

*Considerations for  
Making Finance Decisions  
to Promote Preschool Inclusion:  
A Toolkit*

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## Introduction

The following chart is a framework of fiscal considerations for state administrators and local programs to address as they strive to braid funds in order to create blended programs for young children across three main areas: 1) Motivation and Partnership, 2) Settings, Staffing and Service Delivery, and 3) Funding Streams and Accountability.

- Within each of these areas, the chart identifies **questions** that should be taken into account when working together to understand, make and implement finance decisions for providing quality inclusive programs and serving children with disabilities with their peers.
- The questions to consider are **not necessarily sequential**. Depending on the specific priorities and realities of a state or community, they can be delved into according to what makes most sense for the state, community, program, or particular child.

## Purpose

The chart is meant to serve as a **discussion and decision-making guide** for finance strategies to braid funds to create blended programs that promote inclusion.

A blended program serves children with and without disabilities together and provides unified, seamless services. Braided funding is when separate categorical funding streams are braided together to support unified, seamless services. Funding for each child is specific to eligibility for particular programs and/or services.



- Successful inclusion requires collaboration.
- Inclusion is not the responsibility of any one agency or service provider.
- It requires multiagency and public and private efforts to ensure that inclusive policies and practices are adequately funded.
- All stakeholders must work together to assure that quality services are provided by appropriately trained personnel.

## Target Audience

The chart can be used at the **state** and/or **local** levels of the system.

- State IDEA Part B, Section 619 coordinators
  - for discussions with other state administrators about making finance decisions to promote preschool inclusion
  - for providing technical assistance to the local level
- Communities, local education agencies, schools, programs, and families
  - for making collaborative finance decisions related to inclusive classroom settings
  - for considering options and opportunities for a particular child

## Process of Development

Attention was given to this topic in 2011 as a result of questions from state Section 619 Coordinators about braiding funds to support blended programs.

- NECTAC engaged the 619 Consortium and others through a needs assessment survey and ‘think tank’ process to identify facilitators and barriers for economic collaboration to promote preschool inclusion.
- Review of information, state and local examples, and sector-specific resources provided a broad base of understanding.

# CONSIDERATIONS FOR MAKING FINANCE DECISIONS TO PROMOTE INCLUSION



Discussions and decisions for financing programs for preschoolers in the community involve partners and representatives of all sectors that provide early care and education. Formal agreements may address staffing configurations, administrative financing structures, funding sources, and use of funds and in-kind support.

## Motivation and Partnerships

Is there administrative support for inclusion?	Have you developed a common vision of inclusion?
Have you identified partners for collaboration?	Have the partners developed an agreement?

Least Restrictive Environment (34 CFR §300.114-118)

- A continuum of alternative placements is available
- To the maximum extent appropriate, children with disabilities are educated with children who are nondisabled
- Placement decisions are based on the unique needs of each child, by the IEP team
- Placement determined at least annually, is based on the child's IEP, and be as close as possible to the child's home.

## Settings, Staffing and Service Delivery

In what settings will children receive services?	Setting with Typical Peers/Inclusive Services		Setting with Typical Peers/Separate Services	
	Regular EC Program w/ Support in Classroom	Blended Program	Regular EC Program Pull-Out	Part-time Regular Part-time Special Ed Reverse Inclusion
How will the program be staffed to provide special education supports and services?	Consultation to classroom teacher	Additional support staff in classroom	Co-teachers in classroom	Itinerant teachers in classroom Related Service Providers (therapists)
How will funds and in-kind contributions be used to support the inclusive program?	Staff	Space/Rent	Transportation	Administrative Costs Equipment Materials

## Funding Streams and Accountability

Which funding stream may be used to support inclusive programs and special education services?	IDEA Part B	Head Start	Child Care	State Ed Funds	Private Insurance
	IDEA Section 619	RTT-ELC	TANF	State Pre-K	Tuition/ Fee
	IDEA Part C	Title I	Medicaid	Local Ed Funds	Foundations
What is the administrative and/or funding structure?	Program	District	County / Region	Private/non-profit organization	

□ <http://www.nectac.org/~pdfs/topics/inclusion/financeinclu.pdf>

## Motivation and Partnership

Successful inclusive programs often site administrators or other community leaders who championed inclusion as ‘the right thing to do.’ But administrators cannot do this alone. This motivation becomes contagious as it is intentionally fostered from the bus drivers and nutrition staff to the teachers and parents involved within a program. Administrative system-level supports and partnerships (including policies, procedures, practices and attitudes) build the infrastructure for inclusion. Key questions at this stage of the process include:

- Is there administrative support for inclusion
- Have you identified partners for collaboration?
- Have you developed a common vision of inclusion?
- Have partners developed an interagency agreement that includes fiscal responsibilities?

