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**Purpose:** Explore braided funding models for prekindergarten programs, including successes and challenges with program implementation.

**Witness:** Dr. Maria Artiaga, Executive Director of Federal Programs, Las Cruces Public Schools; Erica Stubbs, Director of Children's Services, Presbyterian Medical Services

**Expected Outcome:** Better understanding of braided funding models for prekindergarten, including best practices.

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## Braided Funding Models for Prekindergarten Programs

### Background

Research indicates high-quality prekindergarten programs improve outcomes for students, particularly those from low-income households. The Legislative Finance Committee (LFC) has consistently found New Mexico prekindergarten programs offer a positive return on investment based on improvement in participants' test scores, fewer students identified for special education services, lower retention rates, and decreased negative impacts from student mobility. In New Mexico, services for 4-year-olds are provided across two state agencies and through federal dollars that are allocated directly to providers. Without good coordination between state agencies and providers, students may be placed in classrooms based on their income, and communities may become oversaturated with state dollars, resulting in the loss of federal funds. Providing prekindergarten programs to students that braid federal Head Start funding with state prekindergarten funding could result in more diverse classrooms – research indicates racially and socioeconomically diverse classrooms benefit all students – and further leverage federal dollars.

LFC has found combining prekindergarten with K-5 Plus, which extends the school year by 25 days for kindergarten through fifth grade students, provides the biggest return on investment for taxpayers.

While this brief focuses on braided funding models for prekindergarten programs, braided models ideally would include other early childhood program funding for a range of programs, including child care, to ensure wrap around care for young students and job security for parents, especially low-income parents.

### Prekindergarten Funding in New Mexico

Currently in New Mexico, students can receive prekindergarten services through the federally-funded Head Start program or through state-funded programming administered by the Children, Youth and Families Department (CYFD) and Public Education Department (PED). Some programs also utilize funding from other nongovernmental sources. In general, Head Start services are limited to families living below the federal poverty level, although some programs have been able to extend eligibility to families living above the federal poverty level. Statute currently allows state-funded prekindergarten to be provided by CYFD or PED in communities with public elementary schools designated as Title I schools; this year, the governor signed Laws 2019, Chapter 48 (Senate Bill 22) that expands prekindergarten eligibility but gives priority to programs in which at least 66 percent of the children served reside within the attendance zone of a Title I elementary school. Prekindergarten classrooms funded by these two funding sources are typically distinct from one

another, though some programs have begun braiding funding sources to serve students funded through Head Start and state-funded prekindergarten in the same classroom.

Teacher qualification requirements differ between programs. Currently, lead teachers in PED public school programs must have a bachelor's degree and hold a teaching license in early childhood education, but lead teachers in private prekindergarten programs administered by CYFD do not. Head Start teachers are required to have an associate's degree in early childhood education or higher.

As prekindergarten is administered through multiple different programs, which have different income eligibility standards, if these programs are not operated through a braided funding model, this could result in the state's lowest income students being served in Head Start programs only. Additionally, the way prekindergarten program funding is being administered in New Mexico – with limited coordination between Head Start providers and the state departments overseeing state-funded prekindergarten programs – can also lead to oversaturation of prekindergarten services in some communities. Also, overestimation of need in communities that are receiving federal Head Start funding is resulting in the loss of federal funds as students move into overfunded state programs. As the state loses federal funds, fewer prekindergarten students are being served.

The agencies implementing prekindergarten will change in FY21 when the Early Childhood Education and Care Department (ECECD), established in Laws 2019, Chapter 48, begins administering prekindergarten in coordination with PED. The creation of ECECD will allow reporting across programs to be consistent and data to be shared. Laws 2019, Chapter 48 also stipulates that “any money appropriated for prekindergarten programs shall be distributed for mixed delivery programming.” Generally, mixed delivery programming is defined as high-quality prekindergarten programming supported by a variety of providers – which necessitates a braided or blended funding model. According to the U.S. Department of Health and Human Services, “blended funding” refers to combining funding from two or more separate sources to pay for a unified set of program services without tracking costs by their funding source, while “braided funding” requires revenues to be allocated and expenditures tracked by categorical funding source. It is currently unclear how ECECD will administer mixed delivery prekindergarten programming, as FY20 is a planning year for the new department. However, ECECD provides an opportunity to support programs with braided funding.

### Examples of Prekindergarten Programs Using Braided Funding

There are already some programs in New Mexico that are braiding state prekindergarten and Head Start funds. Las Cruces Public Schools and Presbyterian Medical Services are two examples of mixed delivery prekindergarten programs, and their successes and challenges can offer insight moving forward.

***Las Cruces Public Schools.*** Las Cruces Public Schools (LCPS) is braiding Head Start and PED prekindergarten funding so that students can attend a prekindergarten program closest to their home. This has required LCPS to be creative, not only with budgeting, but also with program implementation. This is because some prekindergarten program standards differ between PED prekindergarten and Head Start programs. LCPS chose the Opening the World of Learning (OWL) curriculum to



satisfy both federal and state standards, and supplemented the state pyramid model with Kimochis for social emotional support.

As exemplified by the chart below, LCPS has dealt with this misalignment by implementing the highest standard for each program component. For example, Head Start teachers are only required to have an associate's degree, however, LCPS requires a state accredited university degree for all of their prekindergarten teachers. The implementation of the highest standard for each program component an example of why braided funding benefits New Mexico's children.

Unlike LCPS, most school districts do not braid Head Start and PED prekindergarten funding because most school districts do not apply for Head Start. It is important to address how school districts that do not apply for Head Start funds will braid funding moving forward.

