



COLORADO

Department of Early Childhood

Three-Year-Old Preschool Program Guidance for School Districts

CDEC's [Three-Year-Old Preschool Services Funding and Payments Memo](#) (issued July 18, 2025) outlines in detail the funding and payment structure, including reporting expectations, for districts that choose to serve qualifying three-year-olds with CDEC funding. The following guidance provides additional clarity on the implementation of the historical allocation of the three-year-old preschool program.

HISTORICAL CONTEXT AND PURPOSE

CDEC Statute - [Section 26.5-4-201 et seq.](#)

26.5-4-204 provides expectations regarding the eligibility of three-year-olds to receive preschool services:

“... (3)

(a) For the 2023-24 school year and for each school year thereafter:

(I) Subject to the availability and capacity of preschool providers, every child in the state may receive ten hours of preschool services per week, at no charge, during the school year preceding the school year in which the child is eligible to enroll in kindergarten.

(II) Pursuant to IDEA and ECEA, every child who is **three** or four years of age and is a child with disabilities must be offered preschool services in accordance with the child's individualized education program.

(III) Subject to available appropriations, a child who is **three** years of age, is not eligible to enroll in kindergarten in the next school year, and is in a low-income family or meets at least one qualifying factor may receive the number of hours of preschool services established by department rule.

(IV) Subject to available appropriations, a community in which a school district operated a district preschool program pursuant to article 28 of title 22, as it existed prior to July 1, 2023, with a waiver to serve children under three years of age, may continue to provide preschool services for the number of hours established by department rule for the same number of children under three years of age that received preschool services in the 2022-23 school year, so long as each child who receives the preschool services is in a low-income family or meets at least one qualifying factor.

(V) Subject to available appropriations, a child who is in a low-income family or who meets at least one qualifying factor may receive additional preschool services for the number of hours established by department rule in the school year preceding the school year in which the child is eligible to enroll in kindergarten.



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(b) Notwithstanding any provision of subsection (3)(a) of this section to the contrary:

- (I) The state shall provide to each **three-** or four-year-old child with a disability whose parent enrolls the child in the preschool program an educational program in accordance with IDEA and ECEA and the child's individualized education program; and*
- (II) For a school year in which federal money is provided to the state to fund preschool, other than federal money provided through IDEA, the executive director may allocate said funding to provide the number of hours of preschool services allowed under federal law for all children defined as eligible under federal law."*

Also, 26.5-4-208(5) delineates the allowable uses of all UPK dollars:

*"A preschool provider that receives funding distributed pursuant to this section shall use the money **only** to pay the costs of providing preschool services **directly** to eligible children **enrolled** by the preschool provider or by a subcontracted preschool provider as authorized for a school district in subsection (3)(c)(II) of this section (emphasis added)".*

This is also echoed in 26.5-4-208(3)(a) which states:

*"[CDEC] ... shall continue distributing portions of the funding periodically throughout the school year and shall adjust the amounts distributed **based on the actual numbers and types of eligible children enrolled** by preschool providers (emphasis added)."*

It is critical to understand that for eligible three-year-olds without an IEP, State law guarantees a continuation of Colorado's prior funding commitment. This allocation is capped as defined in statute, or at \$37.8 million throughout the State. It must be distributed by the Colorado Department of Early Childhood (CDEC) to only those school districts and charter schools that enroll and serve eligible three-year-olds in the Colorado Universal Preschool (UPK) program.

CDEC Rule - As noted in statute, the qualifying factors are further defined in Rule. These funds are intended only for three-year-olds with at least one qualifying factor, not for universal access. Qualifying factors include:

- Low-income or poverty status
 - 270% FPL for 2025-26, 265% FPL for 2026-27 and beyond
- Having an IEP
- Foster or kinship care
- Homelessness
- Dual language learner status

From CPP to UPK

For those with experience administering the previous state-funded Colorado Preschool



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Program, you might notice some similarities and, of course, some differences to the current three-year-old Preschool Program. Here are a few highlights:

