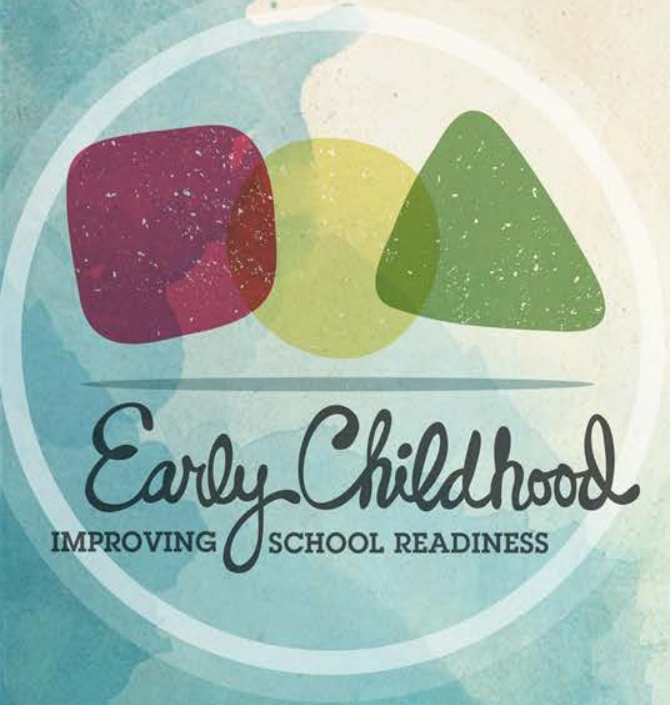


Early Childhood Care and Education Commission: Increasing Access to Quality

September 6, 2018

Agenda

I. Welcome

II. Consideration of Information on the Early Childhood Market

III. Consideration of Louisiana's Program Types and Funding

IV. Consideration of Access to Quality in Louisiana

V. Public Comment

VI. Adjournment

Meeting One Review

The Early Childhood Care and Education Commission shall study and make recommendations relative to establishing a vision for the future of early childhood care and education in Louisiana, building on the work of Act 3 in 2012.

- High quality early learning impacts children's brain development.
- Since 2012, Louisiana has created a vision and framework to unify early childhood programs toward ensuring every child is prepared for success in kindergarten and life.
- Louisiana has community network leaders who have gone above and beyond policy requirements and have shown the path forward on local leadership toward improving access to high quality programs.
- The commission will develop recommendations to expand access to quality in early learning programs.

Introduction of Guests

Louise Stoney
Opportunity Exchange
Alliance for Early Childhood Finance

Elliot Regenstein
Foresight Law + Policy

Bridget Hamre
University of Virginia

Early Childhood Costs

Louise Stoney
Opportunity Exchange &
Alliance for Early Childhood Finance

Improving Early Care and Education in Louisiana:
Challenges and Opportunities

Opportunities Exchange

Presentation to the Early Childhood Care and Education Commission

September 6, 2018

Louise Stoney, Co-Founder
Opportunities Exchange

Alliance for Early Childhood Finance

The Commission's Charge:

Establish a vision for the future of ECE, including:

- Access
- Quality
- Governance
- Finance

What Makes This Task Challenging:

- Early Care and Education (ECE) is the operative term – when children are very young you cannot separate *care* from *education*
- ECE is delivered in multiple public and private settings with uneven access to resources (financial + human). Most providers are small, independent 'mom + pop" businesses
- ECE is market-driven – finance is largely based on parent choice
- Parent fees are a significant part of the financing strategy, so understanding markets and consumer behavior is key to effective finance

Biggest Challenge: Money!

- Must set priorities and target dollars (to specific neighborhoods, children, families, sites)
- Think strategically: Where is the biggest bang for the buck?
  - Teacher preparation + compensation
  - Program quality improvement
  - Improved data and planning (to better target subsidies)
  - Gap funding, so parent fees are not so high
  - Fully funded services for high-needs children
- Leverage dollars from multiple sources & all levels of government
  - State social services, education, economic development
  - Local tax levy
  - Private contributions (including parent fees)

“The significant problems we face cannot be solved at the same level of thinking we were at when we created them.”

Albert Einstein

Old Paradigm: Ozzie and Harriet Family

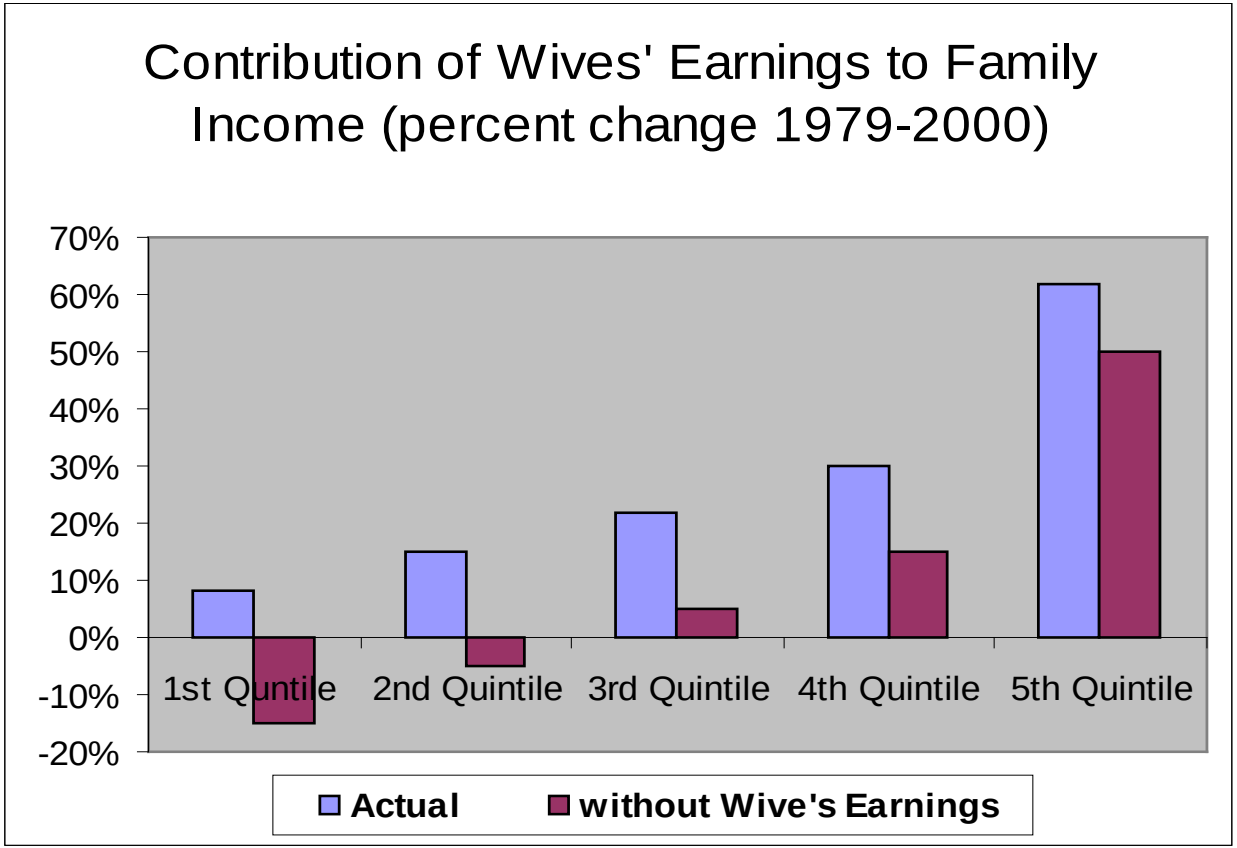
19th century industrialization supported a model where men engaged in paid work and women took responsibility for unpaid work—most especially caring for young children.

