

VPK Wrap Rates

OF INTEREST TO

The Division of Early Learning (DEL, the Division) and Early Learning Coalitions (ELCs, coalitions).

AUTHORITY

Reference to any laws, rules and regulations in this guidance document includes revisions to those laws and regulations made after the effective date of this guidance document.

SUMMARY

State and federal requirements mandate that school readiness funds awarded to an early learning coalition be used exclusively for the coalition's school readiness program.

To preclude school readiness funds from being used to subsidize the Voluntary Prekindergarten (VPK) program, this program guidance provides instructions on:

- how coalitions shall establish school readiness payment rates for children concurrently enrolled in the VPK program;
- how a school readiness provider's daily payment rates are converted to hourly rates, and the number of payable hours for each child is reduced by the average number of daily VPK instructional hours; and
- that the parent copayment is reduced to a part-time copayment if the provider delivers fewer than 6 hours of school readiness services.

REFERENCES

Section 1002.53, Florida Statutes (F.S.)

Section 1002.55(2), F.S.

Section 1002.81(1) and (6), F.S.

Section 1002.85(2), F.S.

Section 1002.87, F.S.

Section 1002.89(3), F.S.

45 C.F.R. § 98.56(a)

2 C.F.R. § 200.405(a)(1)

PURPOSE

To adopt criteria for payment rates for school readiness services provided to children concurrently enrolled in the School Readiness and VPK programs. These criteria must ensure that school readiness funds are used exclusively for the school readiness program and do not finance the VPK program.

BACKGROUND

Section 1002.85(2), F.S., requires each early learning coalition to biennially submit a school readiness plan to the Division, prior to expenditure of funds. A coalition may not implement any revisions to its plan without prior approval from the Division. The plan must include the coalition's payment rate. Statute further requires the Division to adopt criteria for the approval of school readiness plans (s. 1002.85(1), F.S.).

A substantial part of the funds allocated to early learning coalitions for their school readiness programs is provided from the federal Child Care and Development Fund (CCDF). Federal regulations governing CCDF require these federal funds to be expended consistent with those regulations and in accordance with state law (45 C.F.R. § 98.56(a)). Florida's School Readiness Act directs that "[a]ll state, federal, and local matching funds provided to an early learning coalition for purposes of this section shall be used for implementation of its approved school readiness program plan" (s. 1002.89(4), F.S.).

The United States Department of Health and Human Services administers CCDF. The federal Office of Management and Budget (OMB) has issued instructions to all federal departments prescribing cost principles for non-profit organizations that receive federal funds.¹ The federal CCDF funds allocated to early learning coalitions are governed by these instructions, which specify that a cost is allocable to a federal award if it is incurred specifically for the award.²

Accordingly, both state and federal requirements mandate that school readiness funds awarded to an early learning coalition specifically for the coalition's school readiness program must be used exclusively for the school readiness program.

The **school readiness program** is generally available to children who are younger than thirteen years of age and are considered at-risk or economically disadvantaged as defined by ss. 1002.81(1) and (6), F.S.. Hours reimbursed for the school readiness program are based on the individual family's need for care.

The **VPK program** is available to each child who resides in this state who will have attained the age of 4 years on or before September 1 of the school year (s. 1002.53(2), F.S.). The VPK program gives a parent the option of a school-year program (540 instructional hours) or a summer program (300 instructional hours) (s. 1002.53(3), F.S.).

Since a child may be eligible simultaneously for the VPK program and the school readiness program, a child may be concurrently enrolled to receive services in both programs during different times of the day. The VPK law neither prohibits concurrent enrollments, nor prohibits a private provider or public school from delivering both programs for a child.

VPK WRAP RATE CALCULATION

The payment rates adopted by each early learning coalition for the coalition's school readiness program must be consistent with the following criteria. The single statewide information system (SSIS) calculates the wrap rate based on the coalition's full-time (FT) and part-time (PT) approved SR rates and the individual child's VPK enrollment. The SSIS completes the calculation in accordance with the steps listed in section (3)(b).

