



Center for Urban Child Policy

Advancing Public Policy to Improve the Well-Being of Children

BUILDING A COMPREHENSIVE EARLY CHILDHOOD INVESTMENT INITIATIVE IN SHELBY COUNTY: LESSONS FROM URBAN INITIATIVES TO PROMOTE EARLY LEARNING

A policy brief reviewing the efforts of Saint Paul, Minnesota, Denver, Colorado and Sioux Falls, South Dakota to develop comprehensive early childhood investment strategies.

March 4, 2009



Introduction

Well-focused early childhood initiatives offer outstanding financial and social returns on investment. A child's first years are a critical period of social, emotional and cognitive brain development. During this period, children's brains grow at an astonishing rate, and positive developmental experiences help to insure that children are set on a path to success in school and life. Unfortunately, when children's earliest interactions, relationships and environments are characterized by stress, deprivation, anxiety, and insecurity, their social, emotional and cognitive development lags behind their peers. Too often, these early developmental disadvantages are exacerbated as a child matures to adulthood.

Four decades of careful evaluation research demonstrates that focused investments in high-quality early childhood education and development provide impressive returns to both individuals and society (Rolnick & Grunewald, 2006). This research underlies the initiatives in 38 states - including Tennessee - to grow universal preschool programs that insure there is a place in a high-quality preschool classroom for every child.

Persuaded by these research findings, a number of metropolitan areas in the U.S. are developing early childhood investment initiatives designed to expand children's access to high-quality preschool care and education. The most closely watched initiative of this type is the Harlem Children's Zone, which has been offered by the Obama Administration as a model for other communities eager to improve the well-being and life-outcomes of children (Tough 2008).

This policy brief reports on the experiences of three cities that are in the process of developing early childhood investment initiatives, discusses the challenges these communities have faced, and critical action steps suggested by their experiences.

WHAT ARE EARLY CHILDHOOD SCHOLARSHIP INITIATIVES?

Programs that involves scholarships, tuition waivers, and/or quality improvement grants aim to provide quality early educational services to young children. In the outcome-based scholarship model, caregivers select preschool providers for their children and programs are reimbursed based on the number of children served. Initiatives are focused on child educational progress and must follow guidelines that are consistent with the development skills children need to succeed in a classroom environment. Scholarships provide incentives for programs who successfully achieve progress in providing high quality early education to young children.



WHAT DIFFERENCE CAN HIGH-QUALITY EARLY CHILDHOOD EDUCATION MAKE FOR CHILDREN AND COMMUNITIES?

A growing body of research suggests that well-focused early childhood programs have positive effects on cognitive and emotional development and provide remarkable returns to individuals, to families and to society. High-quality preschool, for example, can lead to the following outcomes:

- » Children's development is enhanced through developmentally rich preschool educations and by growing up in environments where they feel appreciated and secure (Garces, Thomas, & Currie, 2002).
- » Children reach kindergarten ready to learn and primed for educational success (Barnett, 1985).
- » Children have stronger life-outcomes: they do better in school, delay parenting until they are out of their teens, are less likely to turn to crime, and are more likely to be employed and pay more taxes (Herling, 2008).

BACKGROUND: THREE URBAN INITIATIVES

Three American cities are currently leaders in the effort to develop comprehensive early education scholarship initiatives: St. Paul, Minnesota, Sioux Falls, South Dakota, and Denver, Colorado. We examined the community's efforts through the lens of the following initiatives:

- » **St. Paul Early Childhood Scholarship Fund.** In St. Paul, funding from the Minnesota Early Learning Foundation has been used to fund a voluntary, time-limited early childhood scholarship initiative and home visiting program for low-income families in targeted neighborhoods. In order to participate in the program, centers or family-based programs must have earned a three- or four-star rating (out of four) in the state's Parent Aware quality rating system. The ECE programs selected by scholarship families use funds to pay for child care costs and/or to expand quality programming. A pilot of the market-based scholarship model proposed by Art Rolnick and Rob Grunewald from the Federal Reserve Bank of Minneapolis, the 2007 scholarship model was developed collaboratively by the Minnesota Early Learning Foundation (MELF), the City of Saint Paul, the Federal Reserve Bank, the Minnesota Department of Human Services, and the Minnesota Department of Education. The St. Paul scholarship program is part of a larger MELF mission to increase school readiness by making research-based recommendations on elements of a cost-effective early childhood system.
- » **Sioux Falls Child Care Early Education Initiative/Starting Strong.** In



Sioux Falls, a combination of state and community partnership money has been used to fund an ECE pilot initiative designed to provide at-risk 3- and 4- year olds access to quality pre-k programs. Participating providers must meet quality standards and utilize a research-based appropriate curriculum. As of August 2008, families are able to choose from nine different preschool locations, ensuring that the program is a good fit for their family's needs. This pilot project originated from a 2004 community planning process which resulted in the creation of a Business-Education-Civic Leadership Group who developed and are now implementing a multi-year plan to make quality early education available to children in Sioux Falls.

