American Institutes for Research's Analysis of Options for Funding Universal Preschool in Sonoma County

Summary, Updated Report

May 2016

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Report Content

- Key features, including funding levels, phase-in plans, and finance mechanisms, of 12 city and other regional preschool initiatives across the United States
- Analysis of potential funding options
- Two estimates for the per child cost of providing full-day, full-year preschool: one based on current expenditures and one with an increase in compensation to a living wage
- Eight options for phasing in universal access to quality preschool during a five- to 10-year period
- Recommendations for funding and phasing in access to quality preschool for all children

12 Preschool Initiatives Studied

- Boston, MA: Boston Public Schools Early Childhood Education; Boston K1DS (ending in November 2015 and being replaced by the Massachusetts Preschool Expansion Grant)
- Chicago, IL: Child-Parent Centers
- Denver, CO: Denver Preschool Program
- Elk Grove, CA: Elk Grove Unified School District Preschool
- Los Angeles, CA: Los Angeles Universal Preschool
- New York City, NY: Prekindergarten for All
- Salt Lake Region, UT: School Readiness
- San Antonio, TX: Pre-K 4 San Antonio
- San Francisco, CA: Preschool for All
- Seattle, WA: Seattle Preschool Program
- Washington, D.C.: Prekindergarten Enhancement and Expansion Program
- West Sacramento, CA: UP4WS

Participation Rates Vary

- None of the initiatives serve 100 percent of the eligible population.
- Examples from preschool initiatives studied:
  - Denver serves 54 percent of its four-year-olds.
  - San Francisco's goal was to serve 65 percent of its four-year-olds; it is estimated that currently 70 percent of four-year-olds attend preschool in San Francisco.
  - Boston currently serves about 50 percent of its four-year-olds in the Boston Public Schools, but the Massachusetts Preschool Expansion Grant will expand access and serve additional children.
  - Washington, D.C., serves 86 percent of all three- and four-year-olds, with the capacity to serve 95 percent.

Target Age Group

- The majority of preschool initiatives studied target services to four-year-old children.
  - However, some initiatives, such as those in Seattle, the District of Columbia, Salt Lake, and Elk Grove, include three-year-olds.
  - San Francisco and West Sacramento give priority to four-year-olds but have a goal of broadening their initiatives to serve younger children.

Target Population

- Nine of the 12 locations have a goal of eventually providing universal access to age-eligible children regardless of family income.
- However, many of the initiatives chose to start small and serve high-need areas first, and they will gradually expand to serve their target populations.
- Making preschool “accessible” to all does not necessarily mean making it “free” to all.

Hours and Days of Operation

- There are three main categories of preschool in terms of hours of operation among the initiatives studied:
  - Half-day programs that operate up to four hours per day, usually in two sessions: morning and afternoon
  - Full-day programs that operate up to 6.5 hours per day (the typical school day)
  - Full-day programs that operate eight to 10 hours per day, which is more similar to the schedules of working parents

Hours and Days of Operation

- Most initiatives provide families the option of at least a six-hour, school-year program.
- Most programs operate five days per week.
- Sonoma County scenarios presented in the report are based on the following assumptions made with guidance from County staff:
  - Full day (eight hours)
  - Full year (12 months)

Funding Sources

- Most of the initiatives studied have a dedicated funding mechanism for preschool.
  - Sales tax: Raises $13 million per year in Denver and $31 million per year in San Antonio
  - Property tax: Is expected to raise $58 million over four years in Seattle
  - Set-aside: Generates $27.2 million per year in San Francisco; funded by 4 percent reserved from the local property tax
  - Combination of funding sources: In Washington, D.C., school district, Head Start, and set-aside from the city's general fund generate $191 million per year.
  - Pay for Success Bonds: In Salt Lake, private investors provide approximately $3 million per year; the bond agreement includes a promise to pay back the original investment plus a percentage of the cost savings.
  - State and federal funds as well as private donations supplement primary funding mechanisms in many of the initiatives studied.