Caring for and education was viewed as a private concern.

New Reality: Women's Income is Essential to Families + the Economy

- 61% of Louisiana mothers return to work in their child's first year
- 67% of Louisiana children under the age of 5 have both parents, or their single parent, in the workforce

Source: Lousing Ground: How Child Care Impacts Louisiana's Workforce Productivity and the State Economy (2017)



Source: National data from Bernstein & Kornbluh, New America Foundation, 2005

New Reality: Child Care Decisions Impact Employment

- 13.8% Turned down promotion
- 18.5% Reduced hours to part-time
- 9.5% Remained in part-time job
- 7.6% Fired due to child care challenges
- 16.1 Quit their job

LSU Survey: *During the past 12 months [since birth of your child] did you or anyone in the family have to quit a job, not take a job, or greatly change your job because of problems with child care?*

21% of respondents said YES!

Half of Parents Missed Work Regularly Due to Child Care Challenges	
Missed Work	40.80%
Tardy	32.90%
Left Early	42.40%

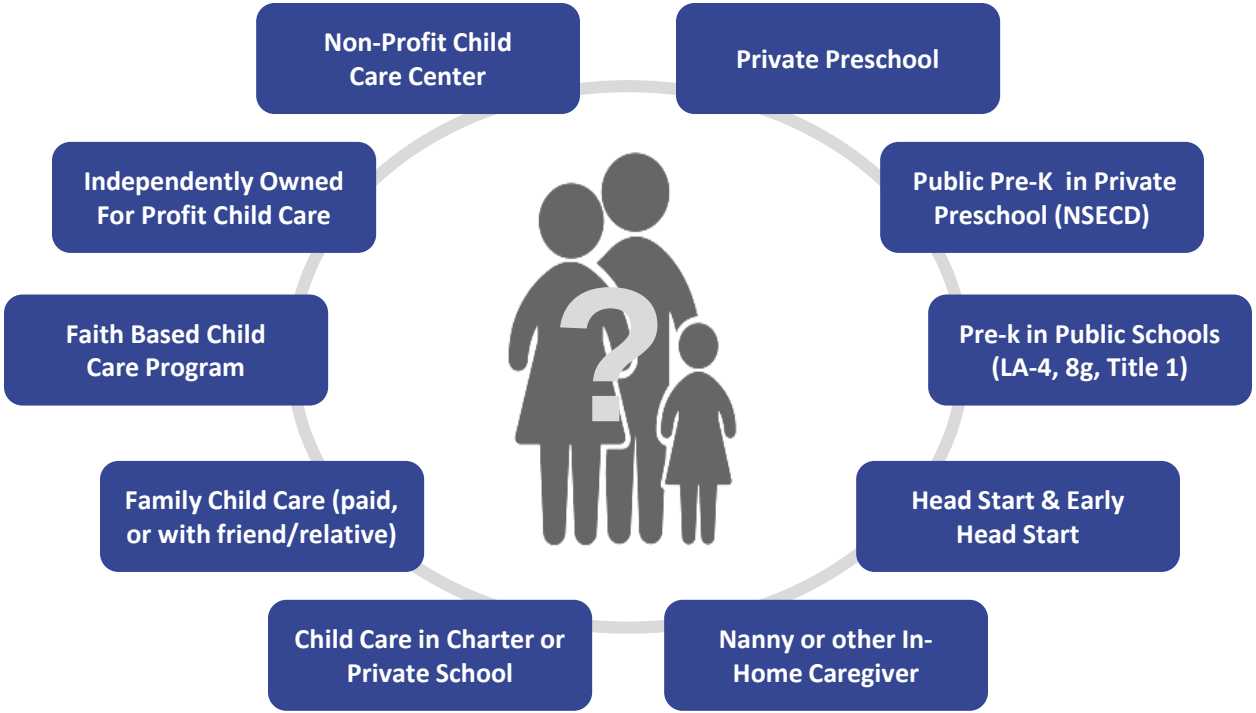
Source: Losing Ground: How Child Care Impacts Louisiana's Workforce Productivity and the State Economy (2017)

The Challenge: we still try to solve new problems with old thinking

Despite fundamental shifts in the economy, workforce, family life and research, we still view most early care and education as a private responsibility.