- » **Denver Preschool Program/Invest in Success.** In Denver, a voter-approved initiative provides tuition credits and quality improvement grants to pre-schools. Parents pay fees according to the sliding fee scale based on family income and quality rating of the provider. All Denver families with a child in their last year of preschool before kindergarten can receive tuition credits for pre-kindergarten. Following Mayor John Hickenlooper's 2003 campaign promise to improve early childhood education, city government officials established the Mayor's Leadership Team for Early Childhood Education. This group (consisting of business and civic leaders) was tasked with working with city early childhood officials to increase access and quality to early care and education for young children in Denver. The sales tax increase earmarked for preschool program was approved by voters in November of 2006 and the Denver Preschool Program Transition Team began facilitating the process in January of 2007.

Urban Initiatives to Promote Early Learning: Challenges and Responses

Planning and coordinating early childhood scholarships can be a daunting task for localities. A significant challenge for communities concerns confusion about how to integrate, adjust and build on the substance of current systems to construct a more complete structure of quality child care and education. Following Schumacher, Greenberg, and Lombardi (2001), we found three overarching challenges to implementing scholarship programs:

1. Securing and sustaining adequate financing.
2. Overcoming regulatory hurdles and insuring programs are 'high-quality.'
3. Building public, governmental and business community buy-in for the program.



Challenge #1: Funding An Early Learning Initiative

It is a constant across these initiatives that there is insufficient federal and state funding to provide affordable, high-quality early childhood care and education to the number of income-eligible children. A primary challenge for localities implementing early childhood scholarship programs involves addressing coordination of fiscal resources to support early education.

In implementing early childhood scholarship programs, localities do not begin with a clean slate. Many young children are currently participating in center-based early education, either paid for by their families, or subsidized by government programs (for example, they participate in Head Start, or attend center-based programs subsidized by Families First).

The following table provides information on current major sources of funding for early childhood scholarships in the three urban communities.

City	St. Paul	Sioux Falls	Denver
Funding Source	MN Early Learning Foundation	State/Community Partnership Funding	Voter-approved sales tax increase (.12 cent)
Appropriation/Amount	\$18 million (5 years)	\$1.4 million (over 3 years)	\$11-12 million annually
Children Served	1,110 (over 5 years)	205 (over 3 years)	4,500 +
Cost per Child	\$7,000-\$13,000 tuition credit annually	\$4,500 annually	Up to \$12,000 tuition credit annually



Community Responses:

- » **Blending funding dollars.** Each community has phased-in various funding commitments to these initiatives and is combining dollars from a number of sources to improve early education. For example, in Denver, the preschool tuition program coordinates with Head Start and childcare assistance subsidies to cover expenses.
- » **Exploring additional funding arenas and maximizing participation.** These cities are working to expand financial support for quality early care and education by utilizing existing funding mechanisms and community outreach. In Sioux Falls, for example, the program administrators are seeking additional state/federal funding and exploring alternative monetary sources to improve quality.

Challenge #2: Align Regulations and Insure Program Quality

Among the primary sources of government funding for early childhood education (including TANF and the Head Start program) there are various regulations regarding eligibility, funding, & guidelines for procurement. The following table provides information on local responses to regulatory variations among initiatives and promoting participation in the scholarship program.

Goal	St. Paul	Sioux Falls	Denver
Paying Rates Reflective of the Cost of Quality Care to Participating Providers	**Additional 1713.00 to 3186.00 per year	***Additional 3,156.00 to 3357.60 per year	*Additional 2700.00 per year
Requiring a Set of Quality Program Standards of all Participating Programs	Minnesota Parent Aware Star Rating System	State workgroup drafted benchmarks	Qualistar Early Learning Rating System
Encouraging Advanced Staffing Qualifications Across Participating Programs	Parent Aware System funds for adv. staff training	Monthly Provider Staff Trainings Available	Participating Provider Staff Eligible for T.E.A.C.H. Scholarships

Community Responses:

- » **Requiring A Set of Quality Program Standards Of All Participating Programs.** Each community has either drafted benchmarks from a state workgroup



(Sioux Falls) or is utilizing a separate set of early education guidelines that providers receiving scholarship reimbursement funds must follow (Denver and Saint Paul).

