



A Voice for Kids A Voice for Kids A Voice for Kids A Voice for Kids A Voice for Kids A Voice for Kids

Pennsylvania Partnerships for Children

“Investments in high-quality early education programs have the highest rate of return of any social investment.”

James Heckman, University of Chicago Economist and Nobel Laureate

“The day-to-day reality of succeeding in an increasingly competitive marketplace demands skilled and educated workers. Investing in the academic success of our children directly contributes to the overall economic health of our nation.”

James E. Rohr, Chairman and Chief Executive Officer, PNC Financial Services Group, Inc.

Why It Matters

In September, thousands of Pennsylvania’s young children birth through age four will enter child care, Head Start, and pre-kindergarten classrooms to launch educational careers that will span well into adulthood. More than 128,000 children will start kindergarten this year in public schools across the Commonwealth.¹ Some will be ready to learn, but many others will not. School districts will spend hundreds of millions of dollars for remediation and special education costs on those “not ready” for school and throughout their academic careers.

A substantial body of research on brain development has helped us understand how children’s early experience from birth through five can significantly influence later cognitive, behavioral, educational, and economic outcomes for success in school and lifelong achievement.

Environmental, financial, health and nutrition factors all can significantly influence a child’s early development and school readiness - interrelated in complex ways regardless of background or income. Children in poverty, from single-parent homes, or who lack English proficiency, face additional risks. Researchers compared language development in professional, middle income - working families, and families in poverty over a two and a half year period. They extrapolated from their data that by age three, children in professional families had been exposed to 11.2 million words in a year. In contrast, children in middle-income families were exposed to 6.5 million words; while children in poverty, only 3.2 million. In addition, the amount and frequency of interaction between parents and children translated into striking disparities in the children’s later vocabulary growth rate, vocabulary use, and IQ test scores.²

The American Business Roundtable, an association of chief executive officers of leading U.S. companies with more than \$4.5 trillion in annual revenues and more than 10 million employees, issued a "Call to Action" and noted, "*In today's world, where education and skill levels determine future earnings, the economic and social costs to individuals, communities, and the nation of not taking action on early childhood education are far too great to ignore, especially when the benefits far outweigh the costs.*"³ Readiness to learn is tied to education; education is tied to a skilled workforce. In a survey of 205 senior executives at Fortune 1,000 companies and other firms with more than 1,000 employees, four in five (81 percent) said public funding of voluntary pre-kindergarten for all children would improve America's workforce.⁴

What happens or does not happen in early childhood can influence a lifetime of learning for every child, regardless of background or income. As a nation, we must commit to supporting our youngest children to ensure that each reaches school academically, emotionally and socially prepared.

What Works

Research into young children's development proves the benefits of high-quality early education are dramatic and lasting. High-quality early education:

- Prepares kids for school. Children who enter kindergarten from high-quality programs have better reading, language, and social skills than their peers.⁵
- Increases school success. Children from high-quality programs get better test scores in later grades and are likelier to graduate from high school – itself a critical indicator of the adult's life chances.⁶
- Reduces the likelihood that children will get in trouble as teens. Young children who receive enriching early childhood education experiences, such as nurse home visitors, quality child care, and quality preschool, are less likely to become delinquent as teens.⁷
- Prepares children for success in adulthood. Children from high-quality early childhood education programs are likelier to mature into responsible citizens – likelier to be married, with higher educational attainment and better-paying jobs.⁸
- Builds a foundation for a skilled workforce that helps Pennsylvania, this country, and its businesses remain economically competitive.

But what is high-quality early education? The National Institute for Early Education Research (NIEER) supports early childhood education initiatives by providing objective, nonpartisan information based on research. NIEER's Quality Standards Checklist – a 10 point scale – is a catalog of features of a high quality pre-K program, representing a set of minimum criteria needed to ensure effective pre-K programs, especially when serving disadvantaged children. These benchmarks were agreed upon as the core standards to operate quality pre-K programs by the nation's leading researchers in the field. They include early learning standards, degreed teachers, small group sizes, low staff to child ratios, and on-site monitoring.