¹ Executive Office of the President, Office of Management and Budget (OMB), Code of Federal Regulations (CFR) Title 2 Grants and Agreements, Part 200 Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (December 2014).

² See 2 CFR 200.405(a)(1), Allocable costs.

(1) Definitions

As used in this program guidance, the term –

- (a) **“VPK hours per day”** means the average number of daily VPK instructional hours for the child’s VPK prekindergarten class, which is calculated by dividing the number of instructional hours required by law (i.e., 540 hours for classes in a school-year program or 300 hours for classes in a summer program) by the number of VPK instructional days scheduled for the class.
- (b) **“Wrap-around readiness services”** means school readiness services provided for a child who is concurrently enrolled in the VPK program.

(2) Duplicate payment prohibited

School readiness funds paid for a child concurrently enrolled in the school readiness program and the VPK program must be used exclusively for the school readiness program and may not be used for the VPK program. Consequently, services provided for a child during an instructional period reported for funding under the VPK program may not also be reported for funding under the school readiness program.

(3) Payment rates for wrap-around readiness services

School readiness payment rates for wrap-around readiness services shall be established as follows:

- (a) **Establish a child’s daily need for school readiness services**

Upon determining that a child is eligible for the school readiness program, the coalition or its designee shall analyze the child’s daily need for services and assign for that child the appropriate school readiness unit of care.

Table 1 below displays the units of care used in the SSIS.

TABLE 1 – School Readiness Units of Care		
Standard code for unit of care	Description of units of care	Maximum hours
PTL	Part time low (<i>fewer than 3 hours</i>)	3
PT	Part time (<i>3 or more hours but fewer than 6 hours</i>)	6
FT	Full time (<i>6 or more hours but fewer than 11 hours</i>)	11
FTPT	Full time and part time (<i>11 or more hours but fewer than 16 hours</i>)	16
FTFT	Full time and full time (<i>16 or more hours</i>)	20

- (b) **Calculating the payment rate for wrap-around readiness services**

1. Convert provider’s daily rate to hourly rate

The provider’s daily payment rate for the school readiness unit of care assigned under (3)(a) is converted to an hourly rate by dividing the daily rate by the maximum hours

listed in Table 1 for the unit of care. For example, if a child enrolls for a FT unit of care, the FT daily payment rate is divided by 11 hours.

2. Determine number of payable hours

- a. The number of payable hours for wrap-around readiness services is determined by subtracting the number of VPK hours per day from the maximum hours listed for the unit of care in Table 1. For example, if a child enrolls for a PT unit of care, the number of payable hours for wrap-around readiness services is determined by subtracting the number of VPK hours per day from 6 hours.
- b. If a child’s parent or guardian and the school readiness provider jointly certify in writing to the early learning coalition, on forms prescribed by the coalition, that the provider delivers excess daily hours of wrap-around readiness services beyond the number of payable hours determined under (3)(b)2.a., the number of daily hours included in the certification is considered the number of payable hours.
- c. If an early learning coalition determines under (5)(c) that a school readiness provider delivers fewer daily hours of wrap-around readiness services than the number of payable hours determined under (3)(b)2.a., the number of daily hours determined by the coalition is considered the number of payable hours.

3. Multiply hourly rate by payable hours

A payment rate for wrap-around readiness services provided for a child is established by multiplying the hourly payment rate calculated under (3)(b)1 by the number of payable hours determined under (3)(b)2. Table 2 below displays examples of how the payment rates for wrap-around readiness services are established.

Note - The unit of care and reimbursement rate used for the wrap rate calculation does not change based on the number of payable hours determined under (3)(b)(2). For example, if the child's need established under (3)(b)(1) is for FT care, then the calculation will be based on the FT reimbursement rate and FT maximum hours.