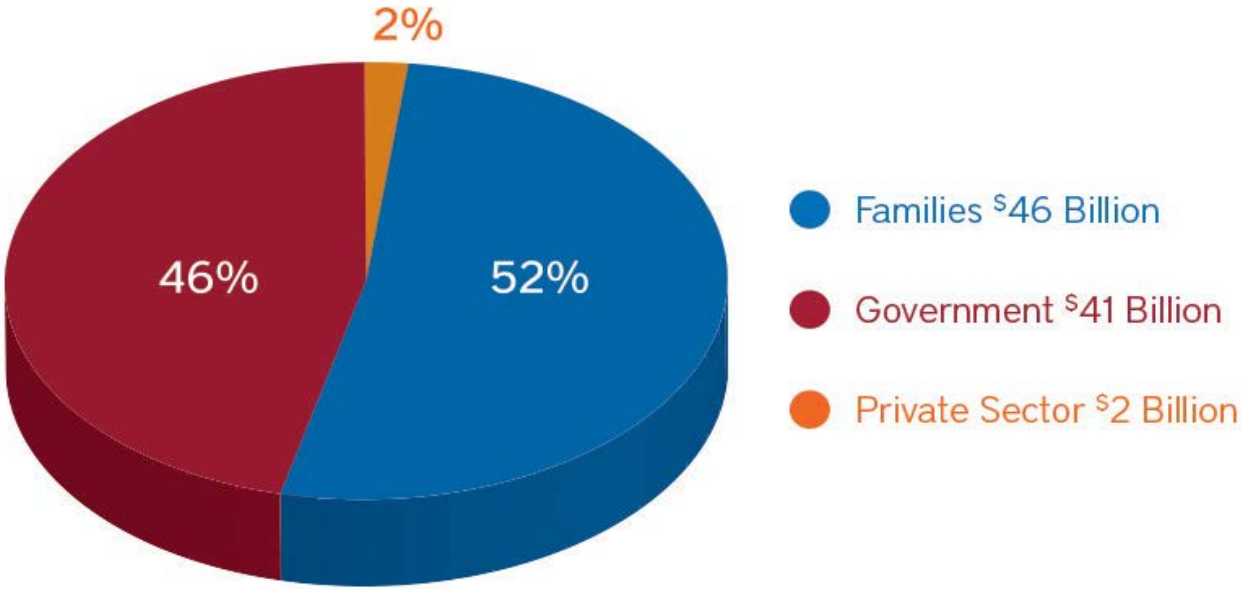
- We assume that if families need help with child care, they can find what they need in the private market.
- We think it's just poor families that need help with child care.
- We still see child care as separate from education, and often focus public dollars on one group of children – such as 4yr olds -- at the expense of early care **and** education for all children.

EARLY CARE & EDUCATION MARKETPLACE



Most ECE Funding is Paid by Families

Figure 1. Shares of Funding in U.S. ECE Market (in billions, FY2015)



Most Public Funding
Focused on 4 year old Children

Of the estimated 211,510 “at-risk” children birth to four in Louisiana, publicly funded programs serve:

- 4.93% of infants
- 9.36% of ones
- 12.82% of twos
- 35% of threes
- 92.9% of fours

The cost to serve those who cannot currently access our system ranges from $182 M to $844M, depending on the definition of poverty and the funding level.

Source: Louisiana Department of Education and 2012 Census

Estimating Demand: Who Needs Child Care?

- General population data is not helpful for estimating demand
  - Most child care is not free; so need to estimate % of paid customers
- Public data is typically gathered by funding stream, not child/family
  - Funding based on different data definitions, scope, service, ages of children served
- Bottom line: estimating demand for child care is VERY different from estimating demand for slots in public school or Head Start

