Education Inequalities at the School Starting Gate’ and Comprehensive Strategies to Mitigate Early Skills Gaps. Economic Policy Institute, 2017.

the arts.

The laws and regulations governing prekindergarten require programs to provide instruction that supports [early literacy and emergent reading instruction](#). This instruction, which is aligned with the Board of Regents literacy priorities, as well as the Governor's [Back to Basics](#) plan to improve reading proficiency, should be based on effective, evidence-based early literacy practices. This includes opportunities for students to build background knowledge and vocabulary, enhance phonological and phonemic awareness skills; and develop expressive and receptive language skills, which are essential components of prekindergarten literacy instruction.

To ensure the highest quality PreK programs, NYS mandates (Commissioner's Regulations 151-1) that all PreK teachers hold a valid early childhood teaching license in the early childhood grades or for students with disabilities in early childhood. This requirement guarantees that teachers are highly qualified and capable of providing effective and engaging instruction. In instances where a teacher does not have the requisite licensure, usually in a community-based organization (CBO), the agency must employ an on-site director with appropriate early childhood licensure. On occasions when the on-site director does not have the required certification, a five-year plan of study and district oversight plan is required. These plans outline how the individual will obtain licensure as well as how the district will maintain high quality programming.

To allow for quality interactions between teachers and students, Commissioner's Regulation 151-1 includes class size requirements. As per these regulations, the maximum class size for a prekindergarten class is 20 children. For classes of up to 18 students, there must be one teacher and one paraprofessional assigned to each class. For classes of 19 or 20 students, there must be one teacher and two paraprofessionals assigned to each class.

Further support for high quality pre-k programs includes ensuring the health and safety of staff and students, and appropriate facilities and equipment that meet all applicable (local, county, and state) building and fire codes.

Additionally, prekindergarten programs are required to serve children nutritious meals and snacks throughout the day. Physical well-being, health, and nutrition are vital pieces of the prekindergarten program that allow children to establish healthy habits that could impact them throughout their life.

To reinforce effective learning experiences and healthy habits taught in PreK classrooms, and to build a bridge between home and school, each program in NYS is required to develop

procedures that ensure the active engagement of parents and/or guardians in the education of their children. Research has shown that when programs focus on increasing parental involvement in education results in positive impacts on children, families, and school communities. The State's recent investments in PreK have fostered significant new linkages between local school districts and community partners, however those investments there come challenges in administration and expansion which will be explained in the next section of this report.

Office of Early Learning (Department) Oversight

Over the previous two years, the Office of Early Learning has held several live webinars, three in-person conferences, and established a system of matching each staff with a school district for UPK support. This process has allowed the Department to hear about the strengths and challenges from districts. Additionally, the Department's two "Navigating PreK Day" events included over 400 participants and created a space for questions and dialogue. These connections with districts and the annual application have been helpful in forming the recommendations for this report. Additionally, in partnership with the Office of Children and Family Services, the Department has convened a committee (The UPK Collaboration Council) with over 30 members of daycare/childcare entities and school districts to work together identify challenges to the UPK collaboration process.

The Department will continue to work closely with school districts to oversee the UPK application and monitoring process and work closely with PreK programs and school administrators to provide support. Currently 659 LEAs across the State provide prekindergarten using UPK allocational funds and/or SUFDPK grant award funding. OEL provides significant support to LEAs to ensure high-quality programming and fiscal responsibility. While the fiscal oversight remains consistent across funding streams, the provision of programmatic oversight is vastly different between those who use allocational funds versus those who use grant award funds. LEAs only receiving UPK funding do not require a monitoring visit annually from SED.

Programmatic Oversight

Per [NYS Ed. Law Section §3602-ee\(6\)](#), entities accessing SUFDPK grant funding, currently 198 plus 11 direct contract agencies, are required to be monitored by the Office of Early Learning. This includes collecting supporting documentation to verify compliance, on-site visitations, meetings, and reports conducted annually. This match supports provided to districts operating a UPK program, except that districts with only UPK funding do not receive on-site monitoring.