TABLE 2 – Sample Calculation of Wrap-Around Payment Rates*

Child’s need	Daily rate	Max. hours	Daily rate / Maximum hours	Hourly Rate	VPK hours	Maximum hrs. – VPK hours	Payable hours	Payable hours x Hour rate	SR daily
PT	\$15	6		\$2.50	3		3		\$7.50
FT	\$20	11		\$1.82	3		8		\$14.56
FTPT	\$25	16		\$1.56	3		13		\$20.28
FTFT	\$30	20		\$1.50	3		17		\$25.50

Child’s need	VPK hours	\$2,486 / 540 hours	VPK hourly	VPK hours x VPK	VPK daily	From table above	SR daily	VPK daily + SR daily	Total daily
PT	3		\$4.60**		\$13.80		\$7.50		\$21.39

FT	3	\$4.60**	\$13.80	\$14.56	\$28.45
FTPT	3	\$4.60**	\$13.80	\$20.28	\$34.17
FTFT	3	\$4.60**	\$13.80	\$25.50	\$39.39

* The payment rates in this table are sample calculations and are not actual payment rates.

** VPK hourly rate assumes a base student allocation of \$2,486 in a school-year program (540 instructional hours).

(c) Payment Rates in the SSIS

To record payment rates for wrap-around readiness services in the SSIS, DEL established two school readiness units of care, which are displayed in the following table. The SSIS uses the units of care for wrap-around care based on the number of payable hours calculated and in accordance with the chart below.

TABLE 3 – Units of Care for Wrap-Around Readiness Services

Standard code for unit of care	Description of units of care	Maximum hours
PTV	Part time wrap-around for VPK program (3 or more payable hours but fewer than 6 payable hours)	6
FTV	Full time wrap-around for VPK program (6 or more payable hours but fewer than 11 payable hours)	11
FTPTV	Full time/Part time wrap-around for VPK program (11 or more payable hours but fewer than 16 payable hours)	16
FTFTV	Full time/Full time wrap-around for VPK program (16 or more payable hours but fewer than 20 payable hours)	20

(d) Multiple providers or schools

The payment rate for wrap-around readiness services is calculated in accordance with (3)(b), regardless of whether the private prekindergarten provider or public school delivering the VPK program for the child is the same or different than the school readiness provider delivering the wrap-around readiness services.

(4) Change of Care Level

If a child's care level changes (e.g., from PR4 to PR5), the payment rate for the child's wrap-around readiness services must be updated in accordance with (3) for the new care level. If the payment rates for each care level within the FTV and PTV units of care are recorded in the SSIS, a child's payment rate automatically updates when the child's care level is changed.

(5) Assessment of parent copayments

A parent copayment for wrap-around readiness services shall be assessed as follows:

- (a) A school readiness provider may require a parent or guardian to pay the FT copayment according to the coalition's sliding fee scale if the number of payable hours determined under (3)(b)2 is 6 or more hours.
- (b) A school readiness provider may require a parent or guardian to pay the PT copayment according to the coalition's sliding fee scale if the number of payable hours determined under (3)(b)2 is fewer than 6 hours.
- (c) Regardless of the number of payable hours determined under (3)(b)2, a school readiness provider may not require a FT copayment, and may only require a parent or guardian to pay a PT copayment according to the coalition's sliding fee scale, if the coalition determines, based on the parent's or guardian's certification, that the provider delivers fewer than 6 daily hours of wrap-around readiness services for the child. The parent or guardian must submit the certification to the coalition in writing.

(6) Multi-Coalition Payments

If a private prekindergarten provider or public school is paid for a child served in the VPK program by one early learning coalition and the same or another provider or school is paid by a second coalition for wrap-around readiness services for the same child, the second coalition must establish the payment rate for the child's wrap-around readiness services in accordance with (3).

EFFECTIVE DATE

Issuance of this guidance represents approval by DEL management of the indicated guidance and related administrative forms.

HISTORY

This guidance replaces the prior version identified as OEL-PI-0022-05 (July 25, 2005). Reissued November 26, 2014. Revised and reissued June 1, 2016; Effective July 1, 2016. Revised and reissued June 1, 2017. Revised and reissued July 1, 2018. Revised and reissued July 1, 2019, Revised and reissued July 1, 2020. Revised and reissued July 1, 2021. Reissued July 1, 2022.

If you have questions or need assistance, contact the Division of Early Learning at ael.questions@ael.myflorida.com.