EARLY LEARNING BLENDED FUNDING PROGRAMS

Goal 2 of the Missouri Department of Elementary and Secondary Education’s (DESE’s) Top 10 by 20 plan is that all Missouri children will enter kindergarten prepared to be successful in school. To meet this goal, the Department recognizes that all children need access to high-quality early learning experiences. These experiences promote key dimensions of early learning and development of young children while responding to the needs of families.

Thoughtful planning takes into account how to best meet the needs of children and families regardless of funding source and is essential for effective early learning programs. As Local Education Agencies (LEAs) assess early learning programs for children ages three to five to determine the need within their community, exploring the opportunities of blending early learning funds and services may be advantageous. Blended funding occurs when two or more funding sources are pooled to support educational costs to ensure consistency, eliminate duplication of services, allow for maximum flexibility of funds, and reduce burden.

A blended funding program can use any two or more existing sources of funds; one must be from DESE (Early Childhood Special Education (ECSE) State and/or Federal reimbursement based on prior year ECSE expenditures, an existing Missouri Preschool Program (MPP) grant award and existing Title I funds). There is no new Federal or State funding available through DESE for blended funding. Instead, blended funding allows existing resources to be better utilized to support increased access for children to inclusive early learning programs. In blending, contributions by funding source are allocated based on the projected number of participating eligible children. Funds blended into the pool lose their individual Federal award-specific identity when they are combined. In addition, there is no distinction between Federal and non-Federal funds. Therefore, there is no means for the fiscal manager to track which funding source paid for the blended program expenditures. Blended funds can be used to support any allowable cost identified in the blended funding program.

Purpose of the Blended Funding Program

A blended funding program provides a consistent learning environment for all children. Blending funds allow LEAs to use available resources in a more efficient and effective manner.

Benefits of the Blended Funding Program

Children have an increased level of access to early learning programs with a greater opportunity for participation in an inclusive classroom environment.

Available space is better used to provide a well-balanced and integrated early learning program, as opposed to separating out early learning children by eligibility/disability and funding sources.
The quality of instruction through certified staffing and coordinated professional development is ensured. Successful transition of all children into kindergarten is improved.

Requirements of the Blended Funding Program

**Program Requirements**
The following requirements must be met in blended funding programs to provide consistent services. Blended programs utilizing awarded MPP grant funds must meet additional requirements established in the MPP Administrative Manual.

**Eligible Children**
Children 3-5 years of age are eligible to participate in the blended funding program. If MPP funds are used, all non-special education children must be 1-2 years away from kindergarten entry.

For Title I eligibility requirements, refer to the Federal Programs Administrative Manual. For ECSE eligibility requirements, refer to the Missouri State Plan for Special Education Part B.

**Class Size and Staffing**
Maximum class size is 20 children per classroom while maintaining a ratio of one adult to ten children. Once the enrollment exceeds 10 children there must be at least two staff in the classroom.

Teachers in the classroom must have an Early Childhood Certification or Early Childhood Special Education Certification.

Instructional Paraprofessionals/Teacher Assistants must have 60 college hours or pass the state assessment for paraprofessionals.

*If the program is seeking Accreditation, the Instructional Paraprofessional/Teacher Assistant must have 60 hours with a minimum of 3 hours in early childhood, child development, or child/family related courses.*

**Curriculum**
The program must adopt and implement one of the DESE approved curriculum models. Staff must complete training through the curriculum source, and it is recommended that the director/program administrator be trained. Staff must continue to participate in on-going professional development that supports the curriculum and meets the needs of the staff. The program staff must complete training and participate in continuous professional development associated with the selected curriculum model.

- Creative Curriculum
- Emerging Literacy & Language Curriculum
- High Scope
- Project Construct

**Parent and Family Involvement**
Regular, meaningful contacts with parents are an important component of any high quality early childhood preschool program and are a requirement for a blended funding program. In addition, it is strongly encouraged that parents be offered personal contacts with the preschool staff. Contacts should facilitate the exchange of information about the child and his/her program, including the needs identified by the family and information pertinent to the development of the child. Many options exist for achieving contact with families such as home visits, coordination with parent involvement activities pre-k through 12th grade, Parents as Teachers group
connections, child care programs operated in the LEA, etc. Flexible scheduling and locations of visits should be considered in accordance with specific and individual needs of families. Communication with parents may include newsletters, parent-teacher conferences, notes home to families, phone calls, etc.

**Parent Advisory Committee**

It is recommended that the blended funding program have a parent advisory committee. A parent advisory committee consists of parent representatives of children from each funding source in the blended funding pool. The parent advisory committee should include the roles of the members, selection procedure, replacement procedure, number of members, and the frequency of meetings should be at least annually.

