



Pre-Kindergarten: Frequently Asked Finance Questions for *EarlyLearn* NYC Contractors

UPK Enhancement

Dear EarlyLearn NYC contractor:

The Administration for Children's Services (ACS) is excited to provide you with information regarding New York City's full-day pre-k expansion. This expansion will ensure that all four-year-olds receive quality early education and are prepared to succeed in kindergarten and beyond. As part of the City's initiative to provide full-day pre-k to every eligible four-year-old in NYC, ACS' *EarlyLearn* NYC programs will be improving pre-k programming for over 12,000 children. The City will provide more than 50,000 children access to quality full-day pre-k this coming school year. *EarlyLearn* NYC programs are an important part of this expansion. By now, you should have received information about your 2014-2015 pre-k target enrollment number, pre-k enrollment deadlines, and new information about classroom ratios.

We appreciate your commitment to implementing New York City's vision for universal pre-kindergarten and share in your excitement that early education is at the forefront of Mayor de Blasio's vision. Thank you for your continued commitment to ensuring that every child receives a quality early education.

Attached you will find frequently asked questions (FAQs) regarding the financial implementation and requirements for your pre-k program.

For programmatic questions please email: earlycare&education@acs.nyc.gov, for fiscal questions, please email: acsprekfinance@acs.nyc.gov

Pre-k: Frequently Asked Questions for EarlyLearn NYC Agencies – FINANCIAL

What does the new pre-k enhancement funding cover?

The new pre-k enhancement funding will advance DOE-established pre-k quality standards and includes four main components: (A) salary increases for lead pre-k teachers who meet pre-k qualifications; (B) expanded professional development by supporting substitute teacher(s) while pre-k lead teachers and pre-k assistant teachers attend three days of professional development in the summer of 2014 as well as two additional days during the school year provided by the DOE; (C) adjustments to pre-k teacher-to-student ratios to meet DOE ratio requirements and classroom quality enhancements; and (D) one-time start-up funding for expenses such as equipment and furniture.

ACS will provide you with a budget template to request the funding (the "pre-k enhancement budget").

1. Salary increases

a. What salary for lead pre-k teachers does the pre-k enhancement funding support?

The pre-k enhancement funding is supporting the following salary structures for lead pre-k teachers: Bachelor's degree and initial certification –\$44,000 per year, Master's degree and certification –\$50,000 per year. The increase is equal to the proposed salary minus the current base salary. All pre-k Lead Teachers must register in ASPIRE by completing their profiles and submit all supporting documents to have their certification verified by ASPIRE in order for salary expenses to be reimbursed.

b. How do I reflect this in the pre-k enhancement funding line-item budget template?

The pre-k enhancement funding line-item budget template will include a supporting salary schedule (Schedule A). Please provide the teacher base salary and proposed increase. This new pre-k funding should be used to increase the base salary of the lead pre-k teacher(s).

- c. **What is the base salary?** The base salary is defined by your union or employer contract and does not include longevity differentials.
 - d. **Do all pre-k lead teachers need to be registered in ASPIRE?** Yes, teachers must complete individual profiles and have all documents submitted and verified by ASPIRE.
 - e. **What happens if a certified lead pre-k teacher leaves after receiving the increased salary?** In the event that a lead pre-k teacher leaves, you have sixty days to replace him/her with another certified teacher. If you replace him/her with someone less credentialed or uncertified, you must submit a modified pre-k enhancement funding line-item budget to ACS. In order to continue to qualify for additional funding you must update and complete individual profile and get verification from ASPIRE.
 - f. **Will a certified teacher in a classroom with a mix of pre-k and non-pre-k children be eligible for the salary increase?** A certified teacher in a classroom of pre-k eligible and non-pre-k eligible children will be eligible for the salary increase. Funding is provided for one mixed classroom per site.
 - g. **If two fully certified teachers are co-teaching in one classroom, will there be funding for both teachers' salaries at the higher rate?** No, funding for the teacher salary initiative only supports one certified teacher per classroom.
 - h. **What is the range of salaries for assistant teachers?** The teacher salary initiative supports increasing the salaries of lead pre-k teachers only.
 - i. **Am I required to pay pension and benefit costs?** Yes. You are required to meet all of the requirements of the applicable fringe benefits in accordance with your EarlyLearn contract; any allowable incremental increase in benefits can be cost allocated to your pre-k enhancement funding.
2. **Expanded Professional Development (substitute teacher)**
 - a. **What should I include in the substitute teacher line in the pre-k enhancement funding line-item budget?** The pre-k enhancement funding supports substitute teachers(s) while pre-k lead teachers and pre-k assistant teachers attend three days of professional development in the summer of 2014 as well as two additional days during the school year provided by DOE. This line-item should include projected expenses for substitutes while your teachers and assistant teachers are attending professional development.
 3. **Student Teacher Classroom Ratio Standards and Quality Enhancements**
 - a. **What does this funding support?** The pre-k enhancement funding supports an additional full time teacher's aide in the classroom during the six hours and twenty minutes of pre-k classroom time. Additionally, pre-k enhancement funding is provided to support quality enhancements to meet pre-k classroom expectations.
 4. **One-time Start-Up Funding**
 - a. **What expenditures are eligible for one-time start-up funding?** One-time start-up funding is available to purchase classroom equipment and furniture such as chairs, tables, cots, carpets etc. Please see the attached list for allowable items.
 5. **Reimbursement**