Need to Estimate *Effective* Demand

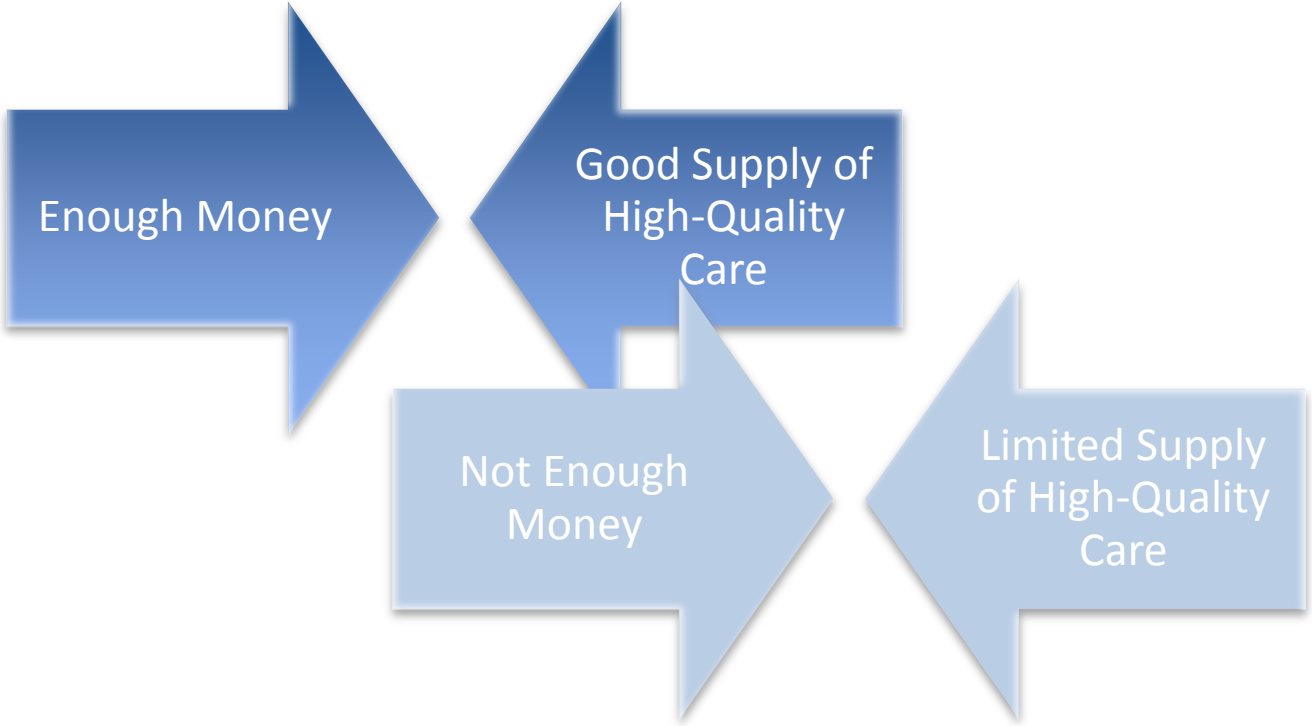
ef·fec·tive de·mand

noun ECONOMICS

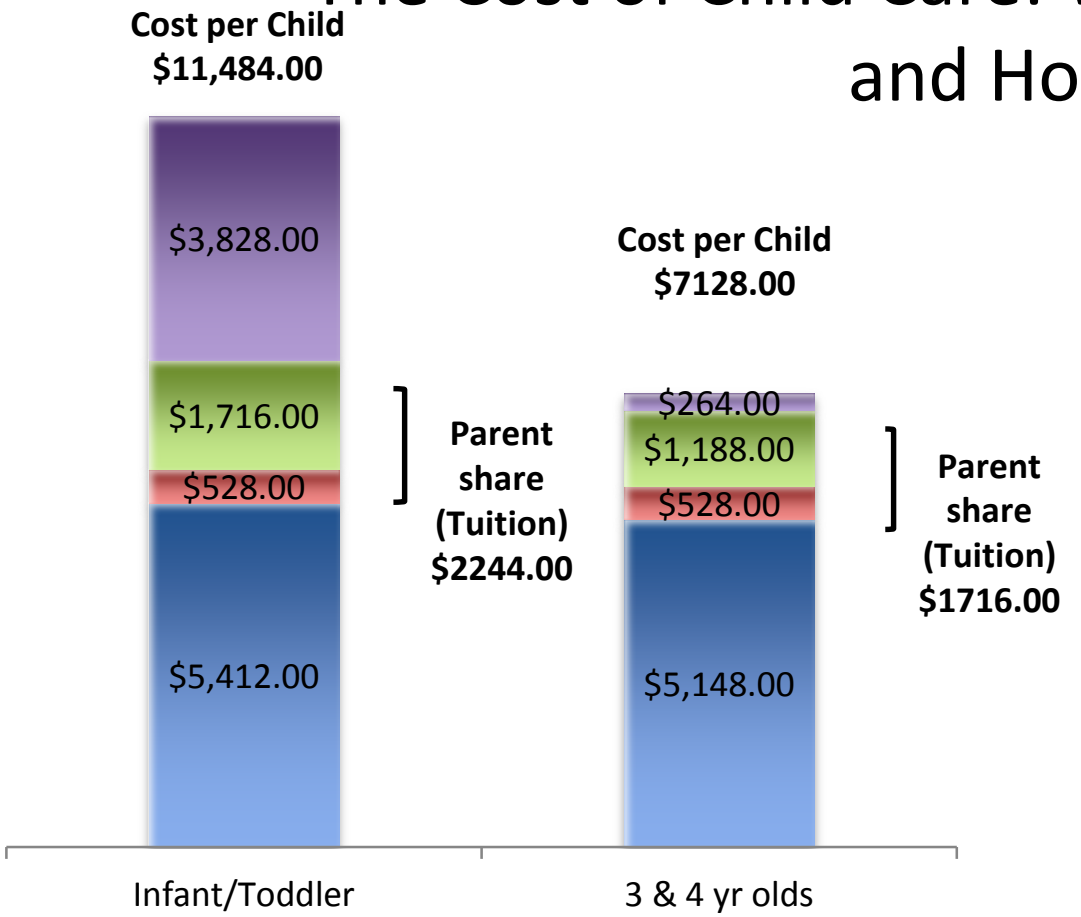
the level of demand that represents a real intention to purchase by people with the means to pay.

- Parents vote with their feet. If they cannot afford to pay for ECE they won't buy it. If they have multiple children, and a higher income, they are likely to prefer a nanny + part-time preschool.
- Customers in the ECE sector are VERY price-sensitive!
- Even when researchers estimate high demand, programs often have vacancies.

If you build it …. they may NOT come! *Capacity and Funding are Linked*



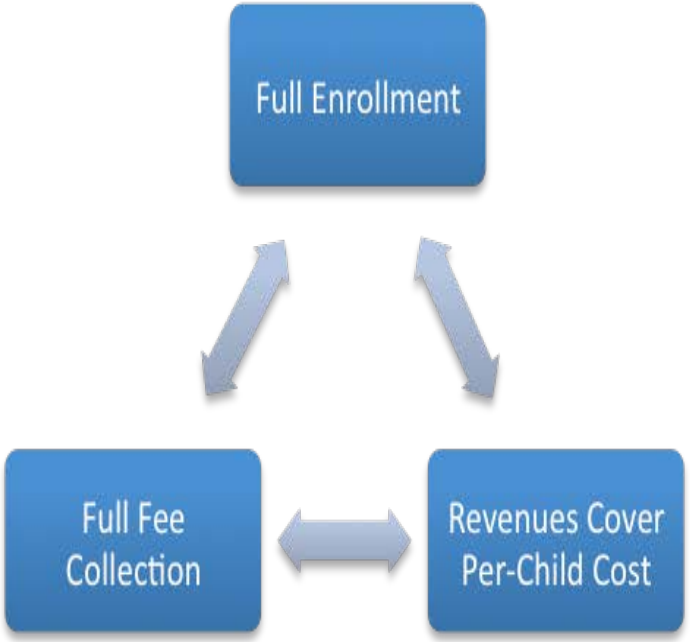
The Cost of Child Care: Who Pays and How Much?



