

## **Addendum to the Early Childhood Education Scholarships Implementation Plan**

The Minnesota Department of Education (MDE) is committed to ensuring access to high quality early care and education to children across the state. In order to increase the capacity of providers to meet the high quality standards of Parent Aware, MDE is taking additional steps to bring more providers into the Early Childhood Education Scholarship Plan, with the ultimate goal of increasing quality and improving outcomes for more children.

After consultation with the field, stakeholders, the Minnesota Children's cabinet, and the cross-agency departments of the Office of Early Learning, the Minnesota Department of Education has decided to provide for a two year exception to the 3 or 4-star Parent Aware rating program requirement. As a result of allowing more flexibility in the scholarships, programs at all rating levels and programs that have signed a Parent Aware participation agreement form can receive state scholarships at a tiered rate if chosen by an eligible family. This increased flexibility recognizes that by participating in Parent Aware, early childhood providers have shown a clear commitment to quality. All programs receiving a scholarship will be required to continue participation in Parent Aware and commit to continuous improvement of their quality. At the end of the two year exception, scholarships will only be available to those programs that have received a 3- or 4-star rating.

In addition, MDE has made the following updates to the original plan.

- Communities designated for state scholarships

The original plan included a proposal to select communities in Greater Minnesota to receive scholarships in consultation with the Minnesota Initiative Foundations (MIFs). Since the submission of the original implementation plan, the MIFs have been consulted and the communities were identified based on factors including existing infrastructure and the availability of programs eligible for accelerated ratings for Parent Aware. These communities are: Becker, Blue Earth and Nicollet, Clearwater, and Pine Counties, and the cities of Duluth and Willmar.

- Budget/allocation per community

The 2012 legislative session resulted in a revision to the state allocation for scholarships.

The allocation changed from \$4,000,000 in FY13 and \$2,000,000 each fiscal year thereafter to \$2,000,000 in FY13 and \$3,000,000 in each following fiscal year. Therefore, a budget revision was necessary. Attachment A reflects the updated budget.

## Revised State Scholarship community allocations

For FY 2013

Region	Number of 3 to 5 Year olds below 185% FPL**	Percent of Total/ Percent Allocation***	Initial Allocation for 2012-2013	Maximum Funds for Administration (8%)	Funds for Scholarships (with Administration amount subtracted)	Number of Full Year Scholarships*
Minneapolis (City)	6,213	33%	\$660,000	\$52,800	\$607,200	152
Saint Paul (City)	3,936	21%	\$420,000	\$33,600	\$386,400	97
Wayzata (School District)	211	1.50%	\$30,000	\$2,400	\$27,600	7
Blue Earth and Nicollet (Counties)	650	4.50%	\$90,000	\$7,200	\$82,800	21
Total for other selected areas in Greater Minnesota (Becker Counties, Blue Earth/Nicollet Counties, Clearwater County, Duluth, Pine County, Willmar)	N/A	40%	\$800,000	\$64,000	\$736,000	184
<b>Total in the state</b>	<b>42,910</b>		<b>\$2,000,000</b>	<b>\$160,000</b>	<b>\$1,840,000</b>	<b>461</b>

\*Note: \$4,000 is the maximum scholarship amount per child per year; however, not all children will require the full amount.