Family Fees

- Half of the 12 preschool initiatives studied charge fees to at least some parents who participate.
- All initiatives that charge fees apply a sliding scale based on income, and most are free to children meeting defined eligibility guidelines (e.g., eligibility for free or reduced-price lunch or, in Seattle, up to 300 percent of the federal poverty level).

Quality Considerations

- Teacher educational qualifications: Six of the 12 initiatives require lead teachers to have bachelor's degrees.
  - In a seventh program (San Antonio), most teachers have bachelor's or master's degrees.
- Of the remaining initiatives, most provide higher reimbursements to programs that meet higher Quality Rating and Improvement System (QRIS) levels, including higher teacher qualifications.
- Almost all of the initiatives have requirements for ratios and total class sizes.

Quality Considerations

- Some initiatives provide professional development or tuition reimbursement to encourage teachers to obtain more education.
- Many initiatives require that programs receive an independent assessment of quality using the Early Childhood Environment Rating Scale or Classroom Assessment Scoring System.

Expenditures Per Child

- Preschool initiative expenditures per child vary across the initiatives studied depending on the quality requirements and intensity of the program.
- Four initiatives fund a full-day (at least six-hour) program with relatively high-quality standards and expenditures per child per year, ranging from $13,000 to $15,372.
- The per-child expenditure for four initiatives covers the full cost of the program (Boston, Chicago, Salt Lake, and San Antonio).
- The expenditures per child for the eight other initiatives provide a fraction of the full cost of either a full- or half-day program.

Providers

- Mixed-delivery system: Services are provided by
  - Public schools
  - Private schools
  - For-profit schools
  - Community nonprofit centers
  - Faith-based organizations
  - Charter schools
- Single-provider system: All providers are of the same type or there is only one provider, such as a school district.

Political Leadership

- Almost every initiative studied had a local politician or other leader who took on preschool as a cause.
- Community organizers and education advocates provided key leadership for many of the initiatives.

Estimated Cost Per Child in Sonoma County

- The annual per-child cost for full-day (eight hours), full-year (12 months) preschool serving three- and four-year-olds at current salaries is estimated to be $11,590.
- Increasing salaries to a $15 per-hour living wage, the per-child cost is estimated to be $13,143.

Estimated Cost of Upgrading Existing Subsidized Slots

- In addition to funding new preschool slots, it is important to account for cost of upgrading existing subsidized slots (such as State Preschool and CalWORKS) to meet quality standards.
- The cost of upgrading existing slots is estimated at $2,565 at current salaries and $4,118 at living wage ($15 per hour).

Phase-In Options

Summary of Phase-In Options

Summary of Total Costs for Last Year of Phase-In for Each Scenario (Current Salaries and Increasing Salaries to a Living Wage) Calculating Unmet Need by Subtracting Only Existing Subsidized Preschool Slots (Head Start, Title 5, CalWORKS, and Alternative Payment Program), Including Upgrading Existing Subsidized Slots in the Total Costs

Phase-In Scenario	Population of Children	Existing Subsidized Slots ONLY	Number of Resulting New Slots Needed (Unmet Need)	Length of Phase-in	Current Salaries Total Cost in Final Year	Living Wage Total Cost in Final Year
1. All four-year-olds in the high-priority census tracts	1,280	395	885	5 years	$13,131,591	$15,369,941
2. All four-year-olds in the high-priority ZIP codes	5,302	1,270	4,032	10 years	$68,713,520	$79,461,921
3. Three- and four-year-olds below 300% FPL at 85% participation rate in the high-priority census tracts	1,172 (85% of 1,379)	283	889	5 years	$12,733,626	$14,783,116
4. Three- and four-year-olds below 300% FPL at 85% participation rate in the high-priority ZIP codes	5,575 (85% of 6,558)	2,013	3,562	10 years	$65,660,627	$76,804,339