**Licensure and Accreditation**

Programs are encouraged to consider licensure and accreditation for all early learning programs. The Licensing Rules for Group Child Care Homes and Child Care Centers is available through the Department of Health and Senior Services. If seeking accreditation, it must be obtained through either Missouri Accreditation (MOA) or the National Association for the Education of Young Children (NAEYC).

**Fiscal Requirements**

When LEAs pool funds in a blended program those funds lose their individual identity. The LEA may use the funds to support any allowable cost of the program without regard to which program contributed the specific funds. When blending funds, the following conditions must be met.

- A blended funding application identifying funding sources and amounts included in the pool must be submitted no later than July 1st.
- LEAs must identify their intent to pool Title I funds on the initial Title I budget application.
- LEAs including MPP grant funds must use 100% of the grant funds awarded.
- LEAs including ECSE funds must submit an approvable ECSE FER by the designated due date.
- Blended funding expenditures must be tracked separately from other early learning expenditures.
- LEAs cannot reduce pool contributions below the individual program amount paid to date.

**Budgeting Funds for Blended Funding Program Expenditures**

The Blended Plan is part of the application process in ePeGs. It is available to assist LEAs in determining the type and amount of funds to include in the blended funding program. Once the Blended Plan is complete, information entered on the Plan will populate the Blended Budget. The Blended Plan and Budget open April 15th and are due no later than July 1st. LEAs will not be allowed to participate in blended funding if an initial Blended Plan and Budget are not submitted by July 1st.

**Allowable Blended Funding Program Expenditures**

All funding sources included in a blended funding program may be used for the expenditures listed below. The cost for these expenditures should apply to all children in the blended funding program. If the cost only applies to a specific child in the program (i.e. IEP required therapy), the cost is not a blended funding cost but rather an individual program cost reimbursed outside of the blended funding pool.

Certificated and noncertificated salaries and benefits
- Substitute salaries
- Instructional materials and supplies
- Classroom equipment
- Professional development for staff
- Parent and family involvement activities
- Facility leases
- Minor facility remodeling
Costs associated with maintaining licensure
Accreditation costs
Playground equipment
Transportation (see Transportation for Early Learning Blended Programs Appendix A)

**Non-Allowable Blended Funding Program Expenditures**
Therapies/Services specific to IEP goals
IEP required supplies/equipment
Facility purchases/lease-purchases
Construction or major renovation of a facility
Parents as Teachers, home visits and screenings services
Personal paraprofessional
Bus purchases or lease purchases

These costs, if allowable for a specific program, would be paid for by the individual programs and reported on the program specific budget and/or final expenditure report.

**Salaries and Benefits**
Payment of salaries and benefits will be allowed for the Teacher and Instructional Paraprofessional/Teacher Assistant who provide educational services directly to age eligible children funded in the blended classroom.

Employees fully funded through the pool are not required to complete time and effort reporting. However, staff who prorates time between blended funding and non-blended funding activities needs to report time and effort using personal activity reports or the substitute system of reporting. The substitute system time and effort reports are for employees who work on multiple programs, but have a fixed schedule. Additional information about the time and effort reporting, including substitute system management certification forms and sample fixed schedules, is available under [General Federal Guidance](#).

**Purchased Services**
Payments for staff to participate in professional development including travel, mileage and meals are considered a purchase service. Services rendered by persons not employed by the LEA and all other contracted services including fees for accreditation are considered a purchased service.

**Materials and Supplies**
Materials and supplies purchased with these funds are limited to items which are either consumable in nature, have a useful life of less than two years, cost less than $1,000 per unit, and are more feasibly replaced than repaired. Materials and supplies should be selected from the [Materials and Supplies Guide for Early Learning Classrooms](#) and must accommodate the number of children the program anticipates serving through the blended classroom(s).

**Capital Outlay**
Blended programs can use pooled funds to purchase general classroom equipment. Equipment includes tangible personal property having a useful life of more than one year and a per-unit acquisition cost which equals or exceeds $1,000. All purchases made for the blended funding program should follow the LEA’s procurement procedure.

**Administrative Costs**
Direct administrative costs are not to exceed 5% of the total budget. Expenditures may include such costs as director salaries, other administrative positions, office supplies, office equipment, utilities, postage, cleaning supplies/services, program insurances, etc.
**Tracking Expenditures**

As the funds blended into the pool lose their individual identity, it is not necessary to track which pooled funding source paid for blended program expenditures. However, it is necessary to identify all blended program expenditures separately from other early childhood non-blended expenditures in the general ledger.

The Missouri Accounting Code structure to identify expenditures in the general ledger consists of the fund, function, object, building, and project/source code. In order to track blended program expenditures separately, there must be a unique project/source code attached to the end of all blended program expenditure codes.

