California offers two state-funded pre-K options: the California State Preschool Program (CSPP) and the Transitional Kindergarten (TK) program.

**California State Preschool Program (CSPP)**

California offers part-day and full-day CSPP options for three- and four-year-olds. Part-day CSPP is available to children from families with income at or below 70 percent of the state median income. Full-day CSPP is open to families that meet the same income-eligibility test and also demonstrate additional need for child care services (e.g., parents who are employed full time), but there are not enough full-day CSPP slots to meet existing need. Up to 10 percent of each CSPP contract is available to children from families with slightly higher incomes if space allows. Four-year-olds have priority over three-year-olds for CSPP slots.

The California Department of Education administers CSPP through contracts with eligible entities. Local educational agencies (LEAs), charter schools, colleges, community-action agencies, and private nonprofits are eligible to receive CSPP funding. Charter schools may also subcontract with LEAs to provide CSPP services.

**Transitional Kindergarten (TK)**

TK is a half- or full-day program for four-year-old children with birthdays between September and December, who miss the state’s new September 1 cutoff date for turning five before starting kindergarten. All age-eligible children are permitted to attend, and all LEAs that offer kindergarten are required to offer TK, including charter schools.

The California Department of Education administers TK. LEAs receive per-pupil TK funding through the same Average Daily Attendance (ADA) formula used for students in the K–3 grade span.

**Charter schools in California**

California permits both start-up and conversion charter schools. Local school boards, county boards of education, and the state board of education serve as authorizers. County boards may approve applications for charters seeking to serve students from multiple school districts, and the state board may approve applications from charters seeking to serve students statewide. The law also provides for an appeals process whereby applicants rejected by their local boards may appeal first to the county board, and then, if necessary, to the state board of education for a final decision.

California’s climate for charter schools to offer pre-K is somewhat hospitable.*

* California’s Index Score is based on the California State Preschool Program (CSPP), rather than Transitional Kindergarten (TK), because CSPP is the larger program in the state.
Process for Accessing Pre-K Funds

To receive CSPP funds, potential providers, including charter schools, apply to the California Department of Education. For the past several years, CSPP funding has only been awarded to existing providers. In FY2014–15, the state released the first CSPP funding opportunity for new providers in nearly a decade. Charter schools may also offer CSPP by entering into a contract to provide pre-K services for an LEA that receives CSPP funding.

All LEAs and charter schools are required to offer TK for eligible children. Once TK students enroll, the school receives per-pupil funding through the ADA formula. Some charter schools may not enroll enough TK-eligible students to justify a separate TK class. In those cases, the charter school may institute multi-age kindergarten classes with appropriate teaching for each pupil. Other charter schools have addressed this issue by partnering with authorizing districts to have pupils enroll in the district’s TK class with the understanding that those students will transfer to the charter after TK.

Barriers

This discussion of barriers focuses on both CSPP and TK because charters can access funding through both programs.

Are there any statutory or regulatory barriers to charter schools accessing state funding for pre-K?

**CSPP:** No. Charter schools are permitted to offer CSPP. The legislation that created CSPP does not explicitly list charter schools as applicants or contracting agencies, but the state has determined that charter schools can apply to offer CSPP like any other LEA. Four charter schools in California receive CSPP funding directly through a contract with CDE. Additional charter schools offer CSPP through subcontracts with LEAs, but the state does not track the number of charters that do so.

**TK:** No. The Kindergarten Readiness Act, which created TK, requires that charter schools serve all students who are eligible for transitional kindergarten. About 235 charter schools have one or more students participating in a TK program.

Other California charters have opened preschools through alternative funding routes. Los Angeles charter schools, for example, have served preschoolers through the Los Angeles Universal Preschool program funded by the Los Angeles County First 5 Commission.

Is the funding level of the state pre-K program a barrier to charter access?

**CSPP:** Yes. Low pre-K program funding, compared to K–12 funding levels, makes pre-K less attractive to charters. Charter schools that offer half-day CPP receive 47 percent of the per-pupil funding amount that charters receive to serve full-day K–12 students.

**TK:** No. TK funding levels are sufficient to attract charters. Charter schools that offer TK receive 93 percent of the per-pupil funding amount that charters receive to serve full-day K–12 students.

Is the size of the state pre-K program a barrier to charter access?

**CSPP:** No. The size of the pre-K program does not limit charter access to funding. The program serves about 15 percent of all four-year-olds in the state.