Summary of Phase-In Options continued

Phase-In Scenario	Population of Children	Existing Subsidized Slots ONLY	Number of Resulting New Slots Needed (Unmet Need)	Length of Phase-in	Current Salaries Total Cost in Final Year	Living Wage Total Cost in Final Year
5. Three- and four-year-olds below 300% FPL at 70% participation rate in the high-priority census tracts	965 (70% of 1,379)	283	682	5 years	$10,033,495	$11,721,001
6. Three- and four-year-olds below 300% FPL at 70% participation rate in the high-priority ZIP codes	4,591 (70% of 6,558)	2,013	2,578	10 years	$50,780,871	$59,929,783
7. All three- and four-year-olds countywide at 70% participation rate	8,091 (70% of 11,558)	2,013	6,078	10 years	$104,182,375	$120,584,735
8. All three- and four-year-olds countywide at 70% participation rate, free for children below 300% FPL, and a 25% tuition credit for all children at or above 300% FPL	8,091 (70% of 11,558)	2,013	3,021 (below 300% FPL) 3,057 (at or above 300% FPL)	10 years	$69,507,175	$81,260,933

All Four-Year-Olds in High-Priority Census Tracts at Current Salaries

Total number of children	1,280				
Total number of slots to add (unmet need)	885				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	40	120	200	240	285
Continuing slots created in prior years		40	160	360	600
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	395	395	395	395	395
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$1,476,569	$3,060,278	$5,718,098	$9,035,992	$13,131,591

Note. The total number of children (four-year-olds) was calculated by taking one third of "children 2 to under 5" category, Tables 10–14, Child Care Planning Council Report Supplement, 2015. Unmet need was calculated by subtracting all existing subsidized slots identified in the "Number of place-Based subsidized spaces" and "Number of children with Alternative Payment vouchers" table rows from the Child Care Planning Council Report Supplement tables for each high-priority census tract.

If staff wages are increased to a living wage, then we estimate that the total cost will be $15 million in Year 5.

All Four-Year-Olds in High-Priority ZIP Codes at Current Salaries

Total number of children	5,302				
Total number of slots to add (unmet need)	4,032				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	80	120	200	300	400
Continuing slots created in prior years		80	200	400	700
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	1,270	1,270	1,270	1,270	1,270
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$4,184,110	$6,085,952	$9,071,448	$13,486,701	$19,452,800

Note. The total number of children (four-year-olds) was calculated by using three-year averages from the 2012 American Community Survey Public Use Microdata Sample (PUMS) data, disaggregated by ZIP based on Missouri Census Data Center ZIP code to (Public Use Microdata Area [PUMA]) allocation factors, for all ZIP codes associated with Sonoma County's highest-need elementary schools. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in each of these ZIP codes, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's Early Learning Needs Assessment Tool (ELNAT).

All Four-Year-Olds in High-Priority ZIP Codes at Current Salaries continued

Total number of children	5,302				
Total number of slots to add (unmet need)	4,032				
	Year 6	Year 7	Year 8	Year 9	Year 10
New or newly publicly funded slots	460	500	580	660	732
Continuing slots created in prior years	1,100	1,560	2,060	2,640	3,300
Cost per child (increasing 3% per year)	$13,435	$13,839	$14,254	$14,681	$15,122
Number of existing subsidized slots	1,270	1,270	1,270	1,270	1,270
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$4,410	$4,814	$5,229	$5,656	$6,097
Total cost each year	$26,560,538	$34,620,456	$44,270,043	$55,631,632	$68,713,520

Note. The total number of children (four-year-olds) was calculated by using three-year averages from the 2012 American Community Survey Public Use Microdata Sample (PUMS) data, disaggregated by ZIP based on Missouri Census Data Center ZIP code to (Public Use Microdata Area [PUMA]) allocation factors, for all ZIP codes associated with Sonoma County's highest-need elementary schools. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in each of these ZIP codes, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's Early Learning Needs Assessment Tool (ELNAT).

If staff wages are increased to a living wage, then we estimate that the total cost will be $79 million in Year 10.