	CPP	UPK
School Districts manage these funds and may contract with community providers, including Head Start programs, to offer services	YES	YES
Eligible children must have qualifying (or as CPP-designated risk) factors	YES 3 CPP-designated risk factors required	YES 1 UPK qualifying factor required and may be prioritized by the district based on community need and capacity to serve
All 3YOs with an IEP are funded	YES Funded based on the December count from the prior year	YES Funded monthly as enrolled in alignment with a child's IEP and with program type - 10-hour rate if a 10-hour program, 15-hour rate if a 15-hour program, 30-hour program if a need is aligned to serve the IEP
Seat Allocation	YES Based on each district's risk factors, including both 3YO and 4YO seats, were allocated to each district and funded based on count day attendance	NO
Based on enrolled children, up to the historical limit	NO	YES Monthly payments based on enrollment start date and enrollment end date

UPK 2023-24 to 2025-26

In 2023-24, CDEC was charged with determining the historical allotment for both three-year-old and four-year-old funding. In partnership with CDE as the source of truth for 2022-23 funding allocated under CPP, CDEC provided districts with their historical allowance amount. Districts then attested to the amount by age group since the UPK statute requires delineating between three- and four-year-olds both in funding and reporting. Determination of the historical allotments served two purposes. First, it ensured that CDEC met the statutory expectation of 'hold harmless' in the transition year from CPP to UPK. Second, it established the 'ceiling' for each district's three-year-old funding, ensuring CDEC continued to spend up to 2022-23 CPP levels for three-year-old preschool services across the State each year.



In 2023-24, CDEC paid districts their allocation for three-year-olds in a ‘tranche’ or one-time payment. However, during CDEC’s internal audit and review of year one implementation, it was revealed that this tranche payment failed to meet the requirements to pay for services based on enrollment, to continue distributing funding throughout the school year, and to report three- and four-year-olds separately. In order to comply with statute, CDEC must confirm enrollment before paying for preschool services. As this evolution occurred during the second year of implementation, CDEC contracts required school districts to report their enrollments for the program year to move to full compliance with the statutory requirements. Districts compiled and provided three-year-old enrollment to CDEC’s payment vendor MetrixIQ, for documentation as assurances that together to ensure compliance and be responsible stewards of this funding.

With this knowledge and the ability to plan for a future contract, the requirement to confirm enrollment prior to payment was included in the 2025-26 provider agreement and further detailed through the [Three-Year-Old Preschool Services Funding and Payments Memo](#), released on July 18, 2025.

2025-26 Contract Language Relevant to Three-Year-Old Preschool Programming

“iv. In no case shall CDEC provide a payment for a child unless that child has a ‘Start Date’ entered into the Colorado Preschool Program’s Application System, and that child has a fully completed and submitted ‘Enrollment Form’ in the Colorado Preschool Program’s Application System;

v. The payments made in arrears will be based on those children who are in ‘enrolled status (see screenshot below)’ in the Colorado Preschool Program’s Application System at the end of that month for which the arrears payment(s) is being made”

“this funding will be distributed monthly in accordance with monthly enrollment, and subject to a financial cap based on a three-year-old historical allocation from the 2022-23 Colorado Preschool Program”

“ensure the Provider is paid the correct amount based on actual enrollment and delivery of services”

IEP-funded vs Qualifying factor-funded

State law provides two funding pathways for three-year-olds in preschool:

1. Children with an Individualized Education Program (IEP), and
2. Children without an IEP

All three-year-olds with an IEP are fully funded and served according to their IEP. References to the ‘historical allocation’ specifically apply to the non-IEP funding pathway. For eligible three-year-olds without an IEP, State law guarantees a continuation of Colorado’s prior funding commitment. This allocation is capped at the CPP 2022-23 amounts, as defined in statute, or \$37.8 million. It must be distributed by the Colorado Department of Early Childhood (CDEC) to only those school districts and charter schools that enroll and serve



eligible three-year-olds in the Colorado Universal Preschool (UPK) program.

RESOURCES

- [Three-Year-Old Preschool Services Funding and Payments Memo](#)
- [Payment Guidance Slideshow](#)
 - [Payment Meeting Recording](#)
 - [Metrix Enroll upload instructions](#)
 - [Metrix Enroll upload video](#)
 - [Metrix Enroll upload video when receiving errors](#)
- [Metrix Enroll Tech Support for Reporting](#)
- [Provider questions submission form](#)
- [Colorado Child Care Assistance Program & Colorado Universal Preschool Fund Stacking Implementation Memo](#)
- [3-Year-old historical cap](#)
- [Provider Rates](#)
- CDEC three-year-old point of contact: cdec_upk-program@state.co.us
- CDEC AU point of contact: Angela Delin angela.delin@state.co.us

What does this mean as a Provider?