Of the 673 entities (659 school districts, 3 BOCES, 11 Direct Contract Agencies) who receive state funding for UPK, a mere 29% receive an on-site review to ensure quality programming. The Department recommends that with consolidation of Education Laws §3602-e and §3602-

ee, the monitoring component remain with an extension to all LEAs who receive UPK funding. Although OEL monitors the effective use of funding for all districts, it cannot attest that all programs are adhering to established quality standards and guidelines for UPK programs without visiting and doing a more in-depth program review. Therefore, the Office of Early Learning recommends using a differentiated cyclical model of on-site monitoring.

With the consolidation of the law, the Department recommends that the monitoring component remain, but the Department be allowed to rotate PreK monitoring to the whole state, visiting all state-funded programs on a five-year rotating basis. The Office of Early Learning would provide differentiated on-site visits and a LEA monitoring schedule to ensure all LEAs with state administered UPK funding would receive a visit on a cyclical basis. For instance, newly funded LEAs would receive an initial technical support visit to aid in program development and fiscal internal controls, which would then be followed by monitoring in subsequent years. The Department will make more frequent visits to sites that fail to meet quality standards as defined by the Department.

Fiscal Oversight

The Office of Early Learning, in coordination with other SED offices, provides fiscal oversight of \$1.2 billion in prekindergarten funding. Fiscal oversight is a critical process that involves the systematic review and evaluation of each LEA's financial performance, compliance with applicable procurement laws, and regulations. OEL staff play a crucial role in ensuring accountability, transparency, and effective resource management. Fiscal oversight consists of reviewing and monitoring each LEAs' prekindergarten related financial activities to ensure they are appropriate, reasonable, and necessary expenditures for the provision of prekindergarten services. The office reviews and approves proposed budgets and any budget amendments to check for appropriate, reasonable, and necessary expenditures for the provision of prekindergarten services, and it provides 1:1 support via assigned liaisons. OEL collaborates with other Department offices, including Grants Finance, State Aid, and the Office of Information and Reporting Services, to conduct comprehensive budget reviews for TPK, UPK, and SUFDPK programs. This interdepartmental process, while essential, is currently time consuming due to the need for increased staffing to manage UPK and SUFDPK budget reviews.

Administration of prekindergarten funding is multifaceted. As OEL oversees a \$1.2 billion budget, staff are involved in accounting of total funds proposed for use; analysis of hundreds of individual budgets to ensure reasonableness and appropriateness of expenditures; and analysis of data from multiple sources to inform reports for the executive branch, including valuation of funding (e.g., what funds are utilized versus unspent). OEL works closely with multiple Department offices to ensure accountability and communicates directly and indirectly (e.g.,

newsletters, virtual meetings, webinars, in-person events, and technical assistance) to ensure constituents are informed, fiscally responsive, and able to provide a high-quality prekindergarten program. Consolidation of laws and funding streams would allow existing staff to review budgets more in depth, offer better customer service, increase efficiency, accuracy, and prevent errors.

Administrative Oversight

In addition to fiscal oversight activities, the OEL program office is also responsible for administrative oversight of UPK and SUFDPK programs. This process is multifaceted and includes ensuring that programs with UPK and SUFDPK adhere to relevant laws, regulations, and/or grant requirements. Staff review documentation, provide direct technical assistance, and produce resources, including but not limited to frequently asked questions, live and prerecorded webinars, memos, and guidance documents, as well as present at various events across the state. As per Education Law §3602-ee, OEL is required to monitor the quality assurance of LEAs who receive SUFDPK grant awards. This includes assessing the quality of SUFDPK program implementation, such as curriculum, staff qualifications, and student outcomes. Additionally, by law, OEL is required to collect and analyze data regarding PreK programming to inform policy and practice

Appendix B – Figure 1: New York State’s Prekindergarten Timeline

New York State’s Prekindergarten Timeline

Targeted PreK (TPK)

High quality Preschool for low income four-year olds
\$1.3 Million
 Served 97 School Districts

Priority PreK

Competitive grant to create new full-day placements for four-year-olds
\$30 Million
 Awarded to 25 School Districts