### Additional Resources on Motivation and Partnership

- [Fiscal Management Checklist for Partnerships](#)
- [Definition of inclusion](#) developed jointly by DEC and NAEYC
- [Research synthesis](#) on early childhood inclusion
- [Quality indicators](#) of inclusive programs and practices

## Settings, Staffing and Service Delivery

Programs may be comprised of different types of classrooms or settings to provide a continuum of options for children. A placement decision is made for each child with a disability through the development of an Individualized Education Program (IEP). This is done by a team of required people, including the parents, **after** carefully considering the child’s strengths, needs, and agreed upon goals, ensuring that the Least Restrictive Environment (LRE) is determined for the individual child as required by the Individuals with Disabilities Education Act (IDEA).

### Settings with Typical Peers/Inclusive Services

- **Regular Early Childhood Program with Support in the Classroom**  
A regular early program is for children ages 3-5 years and includes group settings such as Head Start, public and private preschool, kindergarten, or child care where children with disabilities are enrolled and receive support.
- **Blended Program**  
Regular early childhood and special education programs which are purposefully blended to serve a number of children from two or more programs may be staffed with both regular and special education personnel. An example of this type of program might be a public prekindergarten (Pre-K) program, which includes children who are age-eligible for the Pre-K program, those who are Head Start eligible based on their families’ income eligibility, and those who are receiving special education or related services based on the IEP.

### Settings with Typical Peers/Separate Services

- **Regular Early Childhood Program Pull-Out**  
A regular early childhood program is attended by a child with a disability, who receives the majority of special education service in a separate room or location. An example of this is a child who attends a group child care setting, and the special education services are provided in another room.

- **Part-Time Regular Education/Part Time Special Education**

The child attends a regular early childhood program, but receives special education services in another location. This may be a 'dual enrollment' where a child attends a regular early childhood program (such as Head Start), for part of the time and attends a separate special education program, often during the opposite half day or on alternating days. Other examples of 'part-time/part-time' might include the child who attends a regular education program and receives special education services in the home or in the service provider location.

- **Reverse Inclusion**

Also known as 'reverse mainstreaming,' this program or classroom is designed as a special education setting that also includes children without disabilities who are enrolled by their families with the understanding that this is a special education setting. In this example, the children who do not have IEPs may pay a tuition fee.

There are other settings in which children may receive their special education services: home, separate classrooms, service provider location, or separate schools.

## **Staffing Patterns**

There are a number of classroom configurations and considerations for providing preschool special education services in inclusive settings.