Enrollment Reporting - Two funding buckets, two reporting processes

As noted, State law requires enrollment data collection for three-year-olds in the UPK program, similar to the reporting for four-year-olds (§26.5-4-210, C.R.S.). State law requires that both enrollment and funding information be broken down by exact age and demographics.

Enrollment data for three-year-olds with IEPs will be submitted via the UPK enrollment system using the same process as four-year-olds. This system was chosen to ensure a streamlined process for families of children with IEPs and for Administrative Units.

Enrollment data for three-year-olds receiving historical allocation funding who do not have an IEP will be submitted via the Metrix Enroll payment portal using a designated template as laid out in the Memo. The UPK Portal (BridgeCare system) was intentionally not selected for the current reporting process. This decision was made due to the substantial confusion experienced by families and both non-school district and school district providers during year one, when the 3-year-old application process was integrated into the UPK Portal (BridgeCare system). This challenge was primarily related to age eligibility. CDEC is undergoing discovery to determine if a refined age eligibility can be built in based on district boundaries. That said, Metrix was chosen as expenditures are currently reported to them by



all providers.

CDEC understands that having two separate reports creates an additional layer of work. Ideally, all children would enter through the UPK system, and it may be possible to have those features in future program years. CDEC has explored with a few school districts the possibility of running Infinite Campus reports that can be sent to Metrix Enroll as a way to increase efficiency in the process. CDEC is committed to exploring and sharing these ideas, as well as other streamlined efforts for the long term.

Funding Reality

The total historical allocation as determined by statute for the three-year-old preschool program is \$37.8 million. Each district attested to its portion of this total fund. The law intended to ensure that this pot of dollars was not wrapped into funding for four-year-olds and to ensure that at least some funding was continued for this age group. It is important to note that there is no COLA assigned to this bucket of dollars, but rather a set amount in perpetuity. State law provides a ‘lever’ for additional funding for non-IEP three-year-olds that only the legislature can pull.

Payment Schedule

For the 2025-26 program year, three-year-olds will be paid monthly based on enrollment reports directly to Metrix Enroll. As noted, **this is a change to the tranche payment that was made in the first two years of UPK.**

Authority

School districts have the authority to apply either the 10-hour, 15-hour, or 30 rate. For example, if the district only offers full-day, you may choose to leverage the 30-hour rate for 3YOs. School districts also have the authority to prioritize any or all of the qualifying factors based on the needs of their community. For example, if the district has prioritized families living in poverty, you may choose to only offer state-funded preschool seats to 3YOs with this qualifying factor. School districts have the authority to contract with community providers to serve 3YOs for preschool services.

Q & A

Below are questions submitted during school district office hours, with aligned answers to support additional clarity for the many nuances.

Reporting

1. Q: Will we be able to delete or edit students?

A: Yes. The enrollment report should accurately reflect current enrollment each month, with additions and removals as necessary.



2. Q: When will we be able to delete or edit students in the Metrix Enroll portal?

A: Reporting and Attestations are due on the 15th of each month. You will be able to make edits from the 1st of the month until you sign the attestation on the 15th. Student enrollment information can be updated in two ways: individually per student or in bulk. When students are uploaded into Metrix Enroll, each student has a unique record and payment ID created; therefore, it is important to use the steps below to ensure you do not create duplicate student records.

To update individually, log in to Metrix Enroll, and follow the [instructions here](#).

To update in bulk, you MUST download a fresh template of the current report: log in to MetrixEnroll, click on Import/Export, and click on Download Current 2025-2026 Enrollments. Make adjustments to student enrollment information (if students leave, please add an end date - do not delete), and then re-upload.

3. Q: Are you saying we have to report all 3-year-olds in our city from all providers?

A: No. However, all UPK-funded 3-year-olds you serve and/or subcontract with or for as a district must be reported in accordance with the Contract and its reporting requirements.

4. Q: I thought UPK and CDEC were working to relieve administrative burden, but now we have to submit reports monthly?

A: The Department is statutorily obligated to pay based on the *enrollment* of 3-year-olds. While the objective of "reduction" remains ongoing, certain administrative duties will always be essential.

5. Q: So we don't need to put our 3-year-old students with IEPs on this enrollment if they are processed through the UPK portal?

A: Correct. However, if you used any of the historical allocation to provide extra hours for a 3-year-old student with an IEP, you must include them on the enrollment template.

