A Sustainable Financing Model for High Quality Preschool for At-Risk Children

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Janis Dubno, M.B.A. and Lindsay Dolce, J.D.
Voices for Utah Children & Early Learning Ventures
There is growing state and national attention on addressing the achievement gap and increasing reading proficiency by 3rd grade.

As state governments continue to face challenging fiscal conditions, there is a need to identify strategies that will lead to improved school readiness for at-risk children within state education budget constraints.

The **sustainable financing model for high quality preschool** is one strategy that could potentially increase the resources available to school districts to invest in high quality early childhood education (“ECE”) programs for at-risk children.
Once Children Receive Special Education Services, Few Exit to Regular Education

- Children who enter special education in the early elementary grades will typically remain in special education for many years.

- According to national data, only 5-10 percent of school age children who enter special education are declassified and transferred to general education.

- For the 12 months ending in the fall of 2006-07, less than 3 percent of students in special education, ages 14 to 17, were transferred to general education.
High Quality Preschool Provides Experience for At-Risk Children Who Might Otherwise Need Special Education

- Longitudinal evidence from high quality early childhood projects, state-funded preschool programs and Title I-funded preschool programs show significant reductions in special education use for economically disadvantaged children.

- Examples:
  - Granite School District in Utah
  - Perry Preschool Program, Abecedarian Early Childhood Program, and the Chicago Parent-Child Centers
  - Louisiana’s 4 year old Preschool Program: LA4
High Quality Preschool Provides Experience for At-Risk Children Who Might Otherwise Need Special Education Evidence from Utah

Utah’s Granite School District
Performance on Receptive and Expressive Language for Students Attending Early Reading First Preschool

Entering Preschool (06-07 SY)
Exiting 1 Yr. (06-07 SY)
Exiting 2 Yrs. (07-08 SY)

- Peabody Picture Vocabulary Test (PPVT)
- Expressive Vocabulary Test (EVT)
- Special Education Qualified
The Impact is Greatest for English Language Learners
Evidence from Utah

Utah's Granite School District
Performance on Receptive and Expressive Language for Students Attending Early Reading First Preschool
English Language Learners

Entering Preschool (06-07 SY)
Exiting 1 Yr. (06-07 SY)
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Peabody Picture Vocabulary Test (PPVT)
Expressive Vocabulary Test (EVT)
Special Education Qualified
Reduction of Special Education Use
Early Childhood Pilot Projects

Percent of Children Requiring Special Education

<table>
<thead>
<tr>
<th>Program</th>
<th>Preschool Group</th>
<th>Control Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Perry Preschool Program, age 10</td>
<td>17%</td>
<td>38%</td>
</tr>
<tr>
<td>Abecedarian Early Childhood Program, age 9</td>
<td>25%</td>
<td>48%</td>
</tr>
<tr>
<td>Chicago Child-Parent Centers</td>
<td>12%</td>
<td>22%</td>
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</tbody>
</table>
Reduction in Special Education Use through Second Grade
Recent Evidence from Louisiana

Percent of Free and Reduced Lunch Children Requiring Special Education

- Kindergarten: 14.5%
- First Grade: 17.7%
- Second Grade: 22.8%

Legend: No Public Pre-K

LA 4
Reductions in Special Education Use is a Significant Cost Savings to School Districts

State Funding For Special Education
Average Per Pupil in Utah
FY08

- Average Annual Special Education Per Pupil K-12: $3,120
- Accumulated Spending Per Pupil K-12: $40,565
- Present Value of Accumulated Spending @ 3% Discount Rate: $33,185
This financing strategy would be sustainable and scalable.

- Some special education eligible at-risk children who receive high quality early education can overcome special education eligibility and remain in general education resulting in savings.
- Reinvest savings (once they are achieved) from reductions in special education use into high quality ECE programs for at-risk children.
- The more at-risk children (who qualify for special education) who receive early education and move into general education, the greater the savings.
- And, the greater the savings, the greater the reinvestment opportunity into the ECE program.
- As more children are served, more money is saved, which in turn allows the school district to serve more ECE children who are at-risk for school failure.
Data Collection Pilot Projects in Utah and Colorado

- **Granite School District in Salt Lake City, Utah**
  - High Quality Title I Preschool.
  - “Center of Excellence” designation by U.S. Department of Education in the first year of implementation of an Early Reading First Grant.
  - Successfully closing the “school readiness gap” for economically disadvantaged and English Language Learners.

- **Summit School District in Summit County, Colorado**
  - High Quality Early Childhood Programs in a mixed delivery context including the Colorado Preschool Program and Head Start as “wraparound” programs to ensure full day learning opportunities.
  - Summit County instituted a local property tax in 2005 to support early care and learning. Programs supported by this tax initiative are now referred to as part of the Right Start Project serving a majority of ECE programs in the County.
The Sustainable Financing Model
Promising Early Results from the Granite School District in Utah

➢ Preliminary results from 3 cohorts of very at-risk preschool students in 11 Title I schools most impacted by poverty
  – SY06-07: 213 at-risk preschoolers
    • 30% (65) potentially eligible for special education received regular education preschool
      – 5 received special education services k-3.
  – SY07-08: 245 at-risk preschoolers
    • 28% (68) potentially eligible for special education received regular education preschool
      – 1 received special education services k-3
  – SY08-09: 279 at-risk preschoolers
    • 38% (105) potentially eligible for special education received regular education preschool
      – 1 received special education services k-3
The Sustainable Financing Model
Promising Early Results from the Granite School District in Utah

State Savings in Special Education for Most At-Risk Preschoolers
- Actual SY07: $153,354
- Actual SY08: $286,047
- Actual SY09: $581,098
- Proforma SY10: $867,617
- Total: $1,888,116

Additional Children Served by Sustainable Financing Model (State Savings)
- Actual SY07: 0
- Actual SY08: 115
- Actual SY09: 207
- Proforma SY10: 414
- Total: 736
The Sustainable Financing Model
Promising Early Results from the Granite School District in Utah

State and Federal Savings in Special Education for Most At-Risk Preschoolers

- Actual SY07: $283,307
- Actual SY08: $519,070
- Actual SY09: $1,216,148
- Proforma SY10: $1,877,159
- Total: $3,895,683

Additional Children Served by Sustainable Financing Model (State and Federal Savings)

- Actual SY07: 0
- Actual SY08: 0
- Actual SY09: 0
- Proforma SY10: 1,454
- Total: 866

Total Annual State and Federal SPED Savings

Additional Children Funded by Sustainable Financing Model
The Sustainable Financing Model

- Results will vary based on the quality of the early education program.

- Results will also vary by school district and state based on differences in how special education is financed, and the cost of preschool.

- Additional data collection and analysis in progress in Utah and Colorado.

- *Early results from the Granite School District in Utah are promising!*
We Would Like to Acknowledge Our Partners

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Kauffman-PAES Early Childhood Finance Innovation Working Group

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Augeblick, Palaich, and Associates
Early Intervention Research Institute, Utah State University
Kauffman-PAES Early Childhood Finance Innovation Working Group
Contact Information

Janis Dubno, M.B.A.
Voices for Utah Children
Early Childhood Senior Policy Analyst
(801) 364-1182
janis@utahchildren.org

Lindsay Dolce, J.D.
Early Learning Ventures
Senior Program Manager
(303) 789-2664 x234
ldolce@earlylearningventures.org