- Cost Gap
- Parent market price co-pay
- Parent subsidy co-payment

Cost estimate for center-based care at min licensing, Center for American Progress, 2018: Where Does Your Child Care Dollar Go?
Subsidy co-payment @ 135% poverty; Market price @ $29-$26/day
State max CCAO reimbursement minus parent share

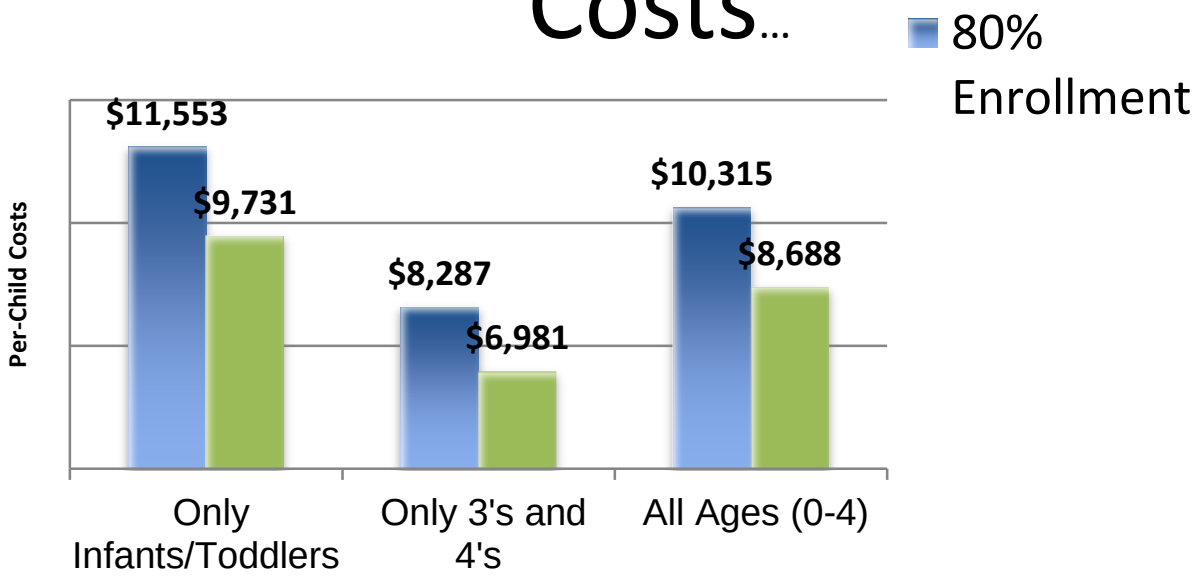
Unlike Public Schools, Child Care is a Small Business



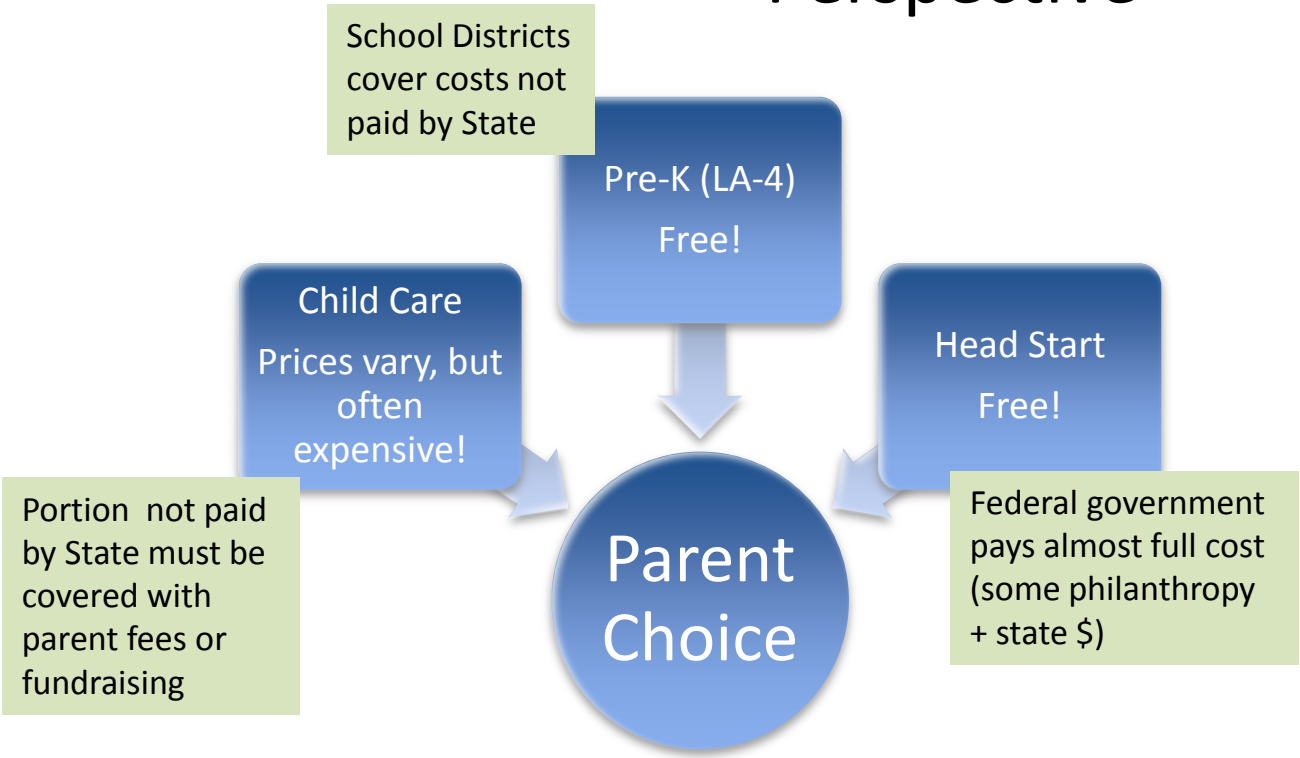
Bottom-Line Issues for ECE Businesses:

- Ensure Full Enrollment – every day, in every classroom
- Collect Tuition & Fees – in full and on-time
- Establish Accurate Tuition Rates -- (fees cover cost or have 3rd party revenue source)

Enrollment Levels and Age Mix Determine Per-Child Costs…



Cost and Price from a Parent Perspective



A New Level of Thinking about ECE quality and supply:

Enrollment Data is Key

- Full enrollment is key to financial sustainability
  - Many ECE programs are currently not fully enrolled
  - Maintaining Preschool enrollment (3-4 yr olds) is essential. Serving more infants + toddlers often increases financial challenges.
- Improving access doesn't necessarily mean MORE providers.
  - Increasing public dollars in fewer, higher-quality settings could increase access to quality and lower cost of quality compliance

Data on the supply AND enrollment of all high-quality settings (regardless of funding or auspice) is essential.

A New Level of Thinking about ECE Finance:

Cost vs Price

- Prices are typically based on what families can afford or are willing to pay NOT the cost of delivering services
- Cost varies a lot by age of child & quality of care; but market prices can't vary much or consumers might flee.
- Infants & toddlers are very expensive to serve; most families cannot afford to pay the full cost, so programs must price at a loss.
- Cost Modeling makes it possible to understand the cost of delivering services at various levels of quality & more effectively allocate state and family contribution.

