

THE POLICY GROUP

for Florida's Families and Children

Financing a Quality Voluntary Universal Prekindergarten Program: The Florida Cost Model

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By Ghazvini, Alisa S., Ph.D. and Foster, Barbara F., Ph.D.

Florida has the opportunity and moral imperative to design, fund and implement a **high quality pre-kindergarten learning opportunity** for our four-year-olds and their families. Funding a quality system will assist families, communities, and our state in realizing the best outcomes for Florida's children and a maximum return on the state's investment. To assist the state with making informed investments, The Policy Group developed the *Florida Cost Model* for deriving conservative estimates of the costs of designing and implementing a quality universal prekindergarten program. The *Florida Cost Model* builds upon:

- ❖ The cost estimation work completed in Illinois, Ohio, and South Carolina;
- ❖ Program information from Georgia; and
- ❖ Recommendations from the Institute for Women's Policy Research, the University of North Carolina at Chapel Hill, and the Center for the Study of Social Policy.

This policy brief provides the evidence base for designing a quality system, compares this base with the current legislation that creates Florida's Voluntary Universal Prekindergarten Program, and provides descriptions and the minimal costs of the components necessary to implement a quality program in Florida.

The Florida Context

The November 2002 Amendment to the State Constitution reflects the value Floridians place on young children and their commitment to school readiness.

Florida's Constitution Section 1: Public Education, paragraph (b) reads: *"Every four-year-old child in Florida shall be provided by the State of Florida a high quality pre-kindergarten learning opportunity in the form of an early childhood development and education program which shall be voluntary, high quality, free, and delivered according to professionally accepted standards. An early childhood development program means an organized program designed to address and enhance each child's ability to make age appropriate progress in an appropriate range of settings in the development of language and cognitive capabilities and emotional, social, regulatory, and moral capacities through education in basic skills and such other skills as the Legislature may determine appropriate."*

In December 2004, the Florida Legislature passed legislation to create the Voluntary Universal Prekindergarten Program. Using the *Florida Cost Model*, The Policy Group has developed estimates for the costs to fund a quality system within the parameters of the legislation. The estimates of the costs for serving Florida's four-year-olds are based on planning for and funding 1:10 teacher-to-child ratios with a maximum group size of 18, qualified and educated teachers, a three-hour-day program, and accountability measures and systems.

The vision of The Policy Group for Florida's Families and Children is that, together, we will ensure a generation of young people who grow up to be responsible adults - ready, willing and able to contribute to self, to family and to their community.

Although the legislation (passed December 2004 to create the Voluntary Universal Prekindergarten Program) falls short of ensuring all elements of a high quality early childhood education program and does not provide a program day of sufficient length to meet the needs of most families with young children, it does incorporate many of the elements advocates and early childhood experts recommended. The following table, *Making the "Right" Choice* describes the research base for components of quality prekindergarten programs, the policy requirements necessary to implement these quality programs and the extent to which the legislation in place implements these requirements.