Three- and Four-Year-Olds Below 300 Percent FPL at 85 Percent Participation Rate in the High-Priority Census Tracts at Current Salaries

Total number of children	1,172				
Total number of slots to add (unmet need)	889				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	80	120	200	240	249
Continuing slots created in prior years		80	200	400	640
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	283	283	283	283	283
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$1,652,923	$3,211,598	$5,843,634	$9,134,971	$12,733,626

Note. To estimate the total number of children (three- and four-year-olds) below 300 percent FPL in the high-priority census tracts, we used the Child Care Planning Council 2015 report supplement reports of "children from low-income families" (under 70 percent state median income) and "children in families earning just over the eligibility limit," which together provide the total number of children in families earning $75,000. Because 300 percent FPL for a family of four is $71,550, we multiplied this total by 90 percent to approximate the number of children in the high-priority census tracts below $71,500, or 300 percent of poverty. We then multiplied this population estimate of the number of children below 300 percent FPL by 85 percent, the assumed participation rate. To calculate unmet need, we used data on the number of children enrolled in subsidized slots, with Head Start enrollment obtained from AIR's survey of Head Start grantees and state-supported enrollment from the 801A reports from the California Department of Education and in all licensed care, for the ZIP code(s) associated with each census tract to estimate the percentage of overall slots that are subsidized. We then applied these percentages to total child care supply in each census tract to estimate the number of subsidized slots and subtracted these from total population.

If staff wages are increased to a living wage, then we estimate that the total cost will be $14.7 million in Year 5.

Three- and Four-Year-Olds Below 300 Percent FPL at 85 Percent Participation Rate in the High-Priority ZIP Codes at Current Salaries

Total number of children	5,575				
Total number of slots to add (unmet need)	3,562				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	80	120	200	240	300
Continuing slots created in prior years		80	200	400	640
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	1,935	1,935	1,935	1,935	1,935
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$5,889,520	$8,022,573	$11,246,217	$15,146,910	$20,038,452

Note. The total number of children (three- and four-year-olds) below 300 percent FPL in high-priority ZIP codes was calculated by using three-year averages from the 2012 American Community Survey Public Use Microdata Sample (PUMS) data, disaggregated by ZIP based on Missouri Census Data Center ZIP code to (Public Use Microdata Area (PUMA)) allocation factors, for all ZIP codes associated with Sonoma County's highest-need elementary schools. This total was multiplied by 85 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in each of these ZIP codes, with Head Start enrollment from AIR's survey of Head Start grantees, and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's ELNAT.

Three- and Four-Year-Olds Below 300 Percent FPL at 85 Percent Participation Rate in the High-Priority ZIP Codes at Current Salaries continued

Total number of children	5,575				
Total number of slots to add (unmet need)	3,562				
	Year 6	Year 7	Year 8	Year 9	Year 10
New or newly publicly funded slots	360	400	500	600	762
Continuing slots created in prior years	940	1,300	1,700	2,200	2,800
Cost per child (increasing 3% per year)	$13,435	$13,839	$14,254	$14,681	$15,122
Number of existing subsidized slots	1,935	1,935	1,935	1,935	1,935
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$4,410	$4,814	$5,229	$5,656	$6,097
Total cost each year	$26,000,265	$32,839,574	$41,475,490	$52,052,415	$65,660,627

Note. The total number of children (three- and four-year-olds) below 300 percent FPL in high-priority ZIP codes was calculated by using three-year averages from the 2012 American Community Survey Public Use Microdata Sample (PUMS) data, disaggregated by ZIP based on Missouri Census Data Center ZIP code to (Public Use Microdata Area (PUMA)) allocation factors, for all ZIP codes associated with Sonoma County's highest-need elementary schools. This total was multiplied by 85 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in each of these ZIP codes, with Head Start enrollment from AIR's survey of Head Start grantees, and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's ELNAT.

If staff wages are increased to a living wage, then we estimate that the total cost will be $76.8 million in Year 10.