Federal PreK Grant

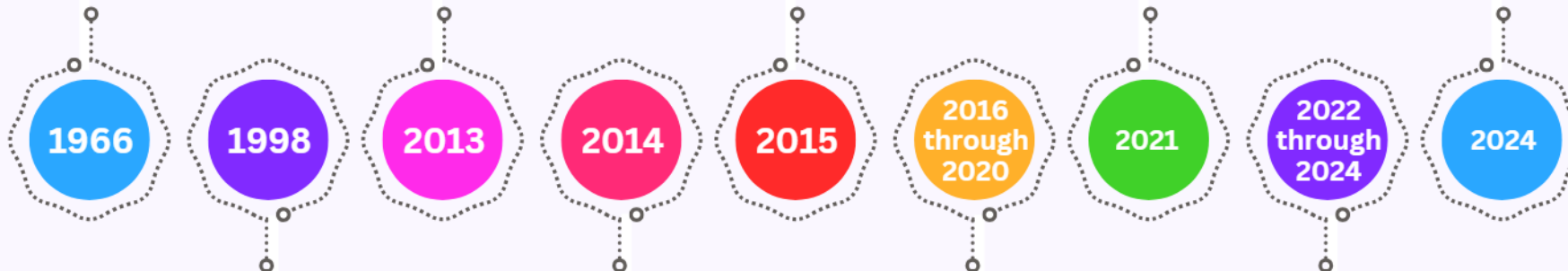
Funding provided to support low income four-year-olds
\$25 Million
 Awarded to 5 School Districts

Federal - American Rescue Funds

Allocational and Competitive grant to create new full-day placements for four-year-olds
\$90 Million Allocation to 232 School Districts
\$13.4 Million in Grant Awards to 31 School Districts

TPK, UPK, SUFDPK

TPK, UPK, 2014-2015 SUFDPK Awards, Consolidated SUFDPK Awards 2021-2024
\$1.2 Billion in Funding



Universal PreK (UPK)

Legislative approval to serve all four-year-olds PreK regardless of demographics.
\$385 Million

Statewide Universal Full-day PreK (SUFDPK)

Competitive grant to create new full-day placements for four-year-olds
\$340 Million
 Awarded to 53 School Districts and 12 Agencies