Studies have shown that investments in high-quality early education replace larger public sector expenditures on special education, welfare, and juvenile justices:

- According to a study conducted in Pennsylvania, school districts investing in pre-K could recoup as much as 78% of their spending in pre-K in education savings. Providing targeted preschool programs could reduce special education expenditures in the state by at least 8 percent annually (\$68 million).⁹
- High-risk 4-year olds in Allegheny County's Early Childhood Initiative showed special education and grade retention rates of less than 1% and 2% respectively in districts where other students were referred for special education and retained at rates of 21% and 23% respectively.¹⁰
- The most recent cost benefit analysis of the "Perry Preschool Program" in Michigan has revealed that for every \$1 spent, an estimated \$16 was saved in lower public expenditures for welfare, education and other services.¹¹

There are also indications that workforce performance of parents is enhanced through improved productivity and employee stability when young children are in stable, high-quality early education settings. Safe, reliable child care keeps low-income, working families working. Research has shown that low-income mothers whose children had participated in high-quality child care experienced more stable employment and higher earnings.¹²

The facts and the research clearly indicate that it makes far more sense to "frontload" the system to assure success, rather than "backload" it to compensate for failure.

Where Are We Now

Pennsylvania has proven itself a national leader in early childhood education investments and strategies. Some of the investments have been undertaken with state resources alone, while others have leveraged state with federal resources to build and support programs for the Commonwealth's youngest and most at-risk citizens.

Pre-Kindergarten

Pennsylvania has left behind a reputation as one of only nine states in this country not funding a dedicated pre-K program to assume a leadership role in the design and support of publicly funded high quality pre-K. However, just 20% of the Commonwealth's three- and four-year olds have access to high quality, publicly funded pre-K.

Since FY 2004/2005, the state Head Start Supplemental Assistance program has expanded service to Pennsylvania's most needy three, four, and five year olds. In addition, some school districts are using state Accountability Block Grant funds to create pre-K programs.

With the establishment of Pennsylvania Pre-K Counts in 2007, the Commonwealth has not only provided an influx of new dollars for pre-kindergarten education, but it also stands to make rapid improvement in the quality of pre-K programs. Pre-K Counts' program standards coupled with the State Board of Education's pre-K regulations will boost Pennsylvania's score on the National Institute for Early Education Research's (NIEER) ten point quality checklist from a four to a nine plus.

With a FY 2008-2009 budget of \$86.4 million, Pennsylvania Pre-K Counts will serve nearly 12,000 children. However, this is fewer than 4% of Pennsylvania's three- and four-year olds. Pennsylvania Pre-K Counts is provided through a mixed delivery system through schools, child care, licensed nursery, and Head Start centers. The 146 grantees worked with 179 partners to open 845 PA Pre-K Counts classrooms in 2007. Nearly 70 percent of children participating in the first year of Pennsylvania Pre-K Counts achieved age-appropriate skills and behaviors after participating in the program. The data also shows a 58 percent increase in the number of children meeting targets for language and literacy skills.

Child Care Access and Quality

In FY 2008-2009, the Commonwealth will spend an estimated \$790.4 million in state and federal funds to provide access to and increase the quality of child care for Pennsylvania's children. Federal funds used to support child care services include the Child Care and Development Block Grant (CCDBG), the Social Services Block Grant (SSBG) and Temporary Assistance to Needy Families (TANF) Block Grant. Federal dollars are crucial to extending the many benefits of quality, affordable child care to all Pennsylvania families.

With more than 65 percent of parents working outside the home, the role child care plays in preparing children to make the transition to school is increasingly important. Parents need child care as a critical work support and their children need care to meet their developmental needs. High quality, affordable, child care still remains out of reach for many Pennsylvania families. High-quality child care is expensive and can represent a significant portion of a family's expenses at all income levels. The cost of child care for two children at a private facility in Pennsylvania costs more than \$18,000 a year, over 80 percent of the median single parent income.¹³

Low-income families needing child care are faced with a number of challenges in finding care. Access to subsidized child care does not guarantee a family a broad array of choices in every community. Furthermore, many families must encounter a waiting list. Over the last four years, despite Pennsylvania's expanded investment in Child Care Works, the state's child care subsidy program, the waiting list for subsidized care has not been significantly reduced. In FY 2007-2008, subsidized child care waiting lists climbed as high as 15,000 children.

The size of waiting lists and length of wait can vary dramatically from county to county. In March 2008, waiting lists ranged from 0 in Bedford County to over 1,500 in Northeast Philadelphia. The average wait for parents in Delaware County (127 days) was four times longer than for parents in Erie (30 days); in Allegheny County parents waited 64 days while in neighboring Westmoreland County the average wait was 25 days. These numbers may be an artificially low estimate of need. Many families need child care on an immediate basis and oftentimes will not wait for services.

Safe, accessible, and affordable care are just pieces of the equation. Pennsylvania's commitment to quality in early childhood education begins with its child care certification regulations -- basic health and safety requirements, low staff to child ratios and group

sizes, and minimum qualifications for staff. However, minimum standards are not enough to affect the results we need to support our young children's school readiness.

