

# State Notes

## TOPICS OF LEGISLATIVE INTEREST

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### **Changes in Developmental and Standard Kindergarten Programs** **Kathryn Summers-Coty, Chief Analyst**

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Since the inception of Proposal A in fiscal year (FY) 1994-95, school districts have had the option of choosing to provide kindergarten on either a half-day or full-day basis (or anything in between), and receive funding for a full day of instruction, as long as the annualized hours of the program are at least equal to one-half of the minimum hours required of grades 1-12. (In recent years, 1,098 hours of instruction have been required for grades 1-12 and 549 hours have been required for kindergarten.) However, recent statutory changes in the State School Aid Act modified the instructional time requirements for full funding of "developmental" kindergarten programs beginning in the next school year, 2009-2010 and "standard" kindergarten programs in 2010-2011. The issue has been complicated by a decision of the House of Representatives that proposes to delay by two years the changes in the program; the Senate now is in possession of the bill that would enact the delay and has yet to weigh in on the matter. This article describes the changes in both developmental kindergarten and standard kindergarten instructional requirements, and includes a discussion of implementation dates and the fiscal impact on schools from these changes.

#### **Background Information: Kindergarten and Developmental Kindergarten**

The School Aid Act (MCL 388.1606) allows any child who is age five as of December 1 of the school year to enroll and be counted in a school district's pupil membership, thereby generating foundation allowance (operating) funding for the school. Before changes enacted in Public Act 268 of 2008, there was no difference between a child enrolled in a developmental kindergarten program or a standard program for School Aid purposes. A developmental kindergarten program, sometimes called "D-K", "Early 5s", or "Beginnergarten", is a program that enrolls children who do turn age five by December 1, but who often have birthdays in the fall and would be younger than many of their classmates if they were enrolled in standard kindergarten, or who may need an additional year of instruction before entering a standard kindergarten program. Again, before the most recent changes to the School Aid Act, there was no difference between a child enrolled in a developmental or standard kindergarten program for the purposes of calculating State funding.

#### **Kindergarten: Requirements for Full Funding from 1994-95 to 2008-09**

From FY 1994-95 to FY 2008-09, under the School Aid Act, "full-time equated memberships for pupils in kindergarten" was determined by dividing the number of class hours scheduled and provided per year per kindergarten pupil by a number equal to 1/2 the number used for determining full-time equated memberships for pupils in grades 1 to 12. In other words, in order for a district to count a child in any type of kindergarten program and receive full foundation allowance funding for that child, the district had to provide at least a half day of instruction. Whether the district provided a half day, three-quarters of a day, or a whole day of instruction, the district received a full foundation allowance for each child in developmental or standard kindergarten.



**Public Act 268 of 2008 Changes**

Public Act 268 of 2008, the FY 2008-09 School Aid budget bill, enacted significant changes to the funding of kindergarten programs, and, for the first time, differentiated between developmental and standard kindergarten. Beginning in the 2009-2010 school year, developmental kindergarten or any "class intended to be the first of 2 school years before a pupil enters grade 1" must operate a full day, every day, in order to receive full foundation allowance funding for children enrolled in the program. However, also in the 2009-2010 school year, for children enrolled in standard kindergarten programs, school districts will continue to receive full foundation allowance funding, as long as at least a half day of instruction is provided. (Because these provisions are in current law, they are described as though they will take effect, although their implementation may be delayed, as discussed in the next section of this article.)

Moving ahead one year, to school year 2010-2011, developmental kindergarten programs will continue to have to operate for a full day every day to generate full foundation allowance dollars. However, districts will have to increase from 50.0% of a day to 60.0% of a day of instruction in standard kindergarten programs in order to receive full funding. This does not mean that a district will not be able to continue operating a half-day program; if the district chooses to continue a half-day kindergarten class, it is to receive 83.0% of foundation allowance funding, since it will be providing 83.0% of the required instructional time.

Finally, beginning in 2011-2012, Public Act 268 requires standard kindergarten programs to provide 70.0% of the instructional hours provided to children in grades 1-12 in order to receive full foundation allowance funding. Again, though, a school district may choose to continue its half-day program, but will receive 71.0% of foundation allowance funding. Developmental kindergarten programs will continue to have to operate for a full day in order to receive full funding. In any of these years, if a developmental program chooses to continue operating a half-day program, it will receive 50.0% funding. In fact, for D-K, whatever portion of a day of instruction is provided will be the portion of foundation allowance funding received.

Table 1 summarizes the various changes in instructional time (measured in hours of instruction), as enacted under Public Act 268 of 2008. Table 2 illustrates how a district's funding will change if it continues to operate a half-day program for both developmental and standard kindergarten, instead of providing the required hours for full funding. For the purposes of this example, the district's foundation allowance is assumed to be \$7,500 per pupil.

**Table 1**

<b>Required Hours for Full Foundation Allowance Funding FY 2008-09 to FY 2011-12</b>				
<b>Program</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
Developmental Kindergarten	549	1098	1098	1098
Kindergarten	549	549	659	769



**Table 2**

<b>Per-Pupil Fiscal Impact on a School District Choosing to Continue Half-Day Developmental Kindergarten and Standard Kindergarten</b>				
<b>Program</b>	<b>FY 2008-09</b>	<b>FY 2009-10</b>	<b>FY 2010-11</b>	<b>FY 2011-12</b>
Developmental Kindergarten	\$7,500	\$3,750 (reduction of \$3,750 per D-K pupil)	\$3,750 (reduction of \$3,750 per D-K pupil)	\$3,750 (reduction of \$3,750 per D-K pupil)
Kindergarten	\$7,500	\$7,500	\$6,225 (reduction of \$1,275 per kindergarten pupil)	\$5,325 (reduction of \$2,175 per kindergarten pupil)

**House of Representatives Action on Delaying the Implementation Dates**

As mentioned above, the changes to D-K and kindergarten were enacted in the FY 2008-09 School Aid budget bill, Public Act 268 of 2008. During discussion this spring, the House of Representatives heard testimony from numerous school districts that the implementation of these changes for D-K and kindergarten would have an adverse impact on their financial situations. The House passed House Bill 4447 (the FY 2009-10 School Aid budget) on April 2, 2009, and in that budget, proposes to delay the implementation dates for D-K and kindergarten by two years. This means that, instead of requiring a full day of instruction for full funding in D-K this upcoming fall, the increased hours would not be required until the 2011-2012 school year. Also, the increased hours required for full funding in standard kindergarten would not be required until the 2012-2013 school year.

House Bill 4447 will see action next by the Senate, which will hold public hearings on the budget beginning April 21, 2009, and continuing through May 12, 2009. If the Senate agrees with the delay in implementing these changes, the proposal will go on to the Governor for her signature and enactment into law. If the Senate does not agree, then a Conference Committee will decide the terms of the program. The Governor's recommended budget did assume \$5.8 million in State savings from requiring full-day instruction for full funding of developmental kindergarten programs in FY 2009-10. If the final action on the budget delays the implementation dates, then these savings will not occur, and the cost to restore full funding for the half-day program will need to be appropriated.