Three- and Four-Year-Olds Below 300 Percent FPL at 70 Percent Participation Rate in the High-Priority Census Tracts at Current Salaries

Total number of children	965				
Total number of slots to add (unmet need)	682				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	40	80	120	200	242
Continuing slots created in prior years		40	120	240	440
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	283	283	283	283	283
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$1,189,342	$2,256,621	$3,876,382	$6,602,133	$10,033,495

Note. To estimate the total number of children (three- and four-year-olds) below 300 percent FPL in the high-priority census tracts, we used the Child Care Planning Council 2015 report supplement reports of "children from low-income families" (under 70 percent state median income) and "children in families earning just over the eligibility limit," which together provide the total number of children in families earning $75,000. Because 300 percent FPL for a family of four is $71,550, we multiplied this total by 90 percent to approximate the number of children in the high-priority census tracts below $71,500, or 300 percent of poverty. We then multiplied this population estimate of the number of children below 300 percent FPL by 70 percent, the assumed participation rate. To calculate unmet need, we used data on the number of children enrolled in subsidized slots, with Head Start enrollment obtained from AIR's survey of Head Start grantees and state-supported enrollment from the 801A reports from the California Department of Education and in all licensed care, for the ZIP code(s) associated with each census tract to estimate the percentage of overall slots that are subsidized. We then applied these percentages to total child care supply in each census tract to estimate the number of subsidized slots and subtracted these from total population.

If staff wages are increased to a living wage, then we estimate that the total cost will be $11.7 million in Year 5.

Three- and Four-Year-Olds Below 300 Percent FPL at 70 Percent Participation Rate in the High-Priority ZIP Codes at Current Salaries

Total number of children	4,591				
Total number of slots to add (unmet need)	2,578				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	80	120	140	180	220
Continuing slots created in prior years		80	200	340	520
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	1,935	1,935	1,935	1,935	1,935
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$5,889,520	$8,022,573	$10,508,497	$13,627,207	$17,429,630

Note. The total number of children (three- and four-year-olds) below 300 percent FPL in high-priority ZIP codes was calculated by using three-year averages from the 2012 American Community Survey Public Use Microdata Sample (PUMS) data, disaggregated by ZIP based on Missouri Census Data Center ZIP code to (Public Use Microdata Area [PUMA]) allocation factors, for all ZIP codes associated with Sonoma County's highest-need elementary schools. This total was multiplied by 70 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in each of these ZIP codes, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's Early Learning Needs Assessment Tool (ELNAT).

Three- and Four-Year-Olds Below 300 Percent FPL at 70 Percent Participation Rate in the High-Priority ZIP Codes at Current Salaries continued

Total number of children	4,591				
Total number of slots to add (unmet need)	2,578				
	Year 6	Year 7	Year 8	Year 9	Year 10
New or newly publicly funded slots	300	320	380	420	418
Continuing slots created in prior years	740	1,040	1,360	1,740	2,160
Cost per child (increasing 3% per year)	$13,435	$13,839	$14,254	$14,681	$15,122
Number of existing subsidized slots	1,935	1,935	1,935	1,935	1,935
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$4,410	$4,814	$5,229	$5,656	$6,097
Total cost each year	$22,507,051	$28,134,484	$34,918,809	$42,656,406	$50,780,871

Note. The total number of children (three- and four-year-olds) below 300 percent FPL in high-priority ZIP codes was calculated by using three-year averages from the 2012 American Community Survey Public Use Microdata Sample (PUMS) data, disaggregated by ZIP based on Missouri Census Data Center ZIP code to (Public Use Microdata Area [PUMA]) allocation factors, for all ZIP codes associated with Sonoma County's highest-need elementary schools. This total was multiplied by 70 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in each of these ZIP codes, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's Early Learning Needs Assessment Tool (ELNAT).

If staff wages are increased to a living wage, then we estimate that the total cost will be $59.9 million in Year 10.

All Three- and Four-Year-Olds Countywide at 70 Percent Participation Rate at Current Salaries

Total number of children	8,091				
Total number of slots to add (unmet need)	6,078				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly publicly funded slots	80	100	140	200	400
Continuing slots created in prior years		80	180	320	520
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	2,013	2,013	2,013	2,013	2,013
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
Total cost each year	$6,089,553	$8,010,981	10,517,676	$13,911,064	$20,091,061

Note. The total number of children (three- and four-year-olds) was calculated by using three-year averages from 2013 American Community Survey data; this figure was multiplied by 70 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in the county, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's ELNAT.

