ISP-2013-050 Sponsored by Rep. David Kizzia



THE EFFECTIVE USE OF STATE RESOURCES AND COORDINATION OF PROGRAMS TO IMPROVE EDUCATIONAL OUTCOMES FOR CHILDREN FROM BIRTH TO AGE FIVE

EXECUTIVE SUMMARY

Access. Arkansas early childhood education programs (including Arkansas Better Chance, Head Start, and children supported through vouchers in Level 3 of the Better Beginnings program) serve about 56 percent of eligible 3and 4-year olds. Some areas of the state have more needs for additional child care slots than others. Of the 18 census areas, southwest Arkansas has much less access for its children. Populous areas such as Benton, Washington, Faulkner, Lonoke, and Saline Counties also have a large unmet need. Only 2.9 percent of our eligible children from birth through age 2 are served by ABC, Head Start or through vouchers to Level 3 Better Beginnings programs. In addition to limitations in the number of funded slots available, concerns about availability of facilities and transportation also limit the ability to serve all of the eligible children in families at 200 percent of the federal poverty level.

Funding Needs. The ABC program is Arkansas's quality pre-K program for 3- and 4-year-olds. It funds providers at 60 percent of a cost model developed in 2008. The program currently funds \$4,860 per student each year for both center-based and licensed family homes. This amount must cover rent or lease for the facilities as well. The 40 percent of necessary funding required as match comes from the providers themselves. If state K-12 foundation funding were scaled to provide staff for class sizes of 10 students as is required in pre-K, foundation funding would equal \$10,460 per student. K-12 facilities are funded separately in addition to the foundation amount. Standards should be increased to require a bachelor's level teacher in each classroom, but there is no funding for that increased cost. **The last funding increase for the program was in 2008. In the ensuing seven years, there has been no increase for ABC, not even a cost of living increase.** During that time, K-12 adequacy-designated programs were increased by 13.84 percent. There is even less state assistance available for infants and toddlers.

Staffing. The Arkansas early childhood education workforce is diverse in terms of educational qualifications, professional development opportunities, and availability in rural areas of the state. To improve in quality, programs must increase the education levels of their staff, reduce class size, and improve professional development. ABC requires one teacher with a Bachelor's degree per twenty students or for every two classrooms. Proposed rules state that a child care center director should have a bachelor's degree or a lower credential with more experience.

Arkansas has a system called the Traveling Arkansas Professional Pathways (TAPP) that consists of the Arkansas Key Content Areas and Competencies, a "roadmap" or structure to show progression in training and competencies, and a registry tracking practitioners, trainers, and available training. Efforts are underway to provide new options for working early childhood teachers to increase their credentials and training.

Funding Models and Return on Investment. Several studies have reported on the return on investment for pre-K. James Heckman, a Nobel prize winning economist from the University of Chicago, has led a consortium of economists, psychologists, statisticians, and neuroscientists whose research shows that early childhood development directly influences economic, health, and social outcomes for individuals and society. Heckman's analysis of the Perry Preschool program shows a seven to 10 percent per year return on investment based on increased school and career achievement as well as reduced costs in remedial education, health, and criminal justice expenditures. Other studies such as the National Institute for Early Education Research (NIEER) and the Federal Reserve Bank support these findings.

Some states fund pre-K through their K-12 formula. Others weight the formula for higher costs of 3- and 4-yearolds. Oklahoma weights their K-12 formula at 130 percent of the K-12 rate for full day programs.

Evaluation of Early Childhood Education. NIEER has developed pre-K policy standards. Of the 10 standards used to gauge the quality of state-funded preschool programs, four involve teacher credentials and training. Class size and staff-to-child ratios are also emphasized in the Quality Standards Checklist, targeting class sizes of 20 children at the most with no more than 10 children per staff member. Arkansas ranks high, meeting 9 of the 10 standards. Arkansas does not meet the standard for teacher degree. Five states meet all 10 benchmarks.

One goal of the Arkansas Department of Human Services Division of Child Care and Early Childhood Education (DCCECE) has been to update the standards for the education program in pre-K to ensure they are aligned with current kindergarten standards so that there is no disconnect in preparing children to be successful in the K-12 setting. It was announced July 10, 2014, that DCCECE will receive a \$1 million grant from the W.K. Kellogg Foundation to redesign the birth-to-5 standards and identify a new kindergarten entry-assessment tool.

Arkansas has a Tiered Quality Rating System to evaluate all non-ABC child-care providers. Currently the programs have three levels. Arkansas's highest level, Level 3, is not equivalent to the highest level programs in other states.

There have been two longitudinal studies of the Arkansas Better Chance program. The Arkansas Research Center studied students with no known pre-k experience. Of those, 70 percent from higher-income families entered kindergarten with a rating of developed, while only 41 percent of poorer students were developed. ABC improves the percentage of children entering kindergarten at the developed level. Half of the economically disadvantaged students that attended ABC were developed, nearly 10 percent more students than those with no known pre-K.

Underserved Populations. With its comparatively high level of poverty among children under five, meeting the needs of Arkansas children can be difficult. It's also difficult to serve children in many of the more isolated rural areas. When low-income children have special needs, the ability of current early childhood education programs to meet increased levels of need is strained. Underserved, low-income children may have physical or developmental disabilities, live in unstable homes, or in homes where English is not spoken. They have needs for more resources than even other low-income peers, yet they often have less access to programs and providers that can meet their needs.

RECOMMENDATIONS

- Arkansas should invest in its future workforce through early childhood education.
- Additional funding is needed to sustain the current Arkansas Better Chance program at its current level of service. It would take \$14 million to equal the change in the Consumer Price Index since the last funding increase.
- To expand the reach of the Arkansas Better Chance program, additional need must be met for eligible 3- and 4-year-olds at the current eligibility requirement of 200 percent of the federal poverty level.
- Programs to expand access to children beyond the 200 percent of FPL should be considered after funding current slots and funding access at the current eligibility level.
- Other licensed child care providers, including those serving infants and toddlers, need funding and incentives to improve quality by reducing class sizes and raising credentials required for care-givers.

ACKNOWLEDGMENT

During the 2013 legislative session, Representative David Kizzia requested an interim study to determine effective strategies to ensure that all Arkansas students are reading at grade level by the end of third grade by 2020.

The following organizations provided information for the development of this report:

Arkansas Advocates for Children and Families Arkansas Campaign for Grade-Level Reading Arkansas Department of Human Services - Division of Child Care and Early Childhood Education Arkansas Head Start Collaborative Office Arkansas Public Policy Panel Arkansas Research Center Arkansas State University Childhood Services Rural Community Alliance University of Arkansas for Medical Sciences - Department of Family and Preventive Medicine White River Planning and Development District