Making the "Right" Choice: A Quality Universal Prekindergarten Program

What We Know from Research	Policy Requirements	Provisions in Legislation (HB01)
Cognitive, social, emotional, and motor development are complementary, mutually supportive areas of growth all requiring active attention during the early years through responsive, interpersonal relationships with parents, teachers, and other adults	Establishment of requirements and supports for the well-rounded development of children across cognitive, social, emotional, and physical domains	Legislation does not specify curricula or instructional approaches must be "developmentally appropriate"; DOE responsible for development of performance standards
Children who attend well-planned, high-quality early childhood programs in which curriculum aims are specified and integrated across domains tend to learn more and are better prepared to master the complex demands of formal schooling	Identification of acceptable curricula that support integrated learning across all domains of development and include clearly identified goals and objectives	Legislation does not specify curricula, must be "developmentally appropriate"
An appropriate assessment system includes different assessments for different categories of purpose – assessments to support learning, for identification of special needs, for program evaluation, and for accountability	Identification of appropriate assessment choices for each category of purpose and avoidance of assessment misuse (e.g., use of assessments designed for instructional planning to support high-stakes decisions such as placement of children or funding decisions)	Not fully specified in legislation; DOE responsible for performance standards
Sustainable programs with positive outcomes for children and families are associated with a holistic approach to service provision , local service integration, and local community input and decision-making	Assessment of family needs and creation of opportunities for linkages between universal prekindergarten and other local child and family support services, including early childhood programs for infants and toddlers	Not specified in legislation, potentially addressed by local early learning coalitions (reconstituted school readiness coalitions)
Lower adult-child ratios are associated with more extensive teacher-child interaction and individualization, and less restrictive and controlling teacher behavior	Establishment of a maximum adult-to-child ratio of 1:10	Met in legislation
Smaller group size is associated with greater child initiations, opportunities to work on extending language, mediation of children's social interactions, and support for exploration and problem-solving	Establishment of a maximum group size of 20	Met in legislation
Teachers with four-year degrees are more responsive and sensitive, provide richer language and cognitive experiences, and are less authoritarian and punitive	Institution of a five to eight-year phase-in of a four-year college degree (in early childhood education or a related field) teacher education requirement	Not met in legislation (references "aspirational goals")
High quality is associated with stable funding, sufficient to provide livable wages and benefits for staff, implement lower adult-to-child ratios, maintain needed equipment and materials, and support ongoing education and training needs	Provision of a stable funding source, in addition to current school readiness funding for four-year-olds, which will support adequate wages and benefits, lower adult-to-child ratios and group sizes, training and education scholarships, and needed equipment and materials	Funding is not addressed in legislation
Parental involvement is an essential indicator of preschool quality and increases opportunities for formal and informal linkages supportive of more positive outcomes for children, families, and communities	Creation of policies to support parental involvement	Not specified in VUPK legislation, addressed under school readiness in F.S. 411.01
Strong, high-level leadership is a critical component for implementation of successful comprehensive initiatives	Implementation of administrative structures to foster and maintain strong high-level leadership	The agency for workforce innovation and the department of education given governance and oversight responsibilities

Funding a Quality Program

The Policy Group for Florida's Families and Children recommends that funding for Florida's Voluntary Universal Prekindergarten (VUPK) Program ensures a high quality system that provides the most qualified and credentialed teacher workforce, recognizing that initially Florida will have to start with a mix of credentials. The Policy Group recommends differential teacher salary payments based on credentials in order to move toward having all lead teachers with baccalaureate degrees, the goal identified in legislation. Incorporating direct program costs, outcome and accountability costs, governance and administrative costs, and facility costs, the estimated minimal cost for this starting point is \$3,862 per child for a 3-hour per day program.

The 2005 legislative budget request from the Executive Office of the Governor includes \$2,500 per child for a 3-hour per day VUPK Program. This amount is designated for payments to providers and for local administrative costs. In addition, the Governor's budget includes additional staff positions for the Office of Early Learning in the Agency for Workforce Innovation and for the Department of Education to assist with administration and monitoring of the program, which adds approximately \$125 per child. Additionally, it is anticipated that the base student allocation of \$2,500 is to be adjusted with the county's cost differential applied along with absorbing the costs for quality improvements, professional development, training, materials and facilities improvement, which could markedly reduce the per child funding available to some of Florida's counties.

Neither the \$2,500 as proposed to cover a myriad of expenses, nor the current rate for the current per child subsidy for school readiness services will be sufficient to create, fund and implement a quality VUPK Program for Florida's children. This policy brief focuses on the important elements of quality early care and education that are not supported with current school readiness subsidies and are unlikely to be provided at a funding level of \$2,500 per child.