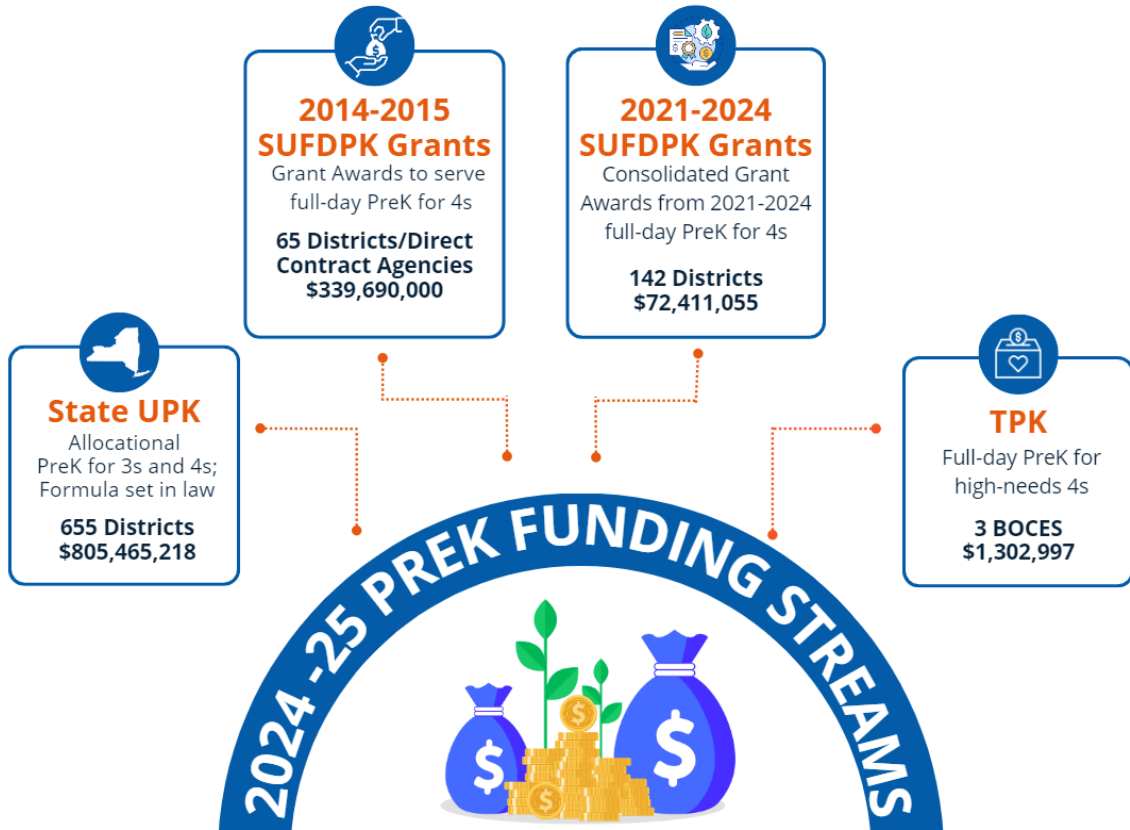
Additional UPK Grants

Competitive grants to PreK services for three and four-year-olds

Increase to UPK Allocations SUFDPK Expansion Grant

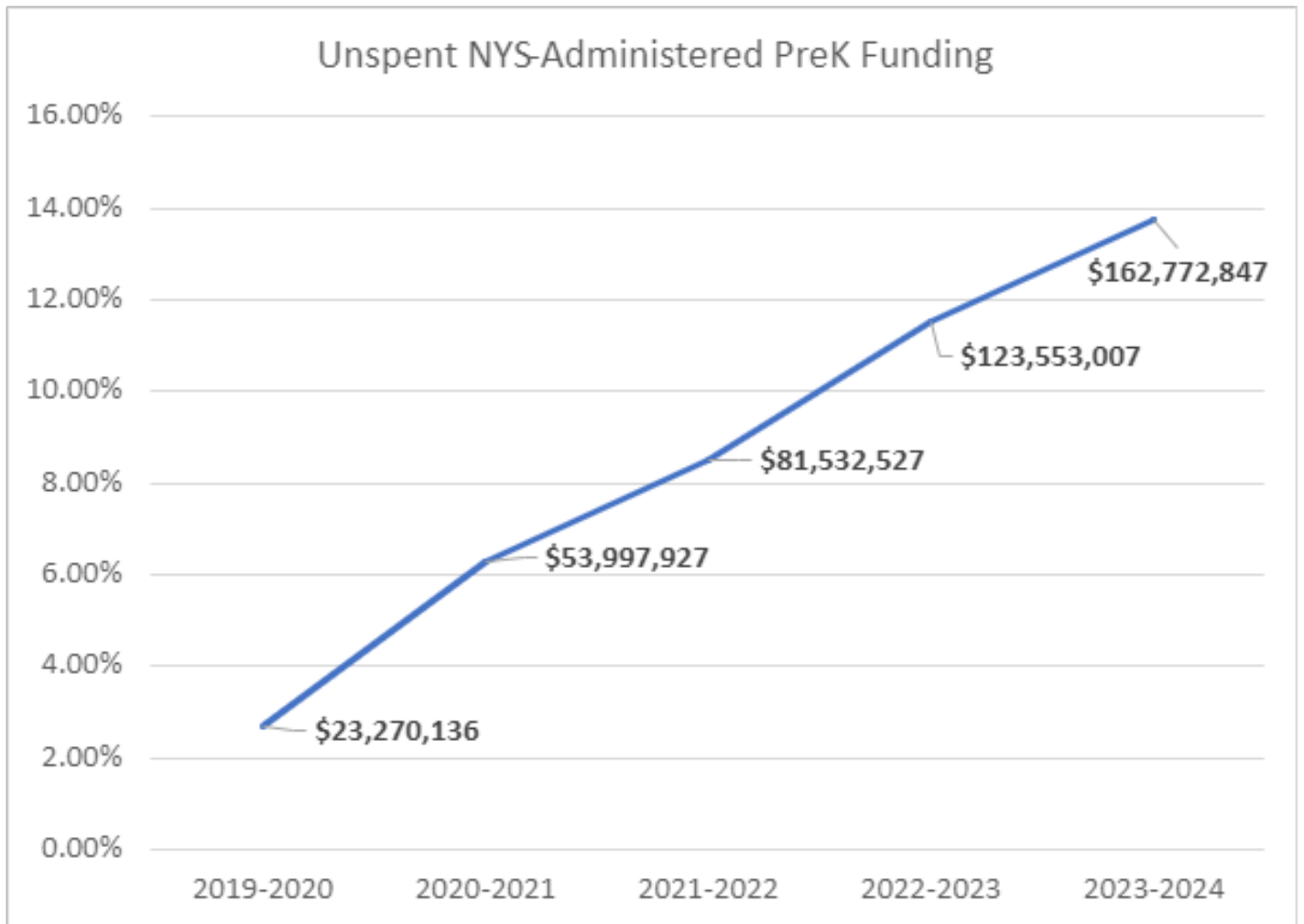
Allocational increases and SUFDPK Expansion Grants to create new full-day placements for four-year-olds
\$100 Million Allocational
\$11 Million in Grant Awards