What do you know about the gap in cost and price, (public & family share) for various age children, in Louisiana?

A New Level of Thinking about ECE quality, supply, finance and governance:

Size Matters

- Cost modeling suggests that a stand-alone child care center needs at least 100 children to meet NAEYC standards & make ends meet financially & closer to 300 in order to pay decent wages.
  - ✓ How big are most child care centers in Louisiana? Are they sustainable?
- Shared management & collaborative staffing can enable scale but keep sites small – boosting sustainability AND quality
- Encouraging Shared Service networks could be part of a local governance strategy

Can you help centers and homes better understand costs and explore Shared Services?

Strong Fiscal and Program Leadership Are Essential to Quality

Pedagogical Leadership

- Child development expertise
- Classroom coaching
- Teacher supervision
- Instructional leadership
- Child assessments

+

Business Leadership

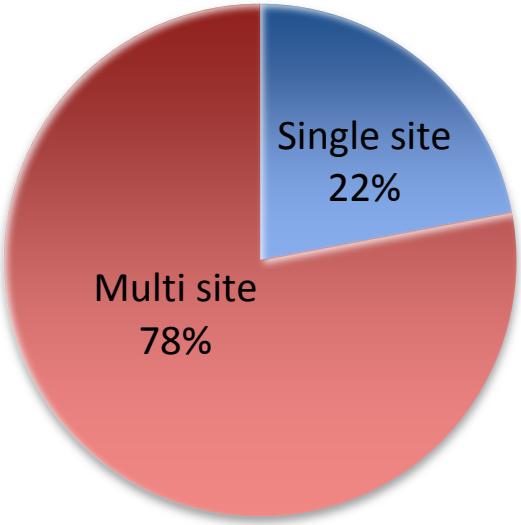
- Full enrollment
- Fee collection
- Cost-per-child calculation
- Fundraising
- Reporting
- Regulatory compliance

=

High Quality ECE

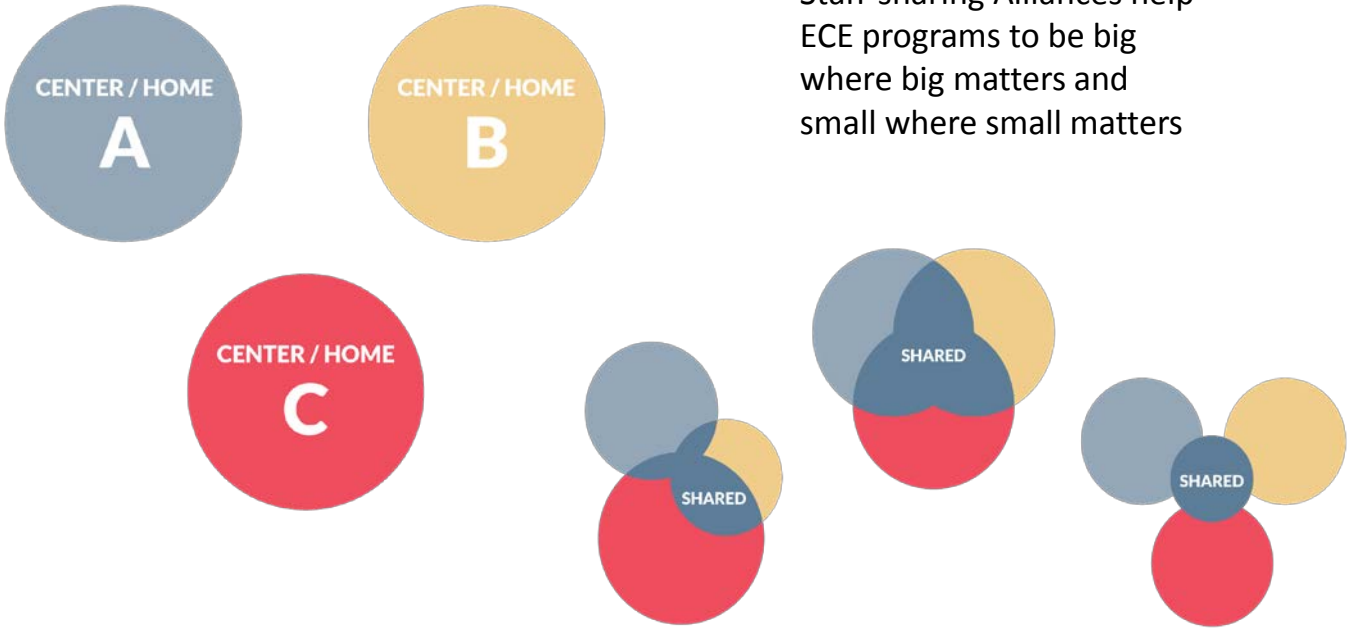
Impact of Scale: Multi-Site Centers More Likely to Attain + Sustain Quality

Centers with Star 3 or Star 4 Rating
(Philadelphia, PA)



Quality at Scale: New Business Models for Sustainable High-Quality

Staff-sharing Alliances help ECE programs to be big where big matters and small where small matters



A New Level of Thinking about ECE finance:

Leadership
(at all levels)

Linkages
(not funding silos)

Leverage
(investments as yeast for change, scale, and sustainability)

- Federal Government: CCDF, Head Start/Early Head Start, PreK grants, Title 1, CACFP Food Program, etc.
  - Make sure to tap every dollar!
- State Government: CCAP, LA-4, NSECD, 8(g), School Readiness Tax Credits, etc.
  - Increase State $; target dollars to better quality + high-need children/families
- Local Government: Schools, Cities, etc.
  - Quantify role – in $ and supply
  - Explore new local tax levy for "Children's Services Districts" modeled on Florida?
- Private Philanthropy
  - Strategic support for planning, pilots, and leverage
  - Investments in R&D for the industry: innovations focused on scale, sustainability, quality improvement

Bold, Actionable Strategies:

Policy Options for Consideration

- Link any new $ to quality standards
- Tap funding at all levels of government + private sector
- Focus on babies & toddlers
  - Most high-need 4yr olds are served
- Understand actual per child cost and use this info to guide policy
- Use vacancy data to maximize supply
  - Do not open new classrooms if high-quality slots are available in the area
- Understand the power of scale and encourage efficient operations + provider networks with shared staff

If we want high-need children in high-quality settings we must ensure those settings can succeed in the marketplace

For more information

Louise Stoney
louise.stoney@gmail.com

http://opportunities-exchange.org/
http://www.earlychildhoodfinance.org/

Vision for Kindergarten Readiness

Louisiana has worked to unify the early childhood system – birth to pre-K – to prepare all children for kindergarten since 2012.