**TK:** No. The TK program serves 8 percent of all four-year-olds in the state, but because all LEAs that offer kindergarten are required to provide TK, the small enrollment is not a barrier to charters offering pre-K.

Is the application, approval, and/or funding process a barrier to charter access?

**CSPP:** Yes. The approval process is a barrier to charter access to CSPP funding. State funding for CSPP was cut in 2007 and remained stagnant until this year. As a result, CSPP funding has been limited to existing providers, effectively shutting out new potential providers, including charter schools.

**TK:** No. The application, approval, and funding processes are not barriers to charter access to TK funding.

Is automatic enrollment from pre-K to kindergarten prohibited in legislation or practice?

**No.** State law does not explicitly allow or prohibit charter schools to grant enrollment preference to the pre-K students served through CSPP. State law does, however, allow charters to define enrollment preferences with their authorizers, which may include preferences for pre-K students. Because TK is considered the first year of kindergarten, charter school TK students are able to automatically enroll in the charter school’s kindergarten.
Recommendations

To eliminate barriers to charters accessing pre-K funding, California should:

- Regularly re-compete CSPP slots through a transparent application process whether or not funding increases. To provide stability for families and providers, the state could award CSPP grants for a set number of years, with staggered terms so that a certain percentage of grants expire every year. At the end of the grant period, new and existing providers should compete on an equitable basis, based on indicators such as student need, program quality, or track record of improving student outcomes.

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<table>
<thead>
<tr>
<th>California State Preschool Program (CSPP)</th>
<th>Transitional Kindergarten (TK)</th>
<th>Charter schools in California</th>
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<tbody>
<tr>
<td><strong>Year created</strong></td>
<td>Launched in 2008&lt;sup&gt;16&lt;/sup&gt;</td>
<td>Launched in 2010&lt;sup&gt;17&lt;/sup&gt;</td>
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<tr>
<td><strong>Children in state</strong></td>
<td>1,044,984 three- and four-year-olds&lt;sup&gt;19&lt;/sup&gt;</td>
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<tr>
<td><strong>Children served</strong></td>
<td>129,577 children served&lt;sup&gt;21&lt;/sup&gt; 10 percent of three-year-olds 15 percent of four-year-olds&lt;sup&gt;22&lt;/sup&gt;</td>
<td>39,000 children served 8 percent of four-year olds&lt;sup&gt;23&lt;/sup&gt;</td>
</tr>
<tr>
<td><strong>Charters offering pre-K</strong></td>
<td>Four charter schools in California offer CSPP directly through a contract with the state.&lt;sup&gt;25&lt;/sup&gt; Other charter schools may offer CSPP through a contract with an LEA, but the state does not track those data. Two hundred thirty-five charter schools have one or more students participating in a TK program.&lt;sup&gt;26&lt;/sup&gt;</td>
<td></td>
</tr>
<tr>
<td><strong>Funding</strong></td>
<td>Providers receive $3,899 per pupil to offer CSPP.&lt;sup&gt;28&lt;/sup&gt;</td>
<td>LEAs, including charters, receive $7,744 per pupil to offer TK.&lt;sup&gt;29&lt;/sup&gt;</td>
</tr>
</tbody>
</table>
Endnotes
5 CDE, “Child Care and Development Programs.”
6 Interview with CDE representative, January 21, 2015.
14 Senate Bill 1381.
16 CDE, “Transitional Kindergarten FAQs.”
17 NAPCS, “Measuring Up: California.”
18 Concentration and supplemental grants are also available.
19 Interview with CDE representative, January 21, 2015.
20 Includes both part-day and full-day CSPP slots.
22 Based on 2015 estimates of the number of four-year-olds in the state; California Department of Finance, “Population Projections by Race/Ethnicity, Detailed Age, and Gender, 2010–2060,” http://www.dof.ca.gov/research/demographic/reports/projections/P-3/.
23 Interview with CDE representative, January 21, 2015.
25 These numbers only represent the number of charter schools that offer TK or CSPP. Charter schools may offer other pre-K services through local initiatives.
26 Interview with CDE representative, January 21, 2015.
27 2014 Budget Act Part-Day CSPP Per Pupil; provided by CDE representative.
28 California Education Code, Section 42238–42251, http://www.leginfo.ca.gov/cgi-bin/displaycode?section=edc&group=42001-43000&file=42238-42251. Concentration and supplemental grants are also available.