



Examples of State Guidance to Determine and Verify Income Eligibility for Prekindergarten Programs

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INFORMATION REQUEST

States that received federal preschool development grant funds are seeking to expand access to high quality preschool programs for eligible children, defined as 4-year-old children from families whose income is at or below 200% of the Federal Poverty Level.² States are developing new guidance to determine income eligibility for prekindergarten (pre-K) programs in the targeted communities and reviewing processes to verify income of families. There is an interest in the income eligibility criteria, guidance, forms, tools, and processes that other states have developed for determining and verifying income eligibility. (Note: This resource focuses only on issues of income eligibility. For a more comprehensive discussion of State Prekindergarten eligibility policy see, “Approaches to State Prekindergarten Eligibility Policy: Considerations for Policymakers in Revising Policy to Increase Access for High Needs Children” available [here](#).)

Why is this question important?

States are interested in processes that balance accountability for federal funds with approaches that ease the burden on program and school staff, and families, of verifying income. As states seek to expand access to early childhood programs and services for children and families most in need, they are revising income eligibility policy and practice with these multiple goals in mind. Because funding is not currently available for states to serve all children in state-funded pre-K, most states have developed eligibility criteria that target low-income children. Most states use income guidelines (in addition to age and other factors) to determine eligibility to participate in state-funded pre-K programs.

¹ This document was updated on May 18, 2015 with the addition of footnote 5.

² U.S. Department of Education and U.S. Department of Health and Human Services. (October 2014). *Preschool development grants: Guidance and frequently asked questions for applicants*. Washington, DC: Author. Retrieved from <http://www2.ed.gov/programs/preschooldevelopmentgrants/faqrevised10314.pdf>



Some of the most common means-tested programs used by states for early childhood programs include Head Start, the Child Care and Development Fund, Preschool Expansion and Development Grants, Title I of the Elementary and Secondary Education Act (ESEA), Supplemental Nutrition Assistance Program, and Free and Reduced Price Lunches. (See Appendix A for more information on the eligibility criteria and verification processes.) These programs however, differ on the specific income thresholds required to access services and on the approach to verifying income. As a result, states, districts, and communities face challenges in managing different processes for determining and verifying eligibility; and families often struggle with accessing and maintaining access to pre-K.³

What CEELO Did

CEELO staff requested information from state early education administrators on the National Association of Early Childhood Specialists in State Department of Education ([NAECS-SDE](#)) listserve. CEELO also reviewed information in the NIEER, State of Preschool 2013, Appendix A--state survey questions related to eligibility.⁴ This paper summarizes information from the following states: Colorado, Kentucky, Louisiana, Michigan, North Carolina, Tennessee, and Washington. Finally, we analyzed the themes that emerged in light of questions that have been posed from states, and present some vignettes that illustrate challenges that states and districts are facing as they consider how to best align eligibility criteria and verification processes.

I. How do states currently determine eligibility for state prekindergarten (pre-K) programs?

States vary on the metric they use to establish income-eligibility thresholds. For example, North Carolina uses 75% of state median income, while Michigan establishes 250% of federal poverty level for eligibility for the state-funded pre-K program. They also vary on whether they:

- determine income eligibility for the pre-K program first and then determine eligibility for other means-tested services such as Supplemental Nutrition Assistance Program (SNAP) , as is the case in Kentucky;
- determine income eligibility for a means-tested program, which qualifies families for eligibility for the pre-K program, as is the case in Colorado; or

³ Adams, G. and Mathews, H. (2013). *Confronting the child care eligibility maze: Simplifying and aligning with other work supports*. Washington, DC: The Urban Institute. Retrieved from <http://www.urban.org/UploadedPDF/412971-confronting-the-child-care.pdf>

⁴ NIEER State of Preschool 2013, Appendix A State Survey Data 2012-2013, Eligibility questions on pages 178-183. Retrieved from http://www.nieer.org/sites/nieer/files/yearbook2013_Appendix_A.pdf



- coordinate eligibility determination for related means-tested services for families of young children, as is the case in Louisiana and Michigan.