- » **Encouraging Advanced Staffing Qualifications Across All Participating Programs.** Each community has created some uniform staffing guidelines to be applied to the array of centers accepting scholarship funds. Examples of standards include: requiring child care programs to meet state benchmark staff requirements and providing monthly professional development opportunities (Sioux Falls); providing scholarship funding that allow staff to pursue formal education (Denver).
- » **Paying Rates More Reflective of The Cost of Quality Care To Providers.**

Challenge #3: Building Community Buy-In for a Comprehensive Early Childhood Initiative

Goal	St. Paul	Sioux Falls	Denver
Improve Communication With Parents and Public	Bilingual Brochures; Coordination W/ Public Health and Community Organizations	Development of Sioux Falls Early Learning Consumer Education Plan	Bilingual News Releases; DPP presence at neighborhood/church events
Increase Number & Diversity in City's Constituency for ECD Issues	Partnered With St. Paul Advisory Group, Mayor's Office & Federal Reserve Bank of Minneapolis	Establish Business-Education-Civic Leadership Group	Establish Mayor's Leadership Team & Early Childhood Education Commission
Dedicate Resources to Provide Technical Assistance/Monitor Implementation	Staff Provider Resource Specialist Assists With Implementation	Assist Centers in Developing Business Plans/Promote Management Training	Detailed Handbook Including Process Flow Guidelines and Policy Memorandum

The preceding table provides information on local responses to coordinating ECD scholarship initiatives across preexisting systems and organizations.



Any new early education initiative will confront contrasting outlooks and issues among multiple groups (i.e. policymakers, parents, etc.). Furthermore, a primary challenge is to maximize these various groups' perception of other program types.

Community Responses:

- » **Improving Communication With Parents and Public.** Communication approaches are reliant on the city's primary mission in providing scholarship programs, technical capability, and what the scholarship program actually involves. The Denver Preschool Program subcontracts with a group that provides public relations services for the program, including advertising and public outreach.
- » **Increasing the Number and Diversity of the State's Constituency for Early Childhood Issues.** Each local initiative with an approved initiative has established a decision making committee that includes membership of early education professionals, parents and may include trustees from other stakeholder partnerships as well. In Sioux Falls, a primary strategy in increasing community recognition of the value of high quality childcare was the establishment of a business-education-civic leadership group tasked with educating peers about the benefits of early education investments.
- » **Dedicating staff and supplies to supply providers with technical support and monitor operation.** Each community has coordinated resource capacity to assist centers in meeting goals and criteria regulations of the local scholarship initiative. In Saint Paul, early childhood specialists interact directly with providers in order to streamline the application process and improve comprehension of the contract agreement related to scholarship fund reimbursement. In Denver, child development personnel provide coaching and oversee quality improvement efforts.

A Key Commonality: Follow the Data

The scholarship programs in Denver, Sioux Falls, and Saint Paul are in the early stages of operation; however, each program is conducting in-depth evaluations of program application and successive child outcomes as a result of participation.

- » *Saint Paul Early Childhood Scholarship Program.* The first scholarships were distributed in January of 2008. The evaluation plan, developed and conducted by SRI International, will continue through 2011. Data will be collected to examine how the scholarship model relates to kindergarten readiness, family outcomes, and the supply and quality of early childhood education programs. Early evaluation results suggest that participation in the program is steadily increasing and that parents are finding information about early education choices beneficial and illuminative.



- » *Denver Preschool Program.* Conducted by Augenblick, Palaich and Associates, the Denver Preschool Program evaluation began in January of 2008. The purpose of the evaluation is two-fold: 1. To examine organizational system issues affecting families and early education providers and 2. To determine the influence of the preschool program on student performance after children leave preschool. Preliminary results for the 2007-2008 year suggest the DPP is experiencing success in increasing the number of preschool sites participating in quality improvement processes; furthermore, the business model is working productively and families and providers indicate that they believe the preschool program is progressive and beneficial.
- » *Starting Strong Sioux Falls.* Dr. Gera Jacobs, an early childhood researcher from the University of South Dakota, is conducting an evaluation of the Sioux Falls scholarship program. In addition to examining vocabulary, communication, literacy and math skills of participating children, Dr. Jacobs is studying parent perspectives of the initiative and measuring quality of participating preschool classrooms. The first year results show significant increases in child development measures and classroom quality.

Conclusion

Although the featured scholarship initiatives differ in structure and design, common themes emerge in the way each community is working to expand monetary resources, address regulatory variations, and implement the ECD scholarship programs across different constituencies. These initiatives are in the early stages of implementation; each program is showing promising results in early evaluation reports. A targeted early childhood program for at-risk children in Memphis will improve the lives of children and positively impact our local economy; however, we must continue to monitor evaluation efforts in these urban communities in order to determine the right program investment for our youngest citizens.

Lessons from these Early Childhood Investment Initiatives [Zero to Three 2007].

- » *Acquire commitment from community and organizational directors.* Building networks, reliance, and shared beliefs among the stakeholders in the ECD system is seen as intensely essential to system building ventures.
- » *Build a collective outlook and detail agreed-upon standards.* An accepted compre-



hension and acknowledgement about suitable outcomes is critical prior to working on the difficult issues related to adapting new policy and practice.