First Year Florida VUPK Cost Detail According to the Florida Cost Model

Developed by The Policy Group

Model Parameters:

Part-day model - 3 hours of instruction, 180 days

1:10 teacher to child ratio

Maximum group size of 18

147,972 children (67%)¹

Lead teachers with mix of credentials²

Teachers work 4 hours per day for 190 days

Cost Category	Statewide Cost	Cost per Child
Direct Program — Provider Payments	73.7%	
Personnel Costs	\$184,462,798	\$1,247
Operating Costs	\$236,755,200	\$1,600
<i>Sub-total Direct Program Costs</i>	<i>\$421,217,998</i>	<i>\$2,847</i>
Governance and Administration	3.8%	
State and Local Administration	\$14,047,548	\$95
Monitoring	\$7,560,000	\$51
<i>Sub-total Governance & Administration Costs</i>	<i>\$21,607,548</i>	<i>\$146</i>
Outcome and Accountability	11.0%	
Professional Development	\$13,153,600	\$89
Program Evaluation	\$23,412,580	\$158
Consultation and Technical Assistance	\$26,320,000	\$178
<i>Sub-total Outcomes & Accountability Costs</i>	<i>\$62,886,180</i>	<i>\$425</i>
Facilities	11.5%	
Start-up costs (non-recurring)	\$65,768,000	\$444
Total (147,972 Children)	\$571,479,726	
Total Cost per Child		\$3,862

¹ Based on 4-year-old 2005 population estimate of 220,853 by the Office of Economic and Demographic Research of the Florida Legislature

² Mix of credentials reflects existing workforce: 20% baccalaureate, 20% associate degrees, and 60% with Child Development Associate credentials

Direct Program Costs (Payments to Providers)

Personnel Costs

The Policy Group recognizes the strong research evidence regarding teacher credentials and urges policymakers to move toward the “aspirational” goal of baccalaureate degreed teachers identified in legislation. This can be accomplished by specifying the pay scales for teachers, as practiced in the Georgia UPK program, based upon their credentials. Higher salaries for degreed teachers will create strong incentives for professional development, and policymakers need to plan future financing accordingly, as salary and benefit costs will increase as additional degreed teachers enter the VUPK Program. Salary estimates are based on a 190-day (i.e., 180 days of instruction and 10 days of in-service/planning), 4-hour-a-day year (i.e., 3 hours of instruction and 1 hour of teacher planning and preparation).

The proposed salary and benefits are higher than those currently provided in school readiness programs (although modestly for teachers with CDA credentials). Current school readiness programs have no mandatory credential requirement as many children are served through vouchers in informal settings. In order to reduce the high turnover rates common in early childhood programs and to ensure professional staff capable of delivering quality programming, Florida must improve upon current salaries and benefits.

Operating Costs

Operating costs include rent, utilities, maintenance/repair, food, kitchen supplies, education supplies, education equipment, in-service training, office supplies, audit, insurance, telephone, postage, advertising, fees/permits, record-keeping, and other administrative expenses. The Policy Group estimates these costs to be \$1,600 per child. Costs were determined based on an average VUPK program size of two classrooms.

In the implementing legislation, VUPK Programs are required to be licensed or licensed-exempt *and* accredited. Although many current school readiness programs are licensed, it is not a requirement (many children are served in informal settings), and a limited number of settings are accredited. Licensure and, particularly, accreditation with its accompanying quality of care requirements, add significantly to program operating costs.

Governance and Administration

State and Local Administration

Funding sufficient to provide state and local-level administration of the program is needed. As some administrative costs are addressed under “consultation” and “monitoring”, an additional 3 percent is projected for this purpose. The Governor’s budget includes additional positions in the Office of Early Learning at the Agency for Workforce Innovation and in the Department of Education for administrative and monitoring purpose. And, a portion of the \$2,500 per child would have to be designated for local administration costs since there is no budget line designated for it at this time. This amount is significantly less than recommended.

Monitoring

Recommendations from The Policy Group include one monitor for every 65 classrooms, resulting in 126 monitors for 8,221 classrooms. Monitoring responsibilities would include:

- ❖ Annual administration of any monitoring tools
- ❖ Record review
- ❖ Health and safety review
- ❖ Follow-up regarding any citations
- ❖ Coordination of information with consultants

Using the average of the State Program Specialist II salary range and adding benefits and office costs, \$60,000 is the projected salary for monitors.