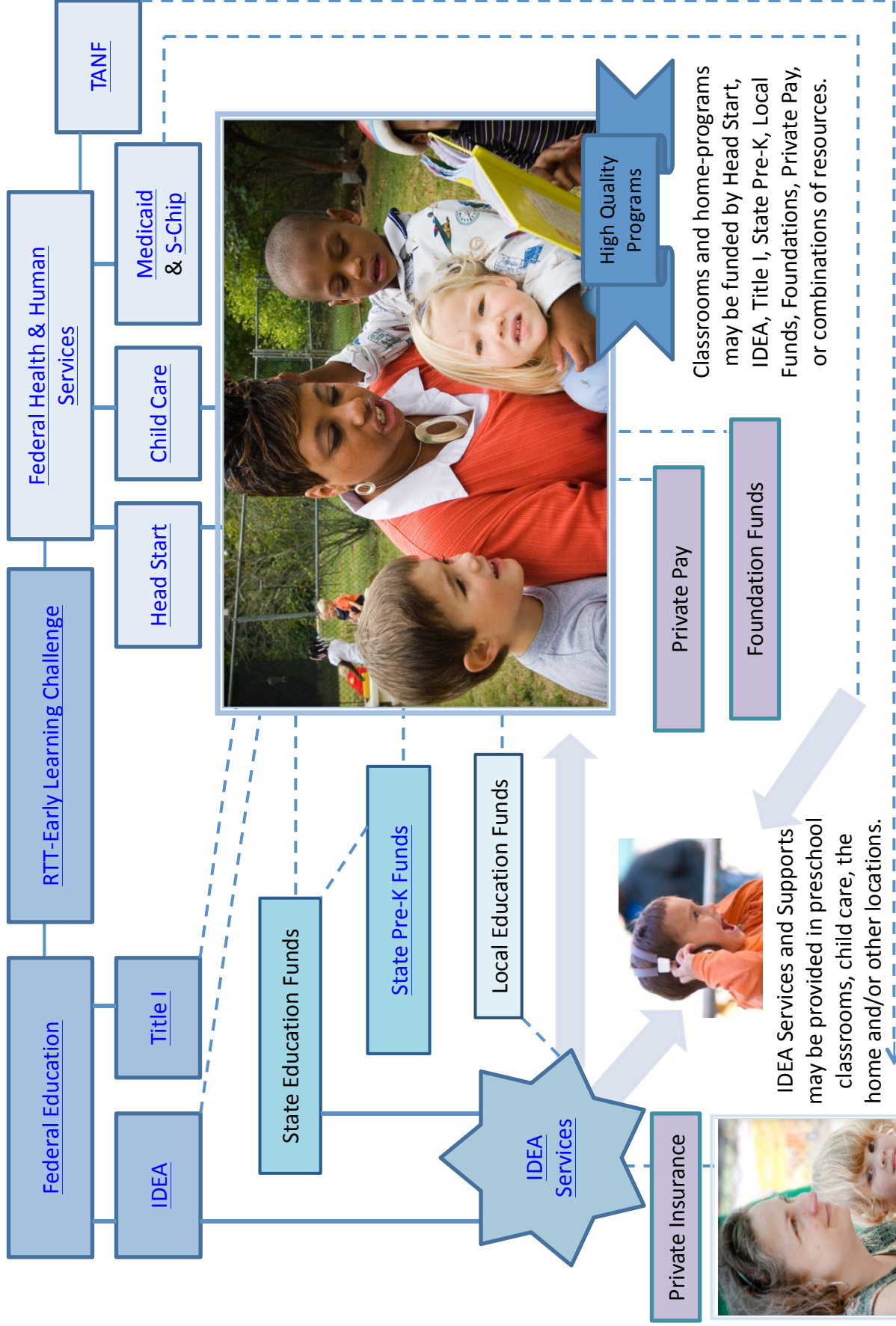
- Consultation to the regular education classroom teacher
- Additional support in the classroom by paraprofessionals and/or teacher assistants
- Co-teachers (regular and special education) in classroom
- Itinerant special education teachers in classroom
- Related special education service providers (therapists) in classroom

## **Additional Resources on Settings, Staff and Service Delivery**

- [Preschool Options Considered in Wisconsin](#)
- [Definitions of Preschool Services Options in Wisconsin](#)
- [Creative Inclusion Program Options](#) from California's Supporting Early Education Delivery Systems (SEEDS)
- [Prekindergarten Children with Disabilities: Expanding Opportunities for Providing Services, A Guide for Making System and Program Level Decisions](#) (2008) developed by the Florida Department of Education, Bureau of Exceptional Education and Student Services.

# Funding Streams and Accountability

## Funding Sources: Supporting Young Children with Disabilities



KEY: Solid lines to direct funders; dotted lines to possible funders.

The following table summarizes major Federal and State early care and education funding streams that may be used to support young children with disabilities.

