

# Indiana

## Background

### On My Way Pre-K Pilot Program

Indiana's On My Way Pre-K is a new part- and full-day pilot program for eligible four-year-olds. To qualify for enrollment, children must come from families with incomes at or below 127 percent of the federal poverty level and live in one of five participating counties (Allen, Jackson, Lake, Marion, and Vanderburgh counties), selected based on need and the county's ability and readiness to meet that need.<sup>1</sup>

The Indiana Family and Social Services Administration (FSSA) administers On My Way as a scholarship program. If there are not sufficient scholarships to serve all interested children in each county, they are distributed via a county-level lottery.<sup>2</sup> The program is currently conducting its second round of lottery applications.<sup>3</sup>

A family that receives a scholarship can choose to use it at any approved On My Way provider (including public schools, private schools, licensed child care centers, licensed homes, and registered ministries).<sup>4</sup> Because of limitations in the state charter law, which pre-dates the On My Way program, charter schools can only offer On My Way through an affiliated or partnership program, even though they are public schools.<sup>5</sup>

### Charter schools in Indiana

Indiana allows start-up, conversion, and virtual charter schools. Local school boards, public or nonprofit four-year universities, the mayor of Indianapolis, and the state charter board may authorize charters in the state.<sup>6</sup>

## Process for Accessing Pre-K Funds

Pre-K providers interested in becoming On My Way providers apply through the FSSA Office of Early Childhood and Out of School Learning. To be eligible, providers must achieve Level 3 or 4 in Paths to QUALITY, the state's Quality Rating and Improvement System (QRIS), and must be located within one of the five participating counties.<sup>7</sup> Traditional public schools that are interested in becoming On My Way providers have the option to "fast track" their way into a Level 3 or 4 Paths to QUALITY rating, because they are already required to meet many of the minimum requirements for On My Way providers. Charter schools do not currently have a "fast track" option.



TOTAL SCORE

5/50

Indiana's climate for charter schools to offer pre-K is **not hospitable**

- − There are state statutory or regulatory barriers to charter schools accessing state funding for pre-K.
- + Compared to K–12 funding levels, pre-K program funding is sufficient to attract charters.
- − The size of the pre-K program limits charter access to funding.
- − The funding, application, or approval process creates a barrier to charter access.
- − Automatic enrollment from charter pre-K to kindergarten is prohibited in legislation or practice.




Once a provider becomes an approved On My Way provider, families may enroll their students in the school's pre-K program. Approved providers receive funding for each On My Way scholarship recipient they enroll, as long as the student attends the program for at least 85 percent of the program's operating days.<sup>8</sup>

To access On My Way funding, charter schools can either participate in the funding process with a separate, affiliated pre-K program or partner with an existing provider that meets the On My Way requirements. Some charter schools offer approved providers space in the charter school's building in exchange for providing pre-K services.

Charter schools may also serve preschoolers through other funding, such as philanthropic investments or by charging tuition.

## Barriers


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

 **Yes.** The On My Way pilot program authorizing legislation<sup>9</sup> and program materials explicitly indicate that charter schools can apply to become On My Way providers. However, the charter school legislation does not explicitly address whether charter schools can offer pre-K. Indiana has interpreted this to mean that charter schools cannot offer pre-K as part of their charter agreement. As a result, charter schools


are only eligible to offer pre-K by partnering with a pre-K provider or by operating a separate affiliated program.

At this time, there are at least three charter schools that offer pre-K through partner or affiliated pre-K programs. The state does not track data on the total number of charter schools that serve preschoolers through partner or affiliated programs.


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

 **No.** Pre-K program funding is sufficient, compared to K-12 funding levels, to attract charters to offer pre-K. Providers that offer On My Way pre-K receive 78 percent of the per-pupil funding amount that charters receive to serve K-12 students.


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

 **Yes.** The small size of the current pilot pre-K program limits charter access. On My Way funds only about 400 scholarships.

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

 **Yes.** The approval process is a barrier to charter access. Only charter schools in certain communities can partner with On My Way pre-K providers or offer an affiliated program. Additionally, the "fast-track" option to become an On My Way provider is only open to traditional public schools, not charter schools, because authorizers do not monitor partner or affiliated pre-K programs.

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

 **Yes.** While Indiana legislation allows charter schools to limit enrollment of new students to ensure that existing students can reenroll for subsequent years,<sup>10</sup> it does not allow charter schools to serve pre-K students directly. Therefore, pre-K students served at a charter school's affiliated or partner pre-K program are not students of the school and cannot directly enroll into its kindergarten. If the school is oversubscribed, they must go through a lottery to enroll in kindergarten.