6. Q: When a family identifies with two or more races, how should this be completed?

A: Please fill out the field by choosing "other" until Metrix updates the form with an option for "multiple races reported" added.

7. Q: Who needs to submit 3-year-old attestations?

A: CDEC has moved from an attestation to the reporting requirements outlined in the Contract. Regarding the MetrixEnroll reporting, Districts can decide the responsible party to complete the MetrixEnroll enrollment report submissions as appropriate. Examples include administrative office staff and early childhood program specialists. However, if you have not yet completed the 3-year-old attestations from Years 1 and 2 of UPK, you still need to complete and submit these attestations and deliver them to the Department.



8. Q: To clarify, are we reporting and enrolling all 3-year-olds in our district or only those with qualifying factors or on IEP?

A: Please refer to page 2 of the [Operation Memo](#) released on 7/18/2025. After ACTION ITEMS, it states:

- State law requires enrollment data collection for three-year-olds in the UPK program, similar to the reporting for four-year-olds (§26.5-4-210).

Enrollment data for **three-year-olds with IEPs** will be submitted via the UPK enrollment system using the same process as four-year-olds.

Enrollment data for **three-year-olds receiving historical allocation funding who do not have an IEP** will be submitted via the Metrix Enroll payment portal using a designated template.

9. Q: Is August enrollment due by 08/15?

A: No, enrollment for a given month will be reported in the following month. For example, August enrollment is due by 9/15, September enrollment is due by 10/15, and so on. Please refer to the enrollment and payment schedule outlined in the memo.

10. Q: Do we need to gather income documents from families to determine who qualifies?

A: Yes, if the qualifying factor noted is low income/poverty status. Free and Reduced Lunch (FRL) qualification counts toward verification.

11. Q: What are the reporting systems for school districts?

A: **4-year-olds without an IEP** - must have an application in “Enrolled” status in the UPK portal to receive monthly funding and be counted in reporting.

- 4-year-olds with an IEP** - must have an application in “Enrolled” status in the UPK portal to receive monthly funding and be counted in reporting.
- 3-year-olds with IEP** - must have an application in “Enrolled” status in the UPK portal to receive monthly funding and be counted in reporting.
- 3-year-olds without an IEP** - historical allocation funding must be accounted for in Metrix Enroll reporting.
- BridgeCare and MetrixEnroll are the only “official” reporting systems.**

1. However, at the end of the 2024-25 school year, there were students with IEPs who still did not have an application in the UPK Portal but still needed to receive funding. In order to capture all students, school districts submitted those “students with an IEP with no UPK app” onto a Google sheet in order to account for them in payment reconciliation, and those



applications were created and enrolled into the UPK portal by our helpdesk.

2. For the 2025-26 school year, AU's must still make their best effort to have a family submit an application via the UPK Portal. In the event that there are in the first quarter of payment reconciliation and a family still has not submitted a UPK application, and therefore not received funding, it is requested that school districts submit the student information via the same google sheet process from 24-25, so it can ensure that students with an IEP are accurately receiving funding and reduce the amount of workload at the end of the year for payment reconciliations. This is not in place of a family submitting an application, but rather a last resort to ensure timely funding.

12. Q: How can maintenance of effort for special education students be captured in your documentation form?

A: The CDEC-specific templates do not include MOE reporting capabilities. While CDEC-specific templates do not include MOE reporting, MOE tracking remains under CDE's responsibility as the State Education Agency (SEA). To support this, CDEC works with CDE to ensure preschool expenditures are recorded for MOE purposes through CDE's funding codes.

13. Q: Do we have to submit another template for students with IEPs, or are these students tracked through Bridgecare?

A: Districts must use the template in accordance with the Contract.

Payments

14. Q: Will the historical amount be divided evenly for the monthly payments?

A: No, the historical payments for three-year-olds will be made using the [LCO rate](#) (split into 10 monthly payments) and paid based on enrollment reported monthly.

15. Q: Is this now a Per Pupil Payment system?

A: No. A "Per Pupil payment system" formula differs greatly from the UPK "rate" formula. While the rate is based per child, it is different from the K-12 funding formula. Components of the UPK rate formula can be found in statute (26.5-4-204 and 208, C.R.S.). State law requires that payment be based on actual enrollment and delivery of services.

16. Q: Can you clarify situations when students are receiving funding from both IEP services and general 3-year-old historical funds?