Six states (AZ, CA, CT, MN, NJ⁵, and TX) require eligibility re-determination for state funded pre-K programs. For example, in Arizona, income is re-verified annually; in California, families must continually meet eligibility and need requirements for the full-day program, and if circumstances change and they do not meet requirements for full day, children are enrolled in the part-day program; and in Connecticut, fees for the pre-K program are reassessed every 6-9 months and residency is re-verified.⁶

A review of the policy and guidance shared by various states indicated a range of information-gathering techniques, with, for example, one state using an Excel spreadsheet incorporating a table to calculate eligibility (Tennessee) or another using an online system (Washington). Data are generally collected at the program level, or by regional or local pre-K program specialists or intermediaries. States generally provide documents, checklists, and/or data collection forms or tables in paper format, along with lists of documentation considered acceptable to validate at-risk status. For further detail on each state see the next section.

II. State examples of income-eligibility requirements for state pre-K programs

In **Colorado**, children are eligible for the Colorado Preschool Program if families qualify for the Free and Reduced Price Meal (FRPM) program based on being at 135% or 185% of federal poverty levels. Families complete the FRPM eligibility forms or a Family Economic Data Survey. Documented eligibility for free and reduced price meals serves as an umbrella measure for income-eligibility, just one of several legislated eligibility risk factors in Colorado. Some flexibility is permitted in areas such as resort cities where the cost of living is high. Districts are required to keep signed forms on file for eligible children, and no other documentation is required. The state notes that “The free and reduced meal rate is a proxy for poverty because it is linked to a family’s income and family size.” In areas where the cost of living is high, measures of self-sufficiency may provide a more accurate reflection of need or risk among children and families. Additional information is available [here](#).

Kentucky's pre-K education programs are available for all 4-year-old children whose family incomes are no more than 150% of poverty; all 3- and 4-year-old children with developmental delays and disabilities, regardless of income; and other 4-year-old children as placements are available based on district decision. The state requires school districts to determine eligibility for pre-K services based on income at

⁵ Only one program in NJ, serving about 600 children, redetermines income eligibility.

⁶ See page 183 and related State footnotes for further information.

http://www.nieer.org/sites/nieer/files/yearbook2013_Appendix_A.pdf



150% of federal poverty level (however, in 2015-2016 eligibility will increase to 160% of poverty). Additional information is available [here](#).

Louisiana's Act 3 legislation is unifying all early childhood programs, including Head Start, state funded pre-K, and child care, through community networks. [Community networks](#) are implementing coordinated enrollment processes so that families have one stop for determining eligibility for related programs and accessing services as available. Additional information is available [here](#).

Michigan encourages (but does not require, as Louisiana does) a common enrollment process at the local level for state funded pre-K and Head Start programs. State funded pre-K (Great Start School Readiness Program-GSSRP) prioritizes enrollment of those children in families at 250% of poverty. Access to the program for families with income above 250% of poverty is based on a [flow chart](#) of selected risk factors and available space. An income-verification [form](#) is provided in the GSSRP [implementation manual](#). Additional information is [here](#).

North Carolina pre-K program [guidelines](#) include a form for determining eligibility on page Section 3, pp. 3-1 through 3-6. Eligibility is based on age (4 before August 31); family income (at or below 75% of State Median Income level); along with some other factors, including developmental disability, limited English proficiency, or chronic health condition. Guidance also suggests that "Contract Administrators are strongly encouraged to serve children who have received no prior early education services outside the home in a group setting. In addition, continuity of care should be taken into consideration for eligible 4-year-old children moving into a NC Pre-K classroom who have been previously enrolled in that site." The data collection form and guidelines include a table for calculating eligibility based on income and family size, and to determine percent of poverty category (used for TANF/MOE, not for determining eligibility). Additional information is available [here](#).