Appendix C – Figure 2: 2024-2025 Funding Streams

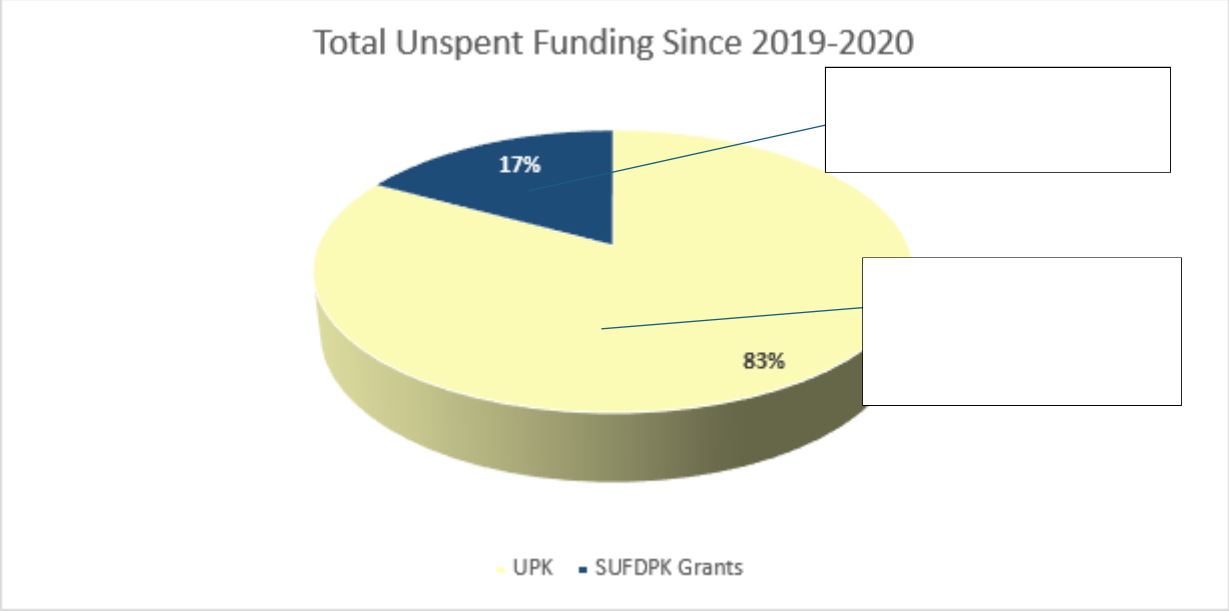


For LEA specific information, please see the 2024-2025 Prospective Four-Year-Old Prekindergarten (PreK) Students to be Served and Actual Funding Amounts Utilized report that was shared with the Governor’s Office, the Assembly, Senate and on November 1, 2024.