A: This is at the School district's discretion and could be UPK funds or other funds available to the district. All students with IEPs will receive the UPK rate corresponding to their IEP. A school district may choose to 'supplement' additional hours of services



with a portion of that district's 3-year-old historical funds since having an IEP is a Qualifying Factor, so long as the expenses are directly tied to preschool services required for that child.

Example: If a student's IEP dictates that they must attend a 15-hour program but are attending a 30-hour program, then a district can supplement the additional 15 hours with 3-year-old historical allocation funding.

17. Q: How are full-day 3-year-olds funded?

A: In compliance with [UPK rules](#). In particular, 8 CCR 1404-1, sections 4.106, 4.107, and 4.108. All 3-year-olds must be provided a minimum of 10 hours, and they must have at least one qualifying factor. Districts may choose to utilize their historical allocation funds for 3-year-olds to 'double slot' 3-year-olds to provide said 3-year-olds the equivalent of full-day services.

18. Q: Are we still able to double slot 3-year-olds with the historical allocation funds - 20 hours?

A: Yes. In accordance with Department regulations, all 3-year-olds served must be provided a minimum of 10 hours, and must have at least one qualifying factor, however, if a District wishes to use their historical allocation funds to 'double slot' a child beyond 10 hours, they are permitted to do that at their discretion.

19. Q: Can a 3-year-old in a 30-hour program without an IEP get the Full Day UPK rate? Or are they only allowed a 10-hour part-day rate?

A: Yes, **if** the district chooses to use their historical allocation funding at the 30-hour rate for that child. However, the total "capped" bucket of funding does not change.

If the district chooses to utilize CCCAP funds, and if the eligibility criteria outlined in the operation memo are met, then the district may 'stack' funds to provide children with up to 30 hours. The Full Day rate is reserved for 4-year-olds / the year-before-kindergarten, but Districts are allowed to use their historical allocation funds to increase the number of hours provided to 3-year-olds beyond the minimum of 10. Please refer to the [Colorado Child Care Assistance Program & Colorado Universal Preschool Fund Stacking Implementation operation memo](#) for examples of how this may be accomplished.

20. Q: If a student is enrolled for part of the month, do they still get the full month funding?

A: Yes.

21. Q: If a 3-year-old with an IEP is enrolled in 30 hours, are they getting two 15-hour payments vs. one 30-hour payment?



A: If the IEP dictates a 30-hour program, then the child would receive a 30-hour award. The District will get the 3-year-old UPK funding for the IEP on the 15th of the month based solely on the IEP and what the AU determines is necessary for that specific child in accordance with their IEP, whether it be 10, 15, or 30 hours. Above and beyond that award, as determined by the IEP and AU, a child with an IEP may receive 'supplemental' funding from a District's 3-year-olds Historical allocation funding at the discretion of the District on the 30th of the month. This 'supplemental' funding is specifically above and beyond what is required by the IEP and AU's determination, and is not required since it is more funding than is required by the IEP and AU's determination.

22. Q: What is the monthly rate for a 3 YO student?

A: Please find the local annual rates defined by LCO here: [25-26 LCO rate sheet](#). Monthly payments will be 1/10th of this annual rate for the region.

23. Q: How many hours can we give each 3-year-old per month?

A: A minimum of 10 hours per week, presuming that the minimum of 10 hours per week results in a total aggregate number of planned service hours of at least 360 hours as instructed by UPK rule; more is discretionary.

24. Q: When it says "funding by UPK," is that different from the "CPP historical" funding?

A: "Funding by UPK" means that for a 3-year-old with an IEP, the payment will come from UPK and will be disbursed to the district on the 15th of each month, as long as the child remains enrolled with the district. To clarify, "Funding by UPK" refers to the current Universal Preschool (UPK) funding stream through CDEC. While the overall historical allocation for non-IEP 3s derives from a formula that is based on 22-23 CPP funding levels, under UPK statute, all children in the program are funded based on eligibility (i.e., have at least one qualifying factor) and hours (a minimum of 10). Payments for non-IEP 3-year-olds are delivered on the 30th of each month.

25. Q: Since the historical allotment amount used to be a lump sum and now providers can choose a 10 vs. 15-hour rate, wouldn't that change how many students they can serve from that historical allotment?

A: Districts manage their historical allotment locally and can blend, braid, and stack funding, so the number of children served can vary based on how you allocate the funding streams. Under UPK, funding for non-IEP 3-year-olds is tied to the minimum of 10 hours (360 planned instructional hours per year). This means historical allotments may serve fewer children if the district chooses to use their historical allotment dollars to 'double slot' children for more than the minimum of 10 hours.