Tennessee's Voluntary Pre-K program prioritizes eligibility for children identified as economically disadvantaged, as determined by income levels set by the Federal Department of Health and Human Services. The state provides the district with a data collection form in Excel, with tabs for English and Spanish, and one to calculate eligibility of children based on income and family size. Pre-K coordinators in school districts work with families to collect data and determine eligibility. Additional information is available [here](#).

Washington's Early Childhood Education and Assistance Program (ECEAP) serves children at 110% of the federal poverty level. ECEAP uses an online Early Learning Management System (ELMS) to determine eligibility and enrollment for the program. Eligibility requirements include age, not receiving Head Start services, and not enrolled in ECEAP in another locality. ECEAP does not require income verification of eligible children that are homeless, in foster care, or receiving TANF funding. Resources for program staff to determine enrollment include a [manual](#) and other forms and tables to assist in data collection,



including a verification worksheet; a prescreen/application/verification combined form, with a checklist of acceptable documents for verification in each category; an ECEAP performance standards chart; a table of income eligibility; and a separate list of documents approved for verification. Additional information is available [here](#).

III. Considerations for Aligning Eligibility Criteria and Processes Across Programs

Analysis of the information provided by states, as well as data gathered from state websites and federally funded programs, reveals that four different approaches exist for aligning eligibility criteria and processes across programs that serve young children. These approaches are presented below.

Approach 1. Develop and use a single application form and process for families to complete for early education and comprehensive services programs. Some states and communities are developing a single intake form that is used to determine eligibility for a range of programs. For example, as noted above, Louisiana and Michigan have developed a single intake form that is used to determine eligibility for a range of services. This model streamlines the process for the families so that they can use one form and process for providing proof of documentation of income and assets and can then find out which services they are eligible for. However, the overall system of designing, implementing, and coordinating the information across programs requires substantial time and effort. While those who have used this approach report that it reduces the burden on families and can create enormous efficiencies, the initial investment in time, planning, developing systems, and considering implementation details can be substantial.

Approach 2. Use proof of eligibility for means-tested programs as criteria for pre-K eligibility.

Categorical eligibility criteria can be used as the eligibility criteria for pre-K programs that target low-income children and use the federal poverty limit (FPL) to determine eligibility. As noted above, many pre-K programs use the following for automatic eligibility for pre-K: free and reduced price lunch, a member of the household is receiving assistance through SNAP, the Food Distribution Program on Indian Reservations (FDPIR), or the Temporary Assistance for Needy Families Program (TANF) (these are termed “assistance programs”). In other instances, a student is designated as “other source categorically eligible” by being a homeless, runaway, migrant, or foster child, or by qualifying for the federal Head Start Program, state-funded Head Start Program, state-funded prekindergarten (PK) programs, or Even Start Program.⁷ Because eligibility for child care subsidy can change on a monthly basis, and the eligibility is based on State Median Income (SMI), using child care subsidy eligibility as a categorical

⁷ U.S. Department of Agriculture. (2014). *Eligibility manual for school meals: Determining and verifying eligibility*. Washington, DC: Author. Retrieved from <http://www.fns.usda.gov/sites/default/files/cn/EliMan.pdf>



criteria requires greater effort for the state or community to ensure that students are eligible based on the federal poverty limit.