All Three- and Four-Year-Olds Countywide at 70 Percent Participation Rate at Current Salaries

continued

Total number of children	8,091				
Total number of slots to add (unmet need)	6,078				
	Year 6	Year 7	Year 8	Year 9	Year 10
New or newly publicly funded slots	600	800	1,000	1,200	1,558
Continuing slots created in prior years	920	1,520	2,320	3,320	4,520
Cost per child (increasing 3% per year)	$13,435	$13,839	$14,254	$14,681	$15,122
Number of existing subsidized slots	2,013	2,013	2,013	2,013	2,013
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$4,410	$4,814	$5,229	$5,656	$6,097
Total cost each year	$29,300,075	$41,794,897	$57,847,420	$77,745,380	$104,182,375

Note. The total number of children (three- and four-year-olds) was calculated by using three-year averages from 2013 American Community Survey data; this figure was multiplied by 70 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in the county, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's ELNAT.

If staff wages are increased to a living wage, then we estimate that the total cost will be $120.5 million in Year 10.

All Three- and Four-Year-Olds Countywide at 70 Percent Participation Rate, Free for Children Below 300 Percent FPL, and a 25 Percent Tuition Credit for Children at or Above 300 Percent FPL at Current Salaries

Total number of children	8,091				
Total number of slots to add or partially public support (unmet need)	6,078				
Total number of slots to add for children below 300% FPL at full cost	3,021				
Total number of slots for children at or above 300% FPL to receive tuition credit	3,057				
	Year 1	Year 2	Year 3	Year 4	Year 5
New or newly partially public supported slots	80	100	140	200	260
Continuing slots created in prior years		80	180	320	520
Cost per child (increasing 3% per year)	$11,590	$11,937	$12,295	$12,664	$13,044
Number of existing subsidized slots	2,013	2,013	2,013	2,013	2,013
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$2,565	$2,912	$3,270	$3,639	$4,019
25% of cost for each child at or above 300% FPL	$8,857,006	$9,122,716	$9,396,397	$9,678,289	$9,968,638
Total cost each year	$14,946,559	$17,133,697	$19,914,074	$23,589,353	$28,233,523

Note. The total number of children (three- and four-year-olds) was calculated by using three-year averages from 2013 American Community Survey data; this figure was multiplied by 70 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in the county, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's ELNAT.

All Three- and Four-Year-Olds Countywide at 70 Percent Participation Rate, Free for Children Below 300 Percent FPL, and a 25 Percent Tuition Credit for Children at or Above 300 Percent FPL at Current Salaries continued

Total number of children	8,091				
Total number of slots to add or partially public support (unmet need)	6,078				
Total number of slots to add for children below 300% FPL at full cost	3,021				
Total number of slots for children at or above 300% FPL to receive tuition credit	3,057				
	Year 6	Year 7	Year 8	Year 9	Year 10
New or newly partially public supported slots	300	380	420	500	641
Continuing slots created in prior years	780	1,080	1,460	1,880	2,380
Cost per child (increasing 3% per year)	$13,435	$13,839	$14,254	$14,681	$15,122
Number of existing subsidized slots	2,013	2,013	2,013	2,013	2,013
Cost per child to upgrade existing subsidized slots to desired quality (increasing 3% per year)	$4,410	$4,814	$5,229	$5,656	$6,097
25% of cost for each child at or above 300% FPL	$10,267,697	$10,575,728	$10,893,000	$11,219,790	$11,556,384
Total cost each year	$33,656,180	$40,469,515	$48,215,156	$57,547,262	$69,507,175

Note. The total number of children (three- and four-year-olds) was calculated by using three-year averages from 2013 American Community Survey data; this figure was multiplied by 70 percent, the assumed participation rate. Unmet need was calculated by subtracting total enrollment for three- and four-year-olds in all subsidized programs (Head Start, Title 5, CalWORKS, and Alternative Payment programs) in the county, with Head Start enrollment from AIR's survey of Head Start grantees and state-supported enrollment from the California Department of Education 801A enrollment reports as of October 2012, as contained in AIR's ELNAT.