**Las Cruces Public Schools' Braided Funding Prekindergarten Program Implementation**

Program Component	Head Start	PED Prekindergarten
Teacher Assessment	District Evaluation Tool	NMTEACH Evaluation Tool
Student Assessment	ECOT, Ages and Stages-SE, Ages and Stages-3 (19-20 SY), PreIPT	ECOT, Ages and Stages-SE, Ages and Stages-3 (19-20 SY)
Curriculum	Opening the World of Learning (OWL), Kimochis (Supplemental SE Curriculum)	Opening the World of Learning (OWL), Kimochis (Supplemental SE Curriculum)
Funding	Head Start	NM PreK (State)
Teacher Salary	LCPS District Salary Schedule	LCPS District Salary Schedule
Educational Assistant Salary	LCPS District Salary Schedule	LCPS District Salary Schedule
Grant Process	Yearly (Renew every five years)	Yearly
Teacher Credentials	State Accredited University Degree	State Accredited University Degree
Professional Development	FOCUS and Head Start required PD	FOCUS required PD
Family Outreach	FOCUS: 90 hrs. of family engagement	FOCUS: 90 hrs. of family engagement
Health	Vision, hearing, height, dental, weight, language screenings	Vision, hearing, and dental screenings
Behavioral Health	Pyramid Model, Kimochis (Supplemental SE Curriculum)	Pyramid Model, Kimochis (Supplemental SE Curriculum)
Culture and Language Supports	Bilingual staff, curriculum	Bilingual staff, curriculum
Special Needs	Head Start facilitator to support teachers and students with special needs; inclusion model, and child find	Inclusion model and child find

Source: Las Cruces Public Schools

**Presbyterian Medical Services.** Early childhood education is just one of many programs provided by Presbyterian Medical Services (PMS), whose mission is to design and deliver quality accessible integrated health, education, and human services in response to identified community needs of the multicultural people of the Southwest.

PMS has recently started braiding Head Start and CYFD prekindergarten funding so these students can be served in the same classroom. While PMS still operates prekindergarten classrooms distinctly funded through Head Start or CYFD, PMS began this braided funding pilot in response to community needs in Torrance County. Similar to LCPS, PMS has found that CYFD and Head Start program standards are not aligned. For example, the student FOCUS assessment required for CYFD cannot be

used for assessing students funded by Head Start, which means students have to be assessed twice. However, the chart below shows PMS has chosen to provide the same services for both programs when possible; for example, with family outreach.

**Presbyterian Medical Services' Braided Funding Prekindergarten Program Implementation**

Program Component	Head Start	CYFD Prekindergarten
Teacher Assessment	CLASS, self assessment, ongoing monitoring	Ongoing monitoring
Student Assessment	TSG Gold, ASQ-SE, AsQ-3	FOCUS
Curriculum	Creative Curriculum	Creative Curriculum
Funding	Federal	State
Teacher Salary	These are the same for both programs	These are the same for both programs
Educational Assistant Salary	These are the same for both programs	These are the same for both programs
Grant Process	Five-year cycle with annual monitoring by the Office of Head Start	Grant proposal submitted to CYFD on a four-year cycle
Teacher Credentials	AA or higher in early childhood education or equivalent, a degree in elementary education is not equivalent.	Obtain an NMCDC and work toward a bachelor's degree in early childhood education
Professional Development	Annual staff receive about 120 hours of PD	All staff receive the same TTA and CYFD mandatory training in addition to PD
Family Outreach	Family service assistants are on site daily, and monthly family activities are provided. Parent committees are established at all sites.	PMS chose to provide the same services for both programs.
Health	Well-child checks, dental visits, and height, weight, vision and hearing screenings are performed.	PMS chose to provide the same services for both programs.
Behavioral Health	A mental health specialist and mental health consultant work with the Psychological First Aid program to support families and staff.	PMS chose to provide the same services for both programs.
Culture and Language Supports	Home visits, culturally and linguistically appropriate activities, and family nights.	PMS chose to provide the same services for both programs.
Special Needs	The disabilities specialist works with Part C and Part B providers to provide referrals. Services are provided in the Head Start classroom as well as at home.	PMS chose to provide the same services for both programs.

Source: Presbyterian Medical Services

## Next Steps

Evidence continues to mount regarding the influence children's earliest experiences have on their later success and the role early care and education programs can play in shaping those experiences as well as contributing to parents' job stability and families' financial health. However, low-income children experience large school readiness gains only when they have consistent access to responsive teachers and caregivers in high-quality early learning environments. Because no single federal or state funding source adequately addresses both of these needs, individual early care and education programs have sought to foster healthy child development and promote families' economic self-sufficiency by combining existing funding streams through "blending" and "braiding" funds.

The new ECECD, which will oversee early childhood services, was created to provide better coordination and reduce program duplication and fragmentation. Historically, oversaturation of prekindergarten services has been an issue in some areas of the state. Oversaturation of prekindergarten services can have several negative effects, including the return of federal Head Start dollars as a result of student migration from

Head Start to state-funded prekindergarten programs. The creation of the new department presents an opportunity for increased coordination to ensure this does not happen.

Other states that have successfully implemented braided funding for prekindergarten programs can serve as a model for New Mexico moving forward. The U.S. Department of Health and Human Services also offers financial strategy guides for states looking to blend or braid prekindergarten funding. Research suggests funding alignment policies are most effective when other areas of program alignment are addressed, such as teacher licensure and student assessment. With the creation of ECECD, New Mexico is positioned to systematically address these issues.

Oregon is a model for collaboration between state-funded prekindergarten and Head Start. In 1992, Oregon formalized a partnership between the Oregon Department of Education and the Office of Head Start. This sharing of information has helped avoid duplication of effort and also provided for more efficient data collection by allowing all children to receive unique identification numbers upon enrollment so that developmental progress can be followed as students enter the kindergarten through 12th grade system.