Approach 3. Community or school-wide approach. Another approach for determining eligibility for programs targeting low-income children is to employ a community-wide or school-wide approach. Two major federal programs have moved in this direction. These are:

- The U.S. Department of Agriculture, Free and Reduced Price Lunch, **Community Eligibility Option** provides an alternative to household applications for free and reduced price meals in high-poverty LEAs and schools. According to the U. S. Department of Agriculture, “Community eligibility is available to all schools where 40 percent or more of the students are Identified Students as of April 1 of the previous school year.” Details about this approach can be found [here](#) and [here](#).
- **Title I School-wide eligibility.** For Title I school-wide schools, individual verification of free and reduced price lunch eligibility is not required. Federal guidance indicates that to be eligible as a school-wide Title I school, at least 50% of the children enrolled in the school or residing in the school attendance area should be from low-income families, but a school that becomes a school-wide with 51% poverty can continue its school-wide program even if its poverty level falls below 50% in following years, as long as the school meets the general Title I eligibility and selection requirements and the LEA has sufficient funds to serve the school. Moreover, the LEA may use a different poverty measure and SEAs have the ability to set different criteria for school-wide approaches⁸. Wisconsin has developed [guidance](#) for using Title I school-wide programs and Massachusetts has issued [guidance](#) on using Title I school-wide funds for preschool.

In addition, some states prioritize specific low-income communities. New York, and communities such as Cleveland, have offered “Universal” pre-Kindergarten, but because the programs have not been funded at a level that would allow students to participate, they have given priority to communities with high concentrations of low-income families. In this way, the program can potentially be offered “universally,” but the first communities that offer services are based in low-income districts or neighborhoods. In New Jersey, for example, certain communities were targeted for funding for the Abbott Preschool Program.

⁸ US Department of Education, Title I, Part A guidance is available at <http://www2.ed.gov/programs/titleiparta/index.html>



Approach 4. Adding new eligibility criteria to existing processes of determining eligibility for free and reduced price lunch.

As noted in section II, some states have developed forms and materials for districts to use to calculate eligibility for families who meet thresholds higher than 185% of poverty. State thresholds vary from 150% to 250% of poverty, but for states with different thresholds (such as 200% of poverty), the threshold could easily be calculated and added to the Excel spreadsheets or materials that are used by districts.

Box 1 illustrates these approaches at the district level.

Box 1: Vignettes of District Eligibility Approaches

Creating Seamless Services for Young Children by Blending Funds

Bugesera School District has a philosophy of offering universal pre-K to all students and therefore does not require that families provide income verification before children are admitted to pre-K. The district has two different state grants that can be used to offer pre-K to 100 children out of 400 4-year-olds in the district. The grants are called *Targeted Pre-K* and *Universal Pre-K (UPK)*. The *Targeted Pre-K* provides funding for 65 students, and requires that all participating children are from families with incomes below 200% of the Federal Poverty Limit. The *UPK* program provides funding for 40 students, and is designed for all students.

The district wants to create a seamless set of pre-K opportunities for all families. District administrators review last year's data and find that approximately 65% of students were eligible for free and reduced-price lunches. The district opens registration to all families and, through a lottery, selects 100 students to attend the pre-K program. In the fall, all students are given forms for their families to complete to determine whether they are eligible for free and reduced-price lunches. The district modifies the form to indicate clearly that it is designed to determine eligibility for free and reduced price lunches *and* eligibility for state pre-K. The modified form includes a new category that asks about incomes up to 200% of poverty. Upon review of the forms, the district learns that a full 70% of students are eligible for the *Targeted Pre-K program*. Based on the data, the district has a clear audit trail to demonstrate that the 65 students whose pre-K is paid for using the *Targeted Pre-K* funds are eligible.

Focusing on the Neediest Children

The Sunbury School District is eager to target the neediest students for the new pre-K program. The district has one year to plan. The district early learning specialist begins the planning process by reaching out to the county welfare office, the largest community-based organization in the town, and to the early



care and education community. The early learning specialist sets up monthly meetings to review data, ranging from demographic data, to information provided by agencies regarding numbers of children and families served. Together the group develops a single form, database, and set of systems for determining eligibility, allocating resources, and sharing data. The town General Counsel reviews the forms and processes to ensure that the procedures are in compliance with relevant federal, state, and local laws and regulations. At the time of recruitment, the early learning specialist asks county welfare office and community based organization to allocate spaces the families with children with the lowest incomes.