Funding	Programs	Comments
<b>Federal Education Funds</b>	IDEA: Preschool Grants for Children with Disabilities	The Preschool Grants Program is authorized under Section 619 of Part B of IDEA and administered by the Office of Special Education Programs, ED. It was established to provide grants to States to serve young children with disabilities, ages 3 through 5 years. <a href="http://www2.ed.gov/about/offices/list/osep/index.html">http://www2.ed.gov/about/offices/list/osep/index.html</a>
	Title I Preschool	Many school districts support preschool programs with their Title I (Education for the Disadvantaged) funds. More than 50,000 public schools across the country use Title I funds to provide additional academic support and learning opportunities to help low-achieving children master challenging curricula and meet State standards in core academic subjects. <a href="http://www2.ed.gov/programs/titleiparta/index.html">http://www2.ed.gov/programs/titleiparta/index.html</a>
	Race to the Top – Early Learning Challenge	Awards in Race to the Top are awarded to States that are leading the way with ambitious yet achievable plans for implementing coherent, compelling, and comprehensive early learning education reform. Nine state grantees have been awarded grants to build statewide systems of high-quality early learning and development programs. These investments will impact all early learning programs, including Head Start, public pre-K, childcare, and private preschools. Key reforms will include: aligning and raising standards for existing early learning and development programs; improving training and support for the early learning workforce through evidence-based practices; and building robust evaluation systems that promote effective practices and programs to help parents make informed decisions. (Dec 2011). <a href="http://www.ed.gov/blog/2011/05/rtt-early-learning-challenge/">http://www.ed.gov/blog/2011/05/rtt-early-learning-challenge/</a>
<b>Federal Health and Human Services Funds</b>	Head Start/Early Head Start	Head Start and Early Head Start programs are administered by the Office of Head Start, DHHS, and provide grants to local public and private non-profit and for-profit agencies. They are child-focused programs that serve children from birth to age 5, pregnant women and their families, and have the overall goal of increasing the school readiness of young children from low-income families. <a href="http://www.acf.hhs.gov/programs/ohs/">www.acf.hhs.gov/programs/ohs/</a>
	Child Care and Development Fund (CCDF)	CCDF assists low-income families, families receiving temporary public assistance, and those transitioning from public assistance in obtaining child care so they can work or attend training/education. CCDF is administered by the office of Child Care, DHHS, and provides grant to States, Territories and Tribes to serve children younger than 13 years; however, some grantees may elect to serve children age 13 to 19 who are physically or mentally incapacitated or under court supervision. <a href="http://www.acf.hhs.gov/programs/ccb/ccdf/factsheet.htm">www.acf.hhs.gov/programs/ccb/ccdf/factsheet.htm</a>
	Medicaid	Medicaid is a health insurance which pays for services for children, including preventive care, immunizations, screening and treatment of health conditions, doctor and hospital visits, and vision and dental care for families who are income eligible and/or children with disabilities. <a href="http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/By-Topic.html">http://www.medicaid.gov/Medicaid-CHIP-Program-Information/By-Topics/By-Topic.html</a>
	Temporary Assistance for Needy Families (TANF)	TANF is administered by the Office of Family Assistance, DHSS, and provides grants to States, Territories, or Tribes to assist needy families with children so that children can be cared for in their own homes; reduce dependency by promoting job preparation, work, and marriage; reduce and prevent out-of-wedlock pregnancies; and to encourage the formation and maintenance of two-parent families. States may transfer TANF funds to CCDF or directly spend funds on child care. <a href="http://www.acf.hhs.gov/programs/ofa/">www.acf.hhs.gov/programs/ofa/</a>
<b>State and Local</b>	State and Local Education Funds	States and local dollars are primary funding sources of public K-12 education (see individual state departments of education websites).
<b>Private</b>	State-Funded Prekindergarten	An early learning program funded by State general revenue funds to increase access and improve quality; it invests public resources in State-funded preschool education. The Funding often goes to local school districts for programming that emphasizes school readiness. <a href="http://nieer.org/yearbook/">http://nieer.org/yearbook/</a>
	Private Insurance	Private family or child insurance used with family permission.
	Private Pay	Funding sources (such as, parental payment or co-pay, scholarships, and/or gifts) may support programs and/or enrollment of children.
	Foundation Funds	May be utilized to support programs and/or enrollment of individuals.

Adapted from NCCIC by NECTAC, April 2012

## **IDEA Regulations**

IDEA regulations related to finance are a vital component to understanding permissible use of funds for serving young children with disabilities in an inclusive setting. Selected citations for consideration when braiding funding to promote preschool inclusion can be found in [IDEA Finance Considerations for Braiding Funding to Promote Preschool Inclusion](#), prepared by NECTAC with guidance from OSEP (2011), which features selected regulatory citations from IDEA for consideration when braiding funding to promote preschool inclusion. It is not a full listing of all funding/finance regulations. Additional support is available from the [OSEP/MSIP State Contacts](#).

## **Additional Resources on Funding**

- [Financing strategies and collaborative funding](#) resources on the NECTAC Inclusion webpage
- [Improving Public Financing for Early Learning Programs](#) preschool policy brief and fact sheet by NIEER (2011)
- [Creative Inclusion Program Options](#) from California's Supporting Early Education Delivery Systems (SEEDS) for administrative structures