Pennsylvania's Keystone STARS is a nationally recognized child care quality recognition and improvement system. This voluntary program consists of a set of performance standards that reflect research-based practices to improve outcomes for children, a recognition system awarding a number of stars (1-4) as programs achieve the quality standards, and a system of financial and technical support. FY 2007-2008 figures document the commitment of Pennsylvania's child care community to program improvement: 76% percent of child care centers, 59% percent of regulated group day care homes and 33% percent of family day care homes are participating in the program.

Research links teacher formal education, program quality, and positive child outcomes in child care. An integral component of the Keystone STARS quality improvement system focuses on staff. The T.E.A.C.H. scholarship program provides the supports and incentives to help address low education, poor compensation, and high turnover rates in Pennsylvania's early childhood workforce. In FY 2007-2008, nearly 1,400 scholarships were provided to pursue Associate Degrees; 211 scholarships were provided to pursue Bachelor's Degrees; and 21 Director Credential scholarships.

Research on the Keystone STARS program shows that it is making a difference. Child care centers participating in Keystone STARS in 2006 had higher quality than the Pennsylvania average for child care centers and are showing higher quality now than at the inception of the STARS program in 2002. Further, Keystone STARS is reversing the negative trend in child care quality that was evident in the late 1990's. Unfortunately, quality improvement takes both time and money.

Increasing Safety and Accountability for Home-Based Providers

The National Association of Child Care Resource and Referral Agencies (NACCRRRA) released a report in January 2008 entitled *Leaving Children to Chance: NACCRRRA's Ranking of State Standards and Oversight of Small Family Child Care Homes*. The report ranked every state, the District of Columbia, and the Department of Defense child care system, on the health, safety, and well-being of children while in home-based child care programs. Fifteen states received a score of zero (out of a possible score of 140) because they either do not regulate small family child care homes, do not conduct an inspection prior to issuing a license, or allow more than six children in care before applying any state regulations. Pennsylvania was one of the fifteen states. On a national scale, Pennsylvania was ranked 45 out of 52.

Pennsylvania regulates three types of child care – center, group and family. Center and group child care are subject to on-site monitoring and certification. Family child care providers serve six or fewer children. Registration requirements are minimal before they are certified to provide care for children and collect subsidized child care payments. Pennsylvania uses a self certification process that includes a one page application, child abuse, criminal history & FBI checks, health appraisal, a certificate of occupancy. A check-off on the application affirms that the applicant has read the DPW regulations for family child care.

As regulated providers, family child care providers can participate in Keystone STARS. Over a third of Pennsylvania's 4,181 family child care providers are participating in Keystone STARS, but only 47 have reached a STAR 3 or 4 level in the program.

Unfortunately, there is little assurance that home-based providers follow Department of Public Welfare requirements. The Department conducts random monitoring visits to just fifteen percent of regulated family child care providers each year. Providers could operate for years before they receive an initial visit. In the past few months, newspapers across the state have reported the tragic results of poor quality, poorly supervised, and non-complying home-based programs. It is simply not possible to know if a small, home-based provider is safe or whether a quality environment is offered for children if providers are not monitored.

In this last year, there has been movement in both the Pennsylvania House and the Senate to address concerns about the safety of children in home-based settings. Senate Bill 1421 (Piccola) and its companion bill House Bill 2561 (Payne) would require all family child care providers to have liability insurance as a condition of their certification. HB 2485 (Youngblood) would require the Department of Public Welfare to inspect each family child care home at least once every two years.

We can find many strengths in Pennsylvania's early childhood education system, but there continues to be some areas that need to be made stronger. In the face of declining Federal support, Pennsylvania has done its best to address the needs of families for subsidized child care, committed to improving the quality of Pennsylvania's early care and education, and undertaken the obligation to invest today in high-quality pre-K for payoff in the future

Recommendations

- Expand access to high-quality, voluntary pre-kindergarten by increasing funding for Pennsylvania Pre-K Counts and restoring previously cut funding for the Head Start Supplemental Assistance program.
- Eliminate waiting lists for 5,000 children and increase investment in Child Care Works to assure that more children and families can receive the supports they need to stay working. Decrease discrepancies between counties on size and length of time on waiting lists.
- Continue to build the Keystone STARS system across early education program types and services and help providers move up in the rating system. Improve the education and retention of early childhood education teachers through a variety of mechanisms, including the expansion of the existing scholarship programs such as T.E.A.C.H. and the retention strategies in Keystone STARS.
- Monitor all registered Family Child Care providers for compliance with Department of Public Welfare regulations on a semi-annual basis.