Outcome and Accountability Costs

Professional Development

Lead and assistant teachers require in-service training support and incentives for further education and degree attainment. The Policy Group recommends designating \$800 per teacher for professional development, including scholarships, loan forgiveness programs, release time, and course credit. Financing professional development will facilitate movement toward the aspirational goals established by legislators to have degreed teachers in the VUPK Program.

Program Evaluation

The Policy Group recommends both program evaluation of the process and outcomes of universal prekindergarten in addition to the measurement of children's readiness for kindergarten. Evaluation is essential to identify promising practices, making sure programs are preparing children for school, glean information for program refinement, and ensuring the connection between the VUPK Program and long-term outcomes of public investments. Based on prior evaluation budgets and national recommendations, 5 percent of project implementation costs should be designated for program evaluation.

Consultation and Technical Assistance

The Policy Group recommends providing one consultant to work with every 25 classrooms, resulting in 329 consultants for 8,221 VUPK classrooms. Consultant responsibilities would include:

- ❖ Administration of the Early Childhood Environmental Rating Scale twice a year
- ❖ Classroom training, technical assistance, and mentoring
- ❖ Curriculum and classroom environment support
- ❖ Family support and resource coordination as needed

The Policy Group also recommends budgeting \$80,000 for consultant salaries (requiring a Master level degree), benefits, and office costs (supervision support, clerical support, and supplies).

Providing consultants to assist private providers in developing and implementing the VUPK Program is an essential element of creating a quality system. Current school readiness subsidies do not afford the on-site training and technical assistance that programs need to establish quality programming.

Facilities

In order to properly equip VUPK classrooms, allocation of one-time monies for start-up costs is recommended. Georgia elected to allot \$8,000 per classroom for these costs, and The Policy Group recommends the same allotment in Florida. As in Georgia, required classroom start-up purchases should be stipulated.

Costs Not Addressed in the Calculations

Cost calculations do not include comprehensive services or services beyond the 180 days a year, 3 hours per day mandated in legislation. Many families will need access to assistance for comprehensive services and extended day/extended year care and education, highlighting the importance of utilizing new funding for universal prekindergarten and not supplanting current school readiness funding.

VUPK Program services in family child care settings are not considered in these calculations. Approximately 4 percent of children receiving child care subsidies are currently served in family child care settings, and parents choosing family child care are more likely to do so for their infants and toddlers than their preschool-age children. Thus, less than 4 percent of children enrolling in VUPK are expected to be served in family child care settings. Given the small percentage and the complications of estimating the costs for family child care, these costs are not considered in this model. In addition, the costs of providing a school-based summer program are not addressed.

Conclusion

The Policy Group for Florida's Families and Children strongly urges Florida to invest the state's resources wisely in a quality prekindergarten program that maximizes the state's return on its investment. Using experiences in other states and proven research to develop *The Florida Cost Model* as a reliable tool for estimating the minimal costs of designing and implementing a quality universal prekindergarten program, The Policy Group has estimated the minimal costs described in this policy brief and recommends funding a system that will assist families, communities, and our state in realizing the best outcomes for children.

The Policy Group for Florida's Families and Children is an independent, non-partisan 501(c)(3) non-profit policy research organization composed of local and state leaders who are working together to enhance the well-being of Florida's families and children. The vision of **The Policy Group** is that, together, we will ensure a generation of young people who grow up to be responsible adults — ready, willing and able to contribute to self, to family and to their community. For additional information about **The Policy Group**, this policy brief or other products, please visit the web site at www.policygroup.org, email policygroup@aol.com or call 850-921-9111.

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Attention: Barbara F. Foster, Ph.D., Executive Director
1310 Cross Creek Circle, Suite A
Tallahassee, FL 32301