Shared high standards for what children should learn and what excellent teaching looks like.

Teachers are excellent at interacting with children and guiding learning.

Expectations for health, safety, and learning are consistent with adequate funding levels for programs that serve children well.

Families can easily enroll and choose the best option for their children.

Publicly-Funded Early Childhood Seats

*No specific seat allocation but can fund early childhood instruction # Seats controlled entirely by the Department	Funding Source/ Funding Control	Seat Determination/ Seat Control	Infants	Ones	Twos	Threes	Fours
Cecil J. Picard Early Childhood Program (LA 4)	TANF & SGF/LDE	LDE/LEA					X
# Child Care Assistance Program (CCAP)	CCDBG/LDE	LDE	X	X	X	X	X
Early Head Start/Head Start	Fed. HS/Grantee	Grantee	X	X	X	X	X
Education Excellence Fund (EEF)	EEF/LDE	LEA				X	X
Every Student Succeeds Act (ESSA)	Title I/LDE	LEA	X	X	X	X	X
Individuals with Disabilities Act	IDEA Part B 619/LDE	LEA				X	X
Louisiana's Quality Early Education Support Fund (8(g))	(8(g))State Board	LEA					X
Nonpublic School Early Childhood Development	SGF/State Board	LDE					X
# PreK Expansion Grant	PDG/LDE	LDE					X
*Rural Education Achievement Program (REAP)	REAP/LDE	LEA	X	X	X	X	X

Children Served by Program Type

	Child Care Assistance Program	Head Start/ Early Head Start	LA-4	NSECD	PreK Grant
Eligibility criteria	Families that are: • At or below 55% of SMI • Working, in school, or in training 20 hours per week	Families that are at or below 100% FPL (30% up to 135% FPL and 10% over income)	Families with four-year-olds who are at or below 185% (2017) or 200% (2018) of the Federal Poverty Line	Families with four-year-olds who are at or below 185% (2017) or 200% (2018) of the Federal Poverty Line	Families with four-year-olds who are at or below 185% (2017) or 200% (2018) of the Federal Poverty Line
Program requirements	Type III Child Care Centers and home based providers	LEA's, educational service districts, community action agencies, faith-based organizations, community colleges/universities	Local education agencies (LEAs) apply for seats for LA 4	Eligible providers for NSECD are non-public schools and Type III child care centers	Community Networks and Lead Agencies apply to be the subgrantee with the Type III center(s), schools, or Head Starts
Average hours/Days	10-hour day, for the full year	6-hour day for the school year	6-hour day for the school year	6-hour day for the school year	6-hour day for the school year
Total funding and source	Total: $65,330,848 Source: Child Care Development Fund	Total: $162,701,078 Sources: Federal ACF Funding	Total: $74,294,713 Sources: State General Fund and TANF	Total: $6,472,236 Source: State General Fund	Total: $9,771,891 Source: Federal PreK Expansion Grant

Primary Funding Streams in ECE in Louisiana

	Child Care Assistance Program	Head Start/ Early Head Start—federal program	LA-4	NSECD	PreK Expansion Grant—federal program
Number of children served	Infant: 1,505 1 year old: 3,004 2 year old: 3,550 3 year old: 3,381 4 year old: 2,086 5 and above: 3,924 Total- 17,450[1]	Infant: 578 1 year old: 984 2 year old: 1,812 3 year old: 11,104 4 year old: 7,174 Total- 21,652	16,221 four year olds	1,413 four year olds	1,405 four year olds
Amount of public funding per child	Average funding per child: $3,744[2]	• Early Head Start, $14,119 • Head Start, $7,438	$4,580 per child[3]	$4,580 per child	$5,185 per child plus an additional $1,244 per child to improve 130% of their seats[3]

1 Annual average enrollment (based off of October 2017)
2 This reflects an average per child for all age groups and does not include bonuses or Quality Start
3 This reflects per child allocation, not average expenditure