Conclusion: This document provides some examples of state approaches and forms of determining and verifying income eligibility for pre-K programs. Though not an exhaustive investigation into state practices, the review provides examples of how a state could craft an income eligibility process that balances accountability for public funds, with some flexibility at the local level to address issues of capacity or program philosophy so that all children are served in an integrated program. Determining the right approach for any state depends on many factors including regulatory requirements, available funding, human and organizational capacity, data systems and most importantly, data on the needs of children and families for services.

CEELO staff are available to talk through these considerations as needed. For additional information and samples of income eligibility documents from selected states please send a request to info@ceelo.org



Appendix A: Eligibility Criteria and Verification Processes for Selected Federal Means-Tested Programs

Many states develop income-eligibility criteria for pre-K using the criteria and eligibility verification processes of federally funded programs. These criteria and processes differ. The criteria for key programs are presented in the table below.

Program	Eligibility criteria	Verification process and eligibility period
Head Start	Ninety percent of children served must be living in families with incomes below the federal poverty level.	Head Start requires families to complete detailed verification forms and procedures to determine eligibility. Once eligibility is verified, children are eligible until the age of school entry, even if family income or circumstances change.
Child care subsidies ⁹	The Child Care and Development Block Grant (the largest federal funding source for child care subsidies) require states to set eligibility criteria based on percentage of median state income. The maximum threshold for eligibility is 85% of the State Median Income (SMI) but states may establish lower income limits, and, in some cases, states choose to establish different income limits for initial and continuing eligibility. Some states (such as Washington) use the federal poverty threshold in addition to SMI as the criteria for family co-payments.	Families must provide documentation of eligibility on a monthly basis and must report changes in income or family circumstances. Changes in wages or circumstances leads to changes in subsidy payments and eligibility.
Title I	State education agencies receive Title I grants and administer these to school	States allocate funds to districts and schools on an annual basis and states

⁹ Minton, S. & Durham, C. (2013). *Low-income families and the cost of child care: State child care subsidies, out-of-pocket expenses and the cliff effect*. Washington, DC: The Urban Institute. Retrieved from <http://www.urban.org/UploadedPDF/412982-low-income-families.pdf>



Program	Eligibility criteria	Verification process and eligibility period
	<p>districts on a formula basis. The formula takes into account the number of low-income children and the statewide average per pupil expenditures. Resources within the state are targeted to the districts and schools with the greatest need. Schools in which over 40% of the students are eligible for free and reduced price lunches are eligible for school-wide Title I.</p>	<p>oversee the verification and auditing process.</p>
<p>Preschool Expansion and Development Grants</p>	<p>Grant funds are to be used to serve children in families with incomes below 200% of the federal poverty level.</p>	<p>States are required to create auditable verification and eligibility policies.</p>
<p>Supplemental Nutrition Assistance Program¹⁰</p>	<p>SNAP (commonly referred to as food stamps) eligibility is based on the federal poverty level (FPL). Families must a gross income of below 130% of poverty and net income of below 100% of the FPL.</p>	<p>States issue SNAP benefits through local State or county offices to households that are eligible to receive them. For the most part, benefit eligibility is reviewed monthly.¹¹</p>
<p>National school lunch program</p>	<p>Eligibility criteria for free lunches is 135 of the federal poverty level and eligibility for reduced lunch is 185% of the federal poverty level. Schools with over 40% of children certified as being eligibility for free or reduced price lunches are eligible for the “Community Eligibility Option.”</p>	<p>The certification process occurs annually. For schools participating in the Community Eligibility Option, certification is required at least one every four years.¹²</p>

¹⁰ <http://www.fns.usda.gov/snap/income-rules-income-limits>

¹¹ <http://www.fns.usda.gov/snap/eligibility>

¹² <https://www2.ed.gov/programs/titleiparta/hhfkidsact2012.pdf>



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