- a. **How will I be reimbursed for pre-k quality enhancement services?** You will be reimbursed for allowable expenses up to your approved pre-k enhancement funding amount. This amount is listed in your EarlyLearn contract and reflects your pre-k enrollment target. ACS Finance office will be sending you a pre-k enhancement line-item budget template shortly. Please note that the target and funding may be adjusted and ACS will issue an adjusted pre-k enhancement funding line-item budget template if you do not meet your enrollment goals.
 - b. **How will I receive payments?** ACS has issued a calculated payment based on one-quarter of your pre-k enhancement funding line-item contract budget. Funds should be credited to your accounts by September 5, 2014. Beginning in October, we will reimburse you quarterly, based on your allowable expenses, unless requested otherwise. Invoices are due to ACS on the 15th of every month.
 - c. **How many monthly ACS payments will I receive?** You will continue to receive your monthly payment for EarlyLearn services and quarterly payment for your new pre-k enhancement funding, unless requested otherwise. EarlyLearn payments will continue to be processed based on enrollment. However, the new pre-k enhancement-related expenses will be paid quarterly once you submit an expense report. To summarize, providers will receive two distinct payments from ACS. EarlyLearn enrollment based and UPK enhancements which will be paid on expenses.
6. **Budget template**
- a. **Will I need to send a budget to ACS? If so, will it have to be developed by site?** ACS will provide you with a budget template at site level and contractor level.
 - b. **I am currently an EarlyLearn provider and use a budget template to develop my budget and report expenses. Will I be able to use the same template for this new pre-k enhancement initiative?** A separate budget is required for the new pre-k enhancement funding; you will develop a separate pre-k enhancement funding line-item budget and submit pre-k enhancement related expenses in addition to the required submission of the current EarlyLearn budget template.
 - c. **Will I be able to modify my pre-k enhancement funding line-item budget? If so, will it require ACS' approval prior to modification?** You will be able to make modifications up to your maximum pre-k enhancement funding listed in your EarlyLearn contract with ACS' approval. Upon completing a modification, you must send a copy to ACS electronically.
 - d. **Is there a maximum amount that can be spent in any of the categories?** You will have flexibility to modify your pre-k enhancement funding line-item budget to reflect pre-k quality enhancement priorities; all modifications require approval by your ACS budget liaison. The only exception to the flexible funding modification is the teacher salary initiative; this represents a capped ceiling, you will not be able to modify funds from the salary line item to any of the other three pre-k enhancement funding expense lines.
 - e. **How will my EarlyLearn budget be affected by these changes?** The daily rates and facility rate add-on listed in your EarlyLearn contract will not change. EarlyLearn

providers will continue to receive funding for the base pre-k program and other EarlyLearn services based on the number of children enrolled in your program. The new pre-k enhancement funding is in addition to that funding.