The project/source code used may be selected at the discretion of the LEA. It is essential for program staff and finance staff to work closely together in setting up the appropriate codes before the school year begins.

**Requesting Payment – Distribution of Funding Sources**

Payment requests for reimbursement of blended funding costs may be submitted in ePeGs on a monthly basis once the Blended Plan and Budget have been submitted and approved. The payment request will open July 1st each year. Depending on the funds included in the blended funding pool, funding from DESE may come from MPP and/or Title I funds, and from the reimbursements the LEA is receiving through ECSE FER payments based on prior year ECSE expenditures. Title I and MPP payments, if included in the pool, will be based on the prorated amount of each fund contributing to the pool.

State and/or Federal ECSE funds from ECSE FER payments based on prior year ECSE expenditures can be used for blended funding program costs. If ECSE funds are included in the pool, LEAs will not receive an ECSE payment through the blended funding payment request. ECSE reimbursement will be paid a year after the expenditures are incurred and once the ECSE FER has been approved.

A final payment request will be due no later than May 15th for LEAs blending MPP funds. LEAs that do not blend MPP funds may submit payment requests until September 1st. (See Appendix B)

**Other Possible Funding Sources**

Although not part of the blended funding program, LEAs may coordinate with other funding sources that focus on the care and education of preschool-age children and their families. These could include, but are not limited to, programs funded through an Early Childhood Child Care Development Fund Grant, Parents as Teachers, Title III LEP (Limited English Proficient), Title III Immigrant, Head Start, or Migrant.
Appendix A - Transportation for Early Learning Blended Programs

**Dedicated Route**
A dedicated bus route is defined as the bus and drivers being utilized are strictly for the children participating in the Early Learning Blended program and no other routes.

Allowable costs the district may charge include the **full cost** of the bus driver, bus aides, contracted transportation costs, supplies and equipment. However, only a prorated cost may be charged for mechanics, dispatchers, contracted maintenance, and insurance.

**Shared Route**
A shared bus route is defined as the bus and drivers being utilized are providing transportation for children participating in the Early Learning Blended program and other children.

Allowable costs the district may charge include a **proration of cost** for the bus driver, bus aides, contracted transportation (not including maintenance) costs, supplies and equipment. However, no costs may be charged for mechanics, contracted maintenance, dispatchers, and insurance.

Costs may be prorated using one of two methods:

Method 1: Cost of item for a route multiplied by the percentage of children on that route who participates in the Early Learning Blended program.

Method 2: Calculate average cost per mile for route item. Multiply average cost per mile by the excess miles needed to transport Early Learning Blended children. Excess miles are the additional miles needed to transport Early Learning Blended children based on the miles already needed for all other children on the route.

**Reporting Transportation Costs**
Salaries and Benefits - transportation personnel.
Purchased Service - contracted transportation costs, bus leases, and vehicle insurance.
Supplies - items that cost less than $1,000 per unit such as fuel, tires, oil, safety harnesses, etc.
Capital Outlay - items that cost $1,000 or more per unit.
*Bus Purchases/lease purchases are **not** a reimbursable expenditure.

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<thead>
<tr>
<th>Expenditures</th>
<th>Dedicated Route</th>
<th>Shared Route</th>
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<tbody>
<tr>
<td>Bus Driver</td>
<td>Charge Full Cost</td>
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<tr>
<td>Bus Aide</td>
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<tr>
<td>Bus Mechanic</td>
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<td>Bus Dispatcher</td>
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<td>Contracted Transportation</td>
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<td>Contracted Maintenance</td>
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<td>Supplies</td>
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<td>Equipment</td>
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<td>Bus Insurance</td>
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## Appendix B – Payment Example

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<th>Title I</th>
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<th>Total Funds Requested</th>
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<td>Adjusted Percentage</td>
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### Payment Requests

Payment Requests draw down funds from each program contributing to the pool based on a prorated basis. If ECSE funds or Local funds are included in the pool, LEAs will not receive a payment through the ePeGs blended funding payment request. ECSE reimbursement will continue to be paid a year after the expenditures are incurred and once the ECSE FER has been approved. Local funds are available at the LEA.

A Final Payment Request will be due no later than May 15th for LEAs blending MPP funds. The Final Payment Request will be paid out using a priority based calculation. The first priority will be MPP then ECSE, Title I and Local funds used respectively. The Final Payment Request is the last opportunity to request remaining MPP funds.

LEAs that do not blend MPP funds may continue to request payments until September 1st each year.
All Early Learning Blended Programs must complete a **Final Expenditure Report** by September 30th. The FER will act as a final request for any remaining funds available.