If staff wages are increased to a living wage, then we estimate that the total cost will be $81 million in Year 10.

Potential Addition to Preschool Initiative: Expanding Access to Home Visiting Programs for Children Ages 0–3 Years

- Currently, the county is serving approximately 11.25 percent of eligible families in the Nurse-Family Partnership program, with a goal of serving 25 percent of eligible families.
- Serving 22.5 percent of eligible families would result in an active caseload of approximately 480 families.

Potential Addition to Preschool Initiative: Expanding Access to Home Visiting Programs for Children Ages 0–3 Years continued

- The cost to serve these new families (180 new enrollees per year, for a total annual caseload of 480 families) is estimated at approximately $3.1 million, an increase of about $1.6 million over current costs if implemented immediately.
- It is estimated that scaling up Nurse-Family Partnership over five years (assuming a 3 percent annual increase) would cost $3.5 million in the final year to serve 480 families.

Recommendations

Define Goals Clearly

- Recommendation 1: Clearly define the county's ultimate goal as providing "access to quality preschool for all three- and four-year-old children."
  - *Access* to all does not necessarily mean making preschool *free* to all.
  - Access to a level of preschool quality that can be expected to enhance child outcomes also is important.
  - If leaders want to broaden the program to include younger children, determine whether there is voter understanding of the need to do so and the additional funds required.

Offer Free Programs to Some and a Sliding Scale to Others

- Recommendation 2: Plan to provide free preschool to families below 300 percent of the federal poverty level and on a sliding scale to families above that income level.
  - Paying the full $13,143 we estimate is necessary for a full-day, full-year preschool for even one child would require 18 percent of the income of a family of four at 300 percent of the federal poverty level.
  - Offering preschool free to all preschool-age children countywide in families below 300 percent of the federal poverty level and on a sliding scale above that level would cost at least $81 million at living wage salaries, but this value is one third less than what it would cost by making it free for all.

Leverage Existing Revenue Sources

- Recommendation 3: Maximize leverage of existing state and federal revenue sources, such as Title 5 State Preschool, Head Start, transitional kindergarten, and Title I.
  - Watch for new Title 5 State Preschool slots for which the county may apply, although a major increase is unlikely in the near future.
  - Now that new legislative language allows districts to open transitional kindergarten to younger children who were not previously eligible, work with school districts in the county to expand transitional kindergarten. Serve additional four-year-olds in transitional kindergarten, freeing preschool slots for younger children.
  - Convene school district superintendents:
    - To encourage maximizing transitional kindergarten enrollment
    - To discuss the possibility of their investing federal Title I funds in preschool.

Identify a New Dedicated Revenue Source

- Recommendation 4: Recognize that existing state and federal revenues are not enough; increased local revenue is needed to make universal preschool a reality.
  - Efforts to pass state and federal preschool initiatives have failed year after year; the most successful educational initiatives in the United States have started at the local level.
  - Even if state and federal funds for preschool increase, they are likely to target only disadvantaged four-year-olds and not at a level to support quality.
  - A dedicated new local funding stream is essential for implementing a successful universal preschool initiative.
  - A sales tax or set-aside from the county general fund is a promising source, but only if it is accompanied by a substantial public education campaign.

Reserve or Identify Separate Funding for Facilities

- Recommendation 5: Adopt a separate funding source or reserve a specific percentage of any new revenue for preschool facilities.
  - A lack of facilities poses a significant barrier to expanding services in Sonoma County.
  - At least 10 percent of any new revenue source for preschool should be reserved for constructing and renovating facilities.
  - Consider developer impact fees and Community Development Block Grant funds as another source of funding for building and improving facilities.

Mount a Public Education Campaign

- Recommendation 6: Invest in and mount a public education campaign to build a case for the additional revenue needed.
  - Conduct polling to determine the needs and type of education campaign required.
    - The first two attempts to pass a ballot initiative failed in Denver; after polling and a $1 million education campaign, the initiative succeeded.
  - Adjust the timing and wording ballot initiative to improve chances for its success or failure.
  - Build partnerships as part of the planning process.
  - Strengthen Sonoma's coalition of support for universal preschool and include superintendents as well as local chambers of commerce.