7. Enrollment and PreKIDS

- a. **Will I still have to enter all of my pre-k children into PreKIDS? If so, what is the deadline?** Yes, you are still required to enter all eligible children into PreKIDS. All eligible children must be entered into PreKIDS as soon as possible, at the absolute latest by the BEDS date of October 1, 2014.
- b. **How does enrollment and funding work if a child enrolls in the program after the BEDS date?** Enrollment and funding are based on the number of children enrolled by the BEDS date. If the State provides additional mid-year funding, there will be an opportunity to register children mid-year. Funding for any children enrolled after the BEDS date is only for half of the year.
- c. **What if I can exceed my initial pre-k target?** ACS and DOE will be closely monitoring pre-k enrollment as we approach the BEDS day on October 1, 2014. Ensure all eligible children who are a part of your current target are entered into PreKIDS. You must submit change requests to the Division of Early Care & Education and remember that your pre-k target has not changed until it has been approved by ACS Early Care & Education. Submit your requests to increase (or decrease) your pre-k targets by emailing Alyson Grant at alyson.grant@acs.nyc.gov and the ECE division at : EarlyCare&Education@acs.nyc.gov
- d. **Is additional funding available for special education services?** No. Additional funding for programs serving children with special needs can be acquired through the NYS Education Department.

8. Accounting and Audit

- a. **Should I keep separate accounting for the new pre-k enhancement related expenses?** Yes, to receive reimbursement for pre-k enhancement related expenses, you will be required to submit monthly expense reports to ACS. As such, separate accounting/recordkeeping will be required.
- b. **Will I need to show the pre-k enhancement funding separately in my financial statements?** Yes. You are required to identify pre-k enhancement related expenses separately in your financial statements and audit.
- c. **I have both an ACS pre-k program and a DOE pre-k program, how do I cost allocate my expenses between both programs?** ACS pre-k enhancement funding can only be spent on ACS-contracted programs' pre-k costs. As such, the cost allocation plan for your organization must reflect an adequate cost allocation methodology.
- d. **If I do not spend my entire pre-k enhancement funding by the end of the fiscal year, will I be allowed to carry it to the next fiscal year?** No. All funds issued in a fiscal year must be spent within the same year.

9. Non-income Eligible or "Pre-k" children

- a. **How will I be paid for Private "pre-k only" kids?** You will be eligible to enroll "pre-k only" children into child care seats. These children are not income-eligible and are born in 2010. They may be enrolled at your child care and dual eligible EarlyLearn programs.

Please note, this does not apply for seats that are solely Head Start funded.

Enrolling “pre-k only” children will provide additional reimbursement for what would have been vacant non-reimbursable seat(s). If you enroll a “pre-k only” child, you will be paid the prorated EarlyLearn rate for 180 days and 6 hours and 20 minutes plus pre-k enhancement funding for eligible expenses. For the Model 3 (Child Care only services) this combined amount is up to \$7,646 per child per year and for the Model 1 (Dual services) up to \$8,128 per child per year.

- b. How do I become eligible for pre-k enhancement funding associated with the non-income eligible pre-k children?** As with all pre-k enhancement funding, programs will need to demonstrate the additional costs incurred to meet the four enhanced categories mentioned in the beginning of this FAQ.
- c. How will this impact my EarlyLearn NYC slots?** ACS will be freezing your *EarlyLearn* NYC pre-k capacity based on the number of “pre-k only” enrolled in your program.
- d. Can I provide care beyond UPK full day (180 days and 6 hours and 20 minutes) for pre-k only children?** Yes, your program can provide additional wrap around services. Your program should determine tuition and charge independently for these additional hours of care. ACS will only pay for cost-allocated expenses up to 6 hours and 20 minutes and 180 days, as indicated above.

10. ACS subsidized child for UPK hours only

- a. I have a four year old ACS eligible child that wants only 6 hours and 20 minutes of care; can I serve them for only the UPK hours? What is my reimbursement?** If you enroll an ACS eligible child and the family requests to only have 6 hours and 20 minutes of care (i.e. only pre-k services), you can choose to enroll them as a pre-k only child. You will be paid the prorated EarlyLearn daily rate for 180 days and 6 hours and 20 minutes and possibly pre-k enhancement funding. See questions 1 through 4 for additional information on pre-k enhanced funding.
- b. Can pre-k-only and UPK EarlyLearn children be placed in the same classroom?** Yes. You must cost-allocate all expenses for the pre-k only children and UPK EarlyLearn children based on an ACS-accepted cost-allocation plan.

11. Contact and Training

- a. Is ACS Finance hosting any information sessions?** ACS Finance will be offering information sessions in September.
- b. Who can I contact at ACS if I have any questions?** For any questions regarding this FAQ, please email: acsprekfinance@acs.nyc.gov