#### LOCAL INITIATIVES: INDIANAPOLIS

Indianapolis passed legislation in early 2015 that funded a pre-K program similar to On My Way, called the Indy Preschool Scholarship Program (Indy PSP). Indy PSP is available to three- and four-year-olds from families living at or below 185 percent of the Federal Poverty Line (FPL). First priority is given to children from families living at or below 127 percent FPL. If there are more eligible and interested families than scholarships available, scholarships are to be awarded by lottery. Families of eligible three- and four-year-olds in Marion County who apply will be automatically considered for both Indy PSP and On My Way. Indy PSP will provide six hundred scholarships that can be used at any approved On My Way provider.

Source: Indiana Office of Education Innovation, "Early Childhood Education: Preschool Scholarship Programs," <http://oei.indy.gov/early-childhood-education-3/>.



## Recommendations

To address these barriers to charter access, the state should:

- Revise the charter school legislation to explicitly allow charter schools to serve pre-K students.
- Allow charter schools to participate in the “fast track” to become an On My Way provider, as long as their authorizers approve and monitor the performance of their pre-K programs.
- Revise the charter school legislation to allow charter schools to grant enrollment preference to federal-, state-, or locally funded pre-K students from an affiliated or partner program, as long as students were admitted via lottery and the kindergarten program has more open spaces than interested pre-K students.

	On My Way Pre-K Pilot	Charter schools in Indiana
Year created	Launched in 2014 <sup>11</sup>	Charter law enacted in 2001 <sup>12</sup>
Children in state	177,787 three- and four-year-olds in Indiana <sup>13</sup>	1,344,270 school-age children in Indiana <sup>14</sup>
Children served	Program is not yet fully operational. 400 slots are offered during the pilot. <sup>15</sup>	35,552 students served 2.6 percent of school-age population Seventy-five charter schools <sup>16</sup>
Charters offering pre-K	At least three charter schools in Indiana offer pre-K through partnership or affiliated programs. <sup>17</sup>	Fifty charter schools offer an elementary program. <sup>18</sup>
Funding	Providers receive up to \$6,800 per pupil to offer On My Way Pre-K. <sup>19</sup>	Charter schools receive \$8,671 per pupil to serve K–12 students. <sup>20</sup>



## Endnotes

- 1 [http://www.in.gov/fssa/files/OMWPK\\_family\\_applications\\_available\\_030515.pdf](http://www.in.gov/fssa/files/OMWPK_family_applications_available_030515.pdf)
- 2 Indiana.gov, “On My Way Pre-K Family Page,” <http://www.in.gov/fssa/4944.htm>.
- 3 [http://www.in.gov/fssa/files/OMWPK\\_family\\_applications\\_available\\_030515.pdf](http://www.in.gov/fssa/files/OMWPK_family_applications_available_030515.pdf)
- 4 Indiana.gov, “Provider Information,” <http://www.in.gov/fssa/4931.htm>.
- 5 An affiliated pre-K program is one that a charter school operates through a separate, but affiliated, entity or organization.
- 6 National Alliance for Public Charter Schools (NAPCS), “Measuring Up: Indiana,” <http://www.publiccharters.org/get-the-facts/law-database/states/IN/>.
- 7 Indiana.gov, “Provider Information.”
- 8 Indiana.gov, “On My Way Pre-K Providers Technical Assistance Webinar,” January 2015, [http://www.in.gov/fssa/files/approved\\_provider\\_next\\_steps\\_webinar\\_2.pdf](http://www.in.gov/fssa/files/approved_provider_next_steps_webinar_2.pdf).
- 9 Indiana General Assembly, House Enrolled Act 1004, 2014, <https://iga.in.gov/static-documents/1/c/f/5/1cf5ff33/HB1004.07.ENRH.pdf>.
- 10 Indiana General Assembly, 2015 Session, “Indiana Code,” <http://www.in.gov/legislative/ic/2010/title20/ar24/ch5.pdf>
- 11 Indiana General Assembly, House Enrolled Act 1004.
- 12 NAPCS, “Measuring Up: Indiana.”
- 13 State population data calculated using ACS 2012 five-year estimates; U.S. Census Bureau, “American Community Survey,” [www.census.gov/acs](http://www.census.gov/acs).
- 14 Ibid., all children in households, three to seventeen years old.
- 15 On My Way Pre-K was operated as a pilot program in four counties in January 2015.
- 16 NAPCS, “Measuring Up: Indiana.”
- 17 Indiana Department of Education, “Indiana Charter School Map,” <http://www.doe.in.gov/grantsmgmt/charter-schools/indiana-charter-school-map>.
- 18 Ibid.
- 19 Indiana.gov, “On My Way Pre-K Providers Technical Assistance Webinar.”
- 20 Larry Maloney et al., “Charter School Funding: Inequality Expands,” Indiana section (Fayetteville, AR: University of Arkansas Department of Education Reform, School Choice Demonstration Project, April 2014), <http://www.uaedreform.org/wp-content/uploads/2014/charter-funding-inequity-expands-in.pdf>.