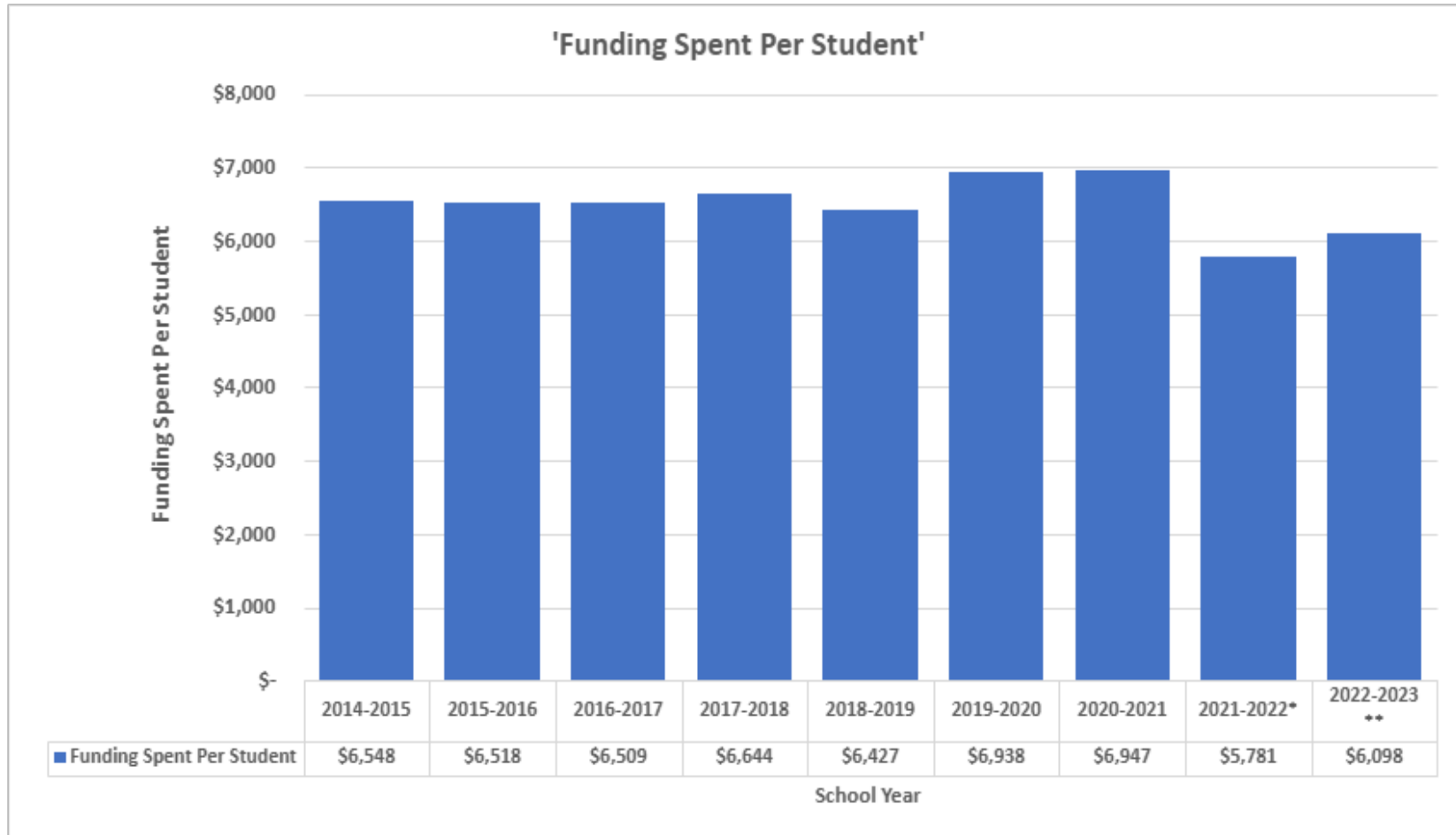
Appendix D – Figure 4: Unspent PreK Funding



Appendix E - Figure 6: Total Unspent PreK Funding Since 2019-2020



Appendix F - Figure 7: Funding Spent per Student



* For 2021-2022 per pupil rates were impacted due to LEAs receiving Federal UPK which provided a rate of \$5400.

** For 2022-2023, the overall per pupil rate increased due to the additional SUFDPK grant awards and additional state UPK allocations

Appendix G - Figure 8: Portion of 4s (weighted) Serves of the Statutory Proxy