- » *Aim for initial successes even if they are modest.* Minor accomplishments and observance of these accomplishments lay the groundwork for the more challenging undertakings.
- » *Assist the fundamental infrastructure to keep the initiative progressive.* Local obligation, understanding, contemplating, estimation and communication are primary elements of flourishing programs, but they come at a cost. Someone must be willing to invest in these missions.
- » *Base decisions on the evidence.* Accumulating data expands the validity of city needs assessments and builds the argument for services that work.



References

- Augenblick, Palaich and Associates with The Clayton Early Learning Institute. (2008, September). An evaluation of the Denver Preschool Program 2007-2008. Denver, Colorado: Author.
- Barnett, W. S. (1985). Benefit-cost analysis of the Perry Preschool Program and its policy implications. *Educational Evaluation and Policy Analysis*, 7(4), 333-342.
- City of Saint Paul, Minnesota. (n.d.). Early education: Scholarships. Retrieved January 5, 2009, From <http://www.ci.stpaul.mn.us>
- Garces, E., Thomas, D., & Currie, J. (2002). Longer-term effects of head start. *The American Economic Review*, 92(4), 999-1012.
- Gaylor, E. (personal communication, January 2009).
- Groginsky, S., Robinson, S., & Smith, S. (1999, October). Making child care better: State initiatives executive summary. National Conference of State Legislatures: The Forum for America's Ideas.
- Grunewald, R., & Rolnick, A. (2006, January). A proposal for achieving high returns on early childhood development. Paper presented at the 2006 Conference: Building the Economic Case for Investments in Preschool, New York, New York.
- Hart, B., & Risley, T.R. (1995). *Meaningful Differences in the Everyday Experiences of Young American Children*. Baltimore: Paul H. Brooks Publishing Co.
- Herling, D. (2008). Investment in early childhood: A compilation of recent research focusing on the economic benefits of investing in children ages 0-5. Montana KIDS COUNT.
- Lee, V. & Burkam, D. (2002). Inequality at the starting gate: Social background differences in achievement as children begin school. Economic Policy Institute. Washington. D.C.
- Mayor's Office for Education and Children. (n.d.). Advancing quality child care in Denver, 2005-2007. Denver, Colorado: Author. Retrieved January 5, 2009, from www.denvergov.org/education.
- Mayor's Office for Education and Children. (2008, July). Denver preschool program: From Campaign promise to program implementation. Denver, Colorado: Author. Retrieved January 5, 2009, from www.denvergov.org/education.
- Mayor's Office for Education and Children. (n.d.). Mayor's initiative on early childhood education- overview. Denver, Colorado: Author. Retrieved January 5, 2009, from www.denvergov.org/education.
- Minnesota Early Learning Foundation. (2008). What is the purpose of the Saint Paul early childhood scholarship program evaluation? Saint Paul, Minnesota: Author.
- Minnesota Early Learning Foundation Research Consortium. (2008, September). Saint Paul early childhood scholarship program (Issue Brief 1: Early Implementation in Year 1). Saint Paul, Minnesota: Author.
- Palaich, B. (personal communication, January 2009).
- Resources for Child Caring. (n.d.). Saint Paul early childhood scholarship and parent mentoring program: Helping families access high-quality child care and early education. Saint Paul, Minnesota: Author.



References

- Schumacher, R., Ewen, D., Hart, K., & Lombardi, J. (2005, May). All together now: State experiences in using community-based child care to provide pre-kindergarten (Issue Brief No. 5). CLASP Center for Law and Social Policy.
- Sibson, S. (2008, January 14). United way, planned parenthood and preschool. Message posted To <http://sibbyonline.blogs.com>.
- Sioux Empire United Way. (n.d.). Learning life lessons. Sioux Falls, SD: Author. Retrieved December 18, 2008, from www.seuw.org.
- Sioux Empire United Way. (n.d.) Starting strong: Ensuring all children have the opportunity to receive a quality early childhood education. Sioux Falls: Author. Retrieved December 18, 2008, from <http://www.seuw.org>.
- South Dakota Voices for Children. (n.d.). High marks for Starting Strong's first year. Sioux Falls, SD: Author. Retrieved December 18, 2008, from <http://www.sdvoicesforchildren.org>.
- SRI International. (2007). Saint Paul early childhood scholarship program evaluation. Saint Paul, Minnesota: Author.
- Zero to Three. (2007). Characteristics of early childhood system building initiatives in communities: A summary of the scan of thirty-two local early childhood initiatives conducted by ZERO TO THREE. Retrieved February 12, 2009 from <http://www.zerotothree.org/site/>