Establish a Framework for Quality

- Recommendation 7: Establish an evidence-based framework for quality programs that will achieve the promised benefits of preschool.
  - Consider adopting the Race to the Top QRIS as a framework for quality for the preschool initiative. Set entry-level requirements for provider participation at Level 3, with higher reimbursement rates for programs meeting Level 4 or 5 standards.

Offer a Mixed-Delivery System, With Public School and Community-Based Settings

- Recommendation 8: Attach preschool programs to elementary schools where possible, but also allow for the participation of community preschool providers.
  - Doing so helps involve families early on in their children's education outside the home.
  - Access to support services may be greater in a public school setting.
  - Some families prefer to have their preschool-age children enrolled in the same settings as their infants and toddlers.
  - Schools may run out of space to house programs, and additional services must be sought from community preschool providers.

Plan at Least Six-Hour, School-Year Services

- Recommendation 9: Plan for at least a full-day (six hours), school-year program to achieve educational goals, with opportunities to obtain extended-day, extended-year services.
  - A partial-day schedule is inaccessible for many working families and may pose a barrier to enrollment for some children.
  - Although a longer day of eight to 10 hours may be necessary for many families with preschool-age children, it may be too long for three- and four-year-old children. A supplementary extended-day program of a different type may be advisable for this age group.
  - Consider the expenditure per child we estimated for an initiative using the living wage to pay preschool personnel but reduce the hours of service covered by the initiative to up to 6.5 hours, thereby freeing up some of the funds to improve the quality of service.

Phase In the Program

- Recommendation 10: Phase in the preschool initiative across 10 years to ensure program quality and allow time for the construction of facilities, beginning in the areas of highest need.
  - Begin by implementing the initiative in the census tracts with the most children who are disadvantaged and the greatest unmet need, achieving this objective by Year 5 of the initiative at an estimated cost of $14.8 million.
  - During phase-in, support the construction and renovation of facilities, coaching and other professional development for the staff, and overall upgrade of the quality of service.
  - To reduce cost, limit to school hours/calendar or limit the contribution of the initiative to higher income families by implementing a sliding fee scale.

Summary

- A successful universal preschool initiative in the county will require the following:
  - Defining the goal clearly as “access to quality preschool for all three- and four-year-olds”
  - Offering free preschool to families up to 300 percent of federal poverty level and on sliding scale to families above that level
  - Establishing a framework for quality
  - Planning for at least a school day, school-year calendar, with provisions for extended day and year
  - Making the most of existing state and federal funding
  - Obtaining a dedicated new funding source for preschool

Summary

- A successful universal preschool initiative in the county will require the following:
  - Adopting a separate funding source or a specific percentage of any new revenue source for facilities
  - Attaching preschool programs to elementary schools where possible but offering a mixed-delivery system including community-based providers
  - Conducting a public education campaign on the benefits of investing in quality preschool
  - Phasing in the preschool initiative across a period of up to 10 years, beginning in the neighborhoods of greatest unmet need

Decision Points for Sonoma County

- Taking into account costs, should Sonoma County aim to provide free preschool to all, or adopt a sliding scale for those above 300 percent of the federal poverty level?
- Should the Sonoma County initiative help support a half day, school day, or full day of service?
- How should “preschool” be defined? Should the Sonoma County initiative include both three- and four-year-olds?
  - Or should it begin with four-year-olds, while allowing for participation of three-year-olds as more funds become available?

Decision Points for Sonoma County

- Should the first step be to conduct polling and a public education campaign to determine the best language and timing of a local preschool initiative?
- Should the framework for quality be based on the California QRIS standards, which allow entry at existing Title 5 standards but offer incentives for higher levels of quality?
  - Or should the framework require stricter entry point standards, such as a lead teacher with a bachelor's degree?

Decision Points for Sonoma County

- Which phase-in option makes the most sense in Sonoma County?
- Should Sonoma County try for a dedicated funding source, such as a sales tax?

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