Example: For non-IEP 3-year-olds, if the district served 66 3-year-olds in 2022-23 and allocated no more than 10 hours of historical funding to each child, but now decides to



‘double slot’ certain children using the historical funding to children this program year, the number of children that could be served with the historical allocation would decrease. Districts, at their discretion, could choose to supplement services to three-year-olds using other funding streams outside of UPK. This operates distinctly and separately from funding for IEP 3-year-olds, where the funding award will be based solely on what the IEP and AU dictate the IEP requires. Funding for non-IEP 3-year-olds is capped based on the historical allocation amount, while funding for IEP 3-year-olds will always be available and prioritized accordingly in distributions from the PPCF.

26. Q: If the hours are not listed in their IEP, can they only qualify for 15 hours?

A: The AU is expected to indicate in the direct enrollment placement process for each child with an IEP whether they require a 10, 15, or 30-hour program for them to access FAPE. If this information is not provided in the direct placement process, you should work directly with the AU and IEP Team to determine the appropriate award amount and number of hours that the child with the IEP should be funded at in accordance with the IEP.

Historical CAP

27. Q: How is the historical amount determined for each District?

A: The spending cap was determined by the 22-23 historical allocation payment and the districts' attestation to that amount in accordance with statute.

28. Q: For the last two years, our school district received a large annual lump sum payment that was guaranteed to us, as long as enrollment didn't decline from the base year. Are you saying that this payment will be paid in monthly installments this year? Please clarify.

A: The max allocation level is based on the CPP SY 2022-23 funding, which is what you received for years 1 and 2. For year 3, payments must be made based on preschool services delivered as outlined in Exhibit A of the Provider Agreement. The specific language is detailed below. So, if enrollment does not decline from the base year, you can expect to receive monthly payments in arrears of the max allocation level.

“iv. In no case shall CDEC provide a payment for a child unless that child has a ‘Start Date’ entered into the Colorado Preschool Program’s Application System, and that child has a fully completed and submitted ‘Enrollment Form’ in the Colorado Preschool Program’s Application System;

v. The payments made in arrears will be based on those children who are in ‘enrolled status’ in the Colorado Preschool Program’s Application System at the end of that month for which the arrears payment(s) are being made.”

29. Q: How do we know what our max allocation is?

A: Please refer to the [CPP SY 2022-23 funding level](#). That is the max allocation or cap.



30. Q: How is the max allocation communicated to the school district each year?

A: It is not communicated each year since it will not change; however, it was communicated in [this operation memo](#) issued in 2024 and listed in the Resources section of this guidance.

31. Q: You said that the cap amount would be maintained, but if it's not met, the funds could be "redistributed"-isn't that a contradiction?

A: No, maintaining the cap amount refers to the 22/23 CPP amount being the ceiling. Not that you will continue to receive that amount if you are not serving enough children to utilize the entire cap. State law is clear that all UPK distributions must be based on actual enrollment and services provided.

32. Q: We also have a significant increase in qualifying 3-year-olds this year. Are we still going to be limited to our historical allowance? This appears to be a similar situation to that you are researching for another attendee, but wanted to be sure it was communicated.

A: Yes. Unfortunately, the historical allocation for 3YOs is limited to \$37.8 million annually by statute. However, that is why CDEC is considering reallocation so that when some districts have a decline, those funds can be reallocated to small or rural districts that have a high need.

33. Q: Are slots determined by each district's base allocation?

A: You determine the utilization of the historical allocation for non-IEP 3-year-olds and whether or not to 'double slot' any of those children being funded by the historical allocation, understanding the funding available to you to cover services provided as the base allocation.

34. Q: Could you please tell us how many 3YOs we need to enroll to hit our historical amount, or how to calculate that?

A: The overall cap is calculated based on funding levels from 22-23 CPP. You will receive 1/10th of the [LCO rate](#) per 3-year-old reported in the enrollment report each month. The LCO rate is for the entire school year and is split up to 10 payments paid out monthly based on enrollment and actual services rendered. The district can choose how to spend down the base historical allocation.

35. Q: So if we don't use our entire historical allowance and it gets "reallocated", what will our capped historical allowance be next year? Does it go back to our original amount?

A: Yes. Underspending the historical allocation will NOT impact how it is calculated in subsequent years. It is not readjusted based on utilization year-over-year.