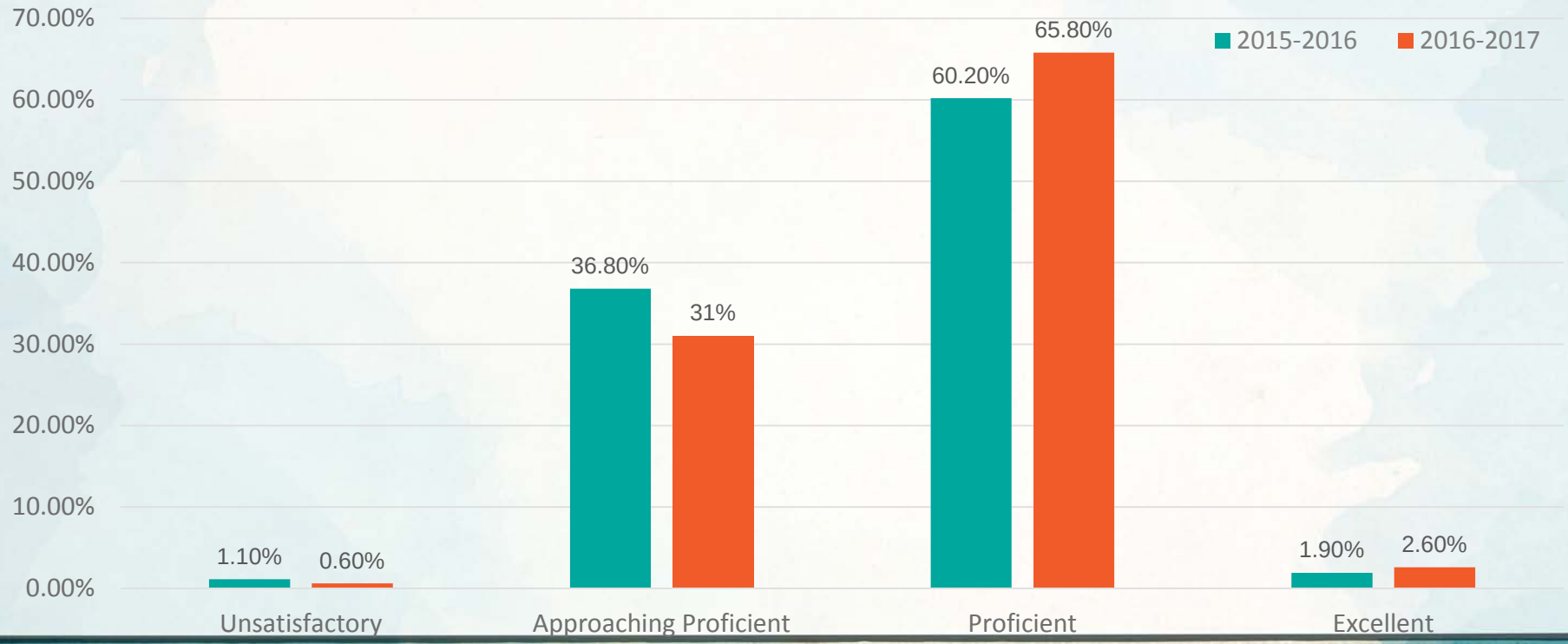
Louisiana’s Push for Quality

Quality Ratings Scores

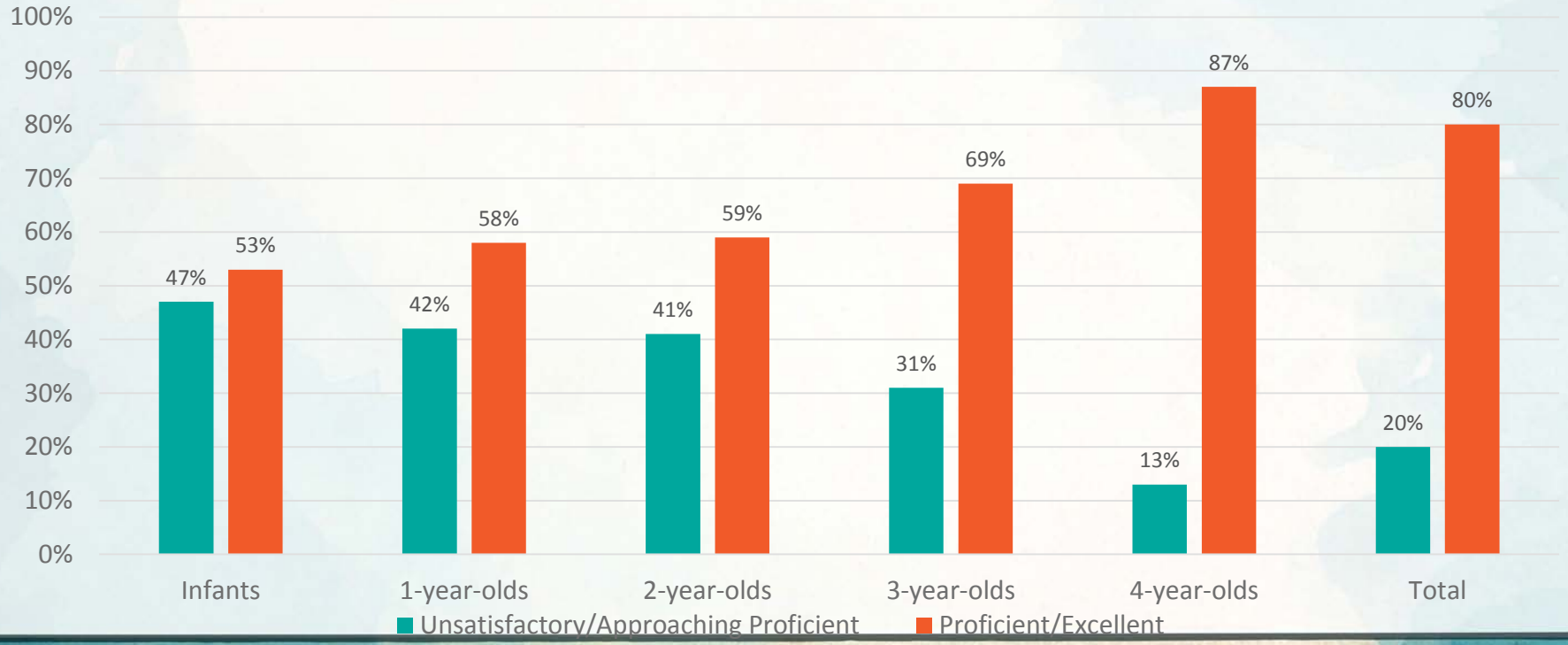
In 2017-2018, Louisiana rolled out the performance profiles, improved teaching and learning, launched more child care teacher preparation programs and strengthened support the field.

https://www.youtube.com/watch?v=RTRlKZvITew

Performance Profile Ratings - Improvement over Time



Children Birth to Three and Access to Quality, 2016-2017



Pathway to Quality

Data from CLASS™ observations and performance profiles have provided the Department information to drive improvement.

- 1,200 reliable CLASS™ observers conduct 14,000 observation each year.
- Performance profiles are released annually with information about observations, teacher qualifications, and program's use of curriculum.
- 77% of publicly funded programs now utilize high quality curriculum.
- 4,500 child care teachers now hold an ancillary teaching certificate.
- On-site coaching and professional development targets improvement in CLASS domains.
- Low performing centers receive targeted guidance to improve from LDE staff.
- The scores in every domain for toddler and pre-K have gone up in every program type.

Early Childhood Quality:

Bridget Hamre

University of Virginia

Early Childhood Impact – Turning Vision into Reality

Bridget K. Hamre, Ph.D.

Research Associate Professor

Dr. Hamre is also Co-Founder and Chief Impact Officer at Teachstone – which disseminates CLASS and related professional development programs.

University of Virginia | Curry School of Education