The Time is Now

As a Commonwealth, we must commit to supporting our youngest children to ensure that each reaches school academically, emotionally and socially prepared. The facts and the research clearly indicate that it makes far more sense to “frontload” the system to assure success, rather than “backload” it to compensate for failure.

In this election season, those seeking public office have a tremendous opportunity to provide and support an educational foundation for Pennsylvania’s youngest citizens that will enhance their abilities to become lifelong learners, successful adults, and contributing citizens to the Commonwealth’s future.

These recommendations are critical steps in assuring Pennsylvania’s ongoing economic health and competitiveness, especially with other states’ increasing investments in their early education programs. It will require commitment, concentrated effort, and a willingness to allocate the necessary resources to make sure children enter school active, curious, eager and ready to learn. While children will be the direct beneficiaries of this investment, many others – families, employers, and all of Pennsylvania’s citizens – will benefit as well now and into the future.

¹ Public, Private and Nonpublic Schools Enrollments By Grade and Total Projected Through 2012-13. (7/30/2007). Retrieved August 17, 2008 from <http://www.pde.state.pa.us/k12statistics/lib/k12statistics/9697Act1213ProjEnro.xls>.

² Hart, B., Risley, T.R. (Spring 2003) The Early Catastrophe: The 30 Million Word Gap by Age 3. *American Educator*. Retrieved 8/17/2008 from http://www.aft.org/pubs-reports/american_educator/spring2003/catastrophe.html.

³ American Business Roundtable. (2004, Feb. 4). Early Childhood Education: A Call to Action. Retrieved 8/17/2008 from <http://www.businessroundtable.org/pdf/901.pdf>.

⁴ Broman, M. (2006, January 10). National Poll Reveals American Business Leaders Link Access to Pre-Kindergarten Education to Country’s Economic Prosperity. Retrieved 8/17/2008 from, http://www.pewtrusts.org/news_room_detail.aspx?id=23582.

⁵ Peisner-Feinberg, E.S., Burchinal, M.R., Clifford, R.M., Culkin, M.L., Howes, C., Kagan, S.L., Yazejian N., Byler, P., Rustici, J., & Zelazo, J. (2000). The Children of the Cost, Quality, and Outcomes Study Go to School. Retrieved 8/17/2008 from <http://www.fpg.unc.edu/ncedl/PDFs/CQO-es.pdf>.

⁶ Ibid.

⁷ Reynolds, A. J., et al., “Effects of a School-Based, Early Childhood Intervention on Adult Health and Well-being: A 19-Year Follow-up of Low-Income Families,” *Arch Pediatr Adolesc Med*. 2007;161(8):730-739. Retrieved on 8/17/2008 from <http://archpedi.ama-assn.org/cgi/content/full/161/8/730>.

⁸ (1999). Early Learning, Later Success: The Abecedarian Study. Chapel Hill: University of North Carolina, FPG Child Development Center. Retrieved 8/17/2008 from <http://www.fpg.unc.edu/~abc/ells-04.pdf>.

⁹ Pennsylvania Build Initiative. (2006). Invest Now or Pay More Later: Early Childhood Education Promises Savings to Pennsylvania School Districts. Retrieved 8/17/2008 from http://www.teaching.state.pa.us/early_childhood/lib/early_childhood/BUILD_Report_III.Harvey.Feb061.pdf.

¹⁰ Bagnato, S. J. (2002). Quality Early Learning — Key To School Success: A First-Phase 3-Year Program Evaluation Research Report for Pittsburgh’s Early Childhood Initiative (ECI). Pittsburgh, PA: The UCLID Center at the University of Pittsburgh. Retrieved on 8/17/2008 from http://uclid.org:8080/uclid/pdfs/ecp_final_report.pdf.

¹¹ Schweinhart, L. J. (2007). The High/Scope Perry Preschool Study Through Age 40: Summary, Conclusions, and Frequently Asked Questions. Ypsilanti, MI: High/Scope Educational Research Foundation. Retrieved on 8/17/2008 from http://www.highscope.org/file/Research/PerryProject/3_specialsummary%20col%2006%2007.pdf.

¹² Masse, L. N., Barnett, W. S., (2002). A benefit cost analysis of the Abecedarian Early Childhood Intervention. New Brunswick, NJ: National Institute for Early Education Research.

¹³ NACCRRA. (2008). Parents and the High Price of Child Care: 2008 Update. Washington, DC: National Association of Child Care Resource and Referral Agencies. Retrieved Feb. 14, 2008 from http://www.naccrra.org/docs/press/price_report.pdf.