36. Q: This "reallocation" of 3-year-old funding seems to be different than the statutory language around hold harmless? The language in the UPK law states that the districts will be held harmless with 22-23 CPP funding.

A: This was the case for 4-year-old funding of preschool services and for the first year only; however, this is not the case for the 3-year-old allocation. Actual language from overall funding provision (208(3)(a)) "shall continue distributing portions of the funding periodically [] and shall adjust the amounts of distribution based on the actual numbers and types of eligible children enrolled by preschool providers"

37. Q: Can you please show us an example of how the monthly historical allowance payment will be calculated for a school district?

A: Please refer to the [25/26 provider rate](#) information memo issued by UPK on April 28th. The payment is calculated by enrolled students monthly.

38. Q: If we are serving more 3-year-olds than our historical allotment, will UPP pay over the allotment?

A: No. The historical allotment is capped at \$37.8 million annually; therefore, caps for districts are designed to maintain alignment with that amount. The Legislature has not appropriated any additional funding for 3-year-olds beyond the same funding levels as CPP in 2022-23 for the historical allotment. Given that the cap is based on 22-23 levels, and payment amounts are pre-determined, Districts should be managing their enrollment accordingly.

39. Q: If a school district hits the max allocated funds, say in January for 3-year-olds, does this mean that no payments will be made in February-May?

A: Yes. All allocated 3-year-old funding for that school district will be maxed out, and there will be no more 3-year-old payments made.

40. Q: Will there ever be a recalculation of that 3-year-old allotment? Are we always going to receive that same allotment?

A: It is not anticipated that there will be a recalculation of the historical allotment in the coming years; however, this is up to the discretion of the Legislature, which has the authority to appropriate additional funding for 3-year-olds.

41. Q: Have you sent the PPR to the districts?

A: CDEC does not operate with a PPR. In terms of the rates for this year, please refer to the [25/26 provider rate](#) information memo issued by UPK on April 28th.

General

42. Q: Do community partners include FCCH?

A: Districts are authorized to contract with family child care homes, provided these homes maintain licensure by the Department.



43. Q: Do families have to apply for their 3-year-olds in the UPK system?

A: All 3-year-olds with an IEP will need to have an application in the UPK Portal as part of their registration. Any families whose child does not have an IEP do not need to apply in the UPK portal.

44. Q: How do I get access to the AU hub?

A: Here is the link: [AU Information Hub](#)

45. Q: Is there a form that provides a hierarchy to guide unbiased decision-making if we have a greater need / qualifying students than our max allocation

A: No.

46. Q: If we have 3-year-olds who do not have an IEP or a qualifying factor, do we still go through this process of enrolling them?

A: No.

47. Q: What is the definition of low income or poverty? 270% and below?

A: For the 2025-26 school year, UPK rules provide the following definition of low income:

DD. “Low-income” means that the child’s parent or guardian’s gross income must not exceed 270% of the Federal Poverty Guideline (FPG). For the 2026-27 program year, this poverty will realign with CCCAP at 265% FPL per the updated rule.

48. Q: What role in the school district is typically responsible for gathering the information for the template to upload?

A: The assignment of tasks and duties of internal operations is controlled at the district level and varies widely (Fiscal analysts and/or Director of UPK). Please reach out to some of the bordering districts for more ideas on positions that take on this responsibility.

District Specific Guidance

Permanent Statutory Waivers for DPS and Cañon City Schools

Pursuant to section 26.5-4-204(3)(a)(IV), C.R.S., Denver Public Schools (DPS) and Cañon City Schools have been granted a continuously ongoing carve-out to utilize three-year-old funding to serve populations under three years of age. This section clarifies the parameters of this carve-out. School districts are responsible for documenting their ongoing compliance with this financial maintenance-of-effort requirement

Carve-Out Provisions

1. Continued Subcontracting Authority: DPS and Cañon City School District may continue to provide or subcontract for the provision of services to the Birth to Two population, utilizing the flexibility provided by statute.



COLORADO

Department of Early Childhood

1. **Mandatory Funding Threshold:** Despite the flexibility in service delivery models, these districts should maintain their funding for the Birth to Two population at the same threshold as in 22-23 under CPP, as state law requires.

26.5-4-204(3)(a)(IV) "...a community in which a school district operated a district [CPP] program [] as it existed before July 1, 2023, with a waiver to serve children under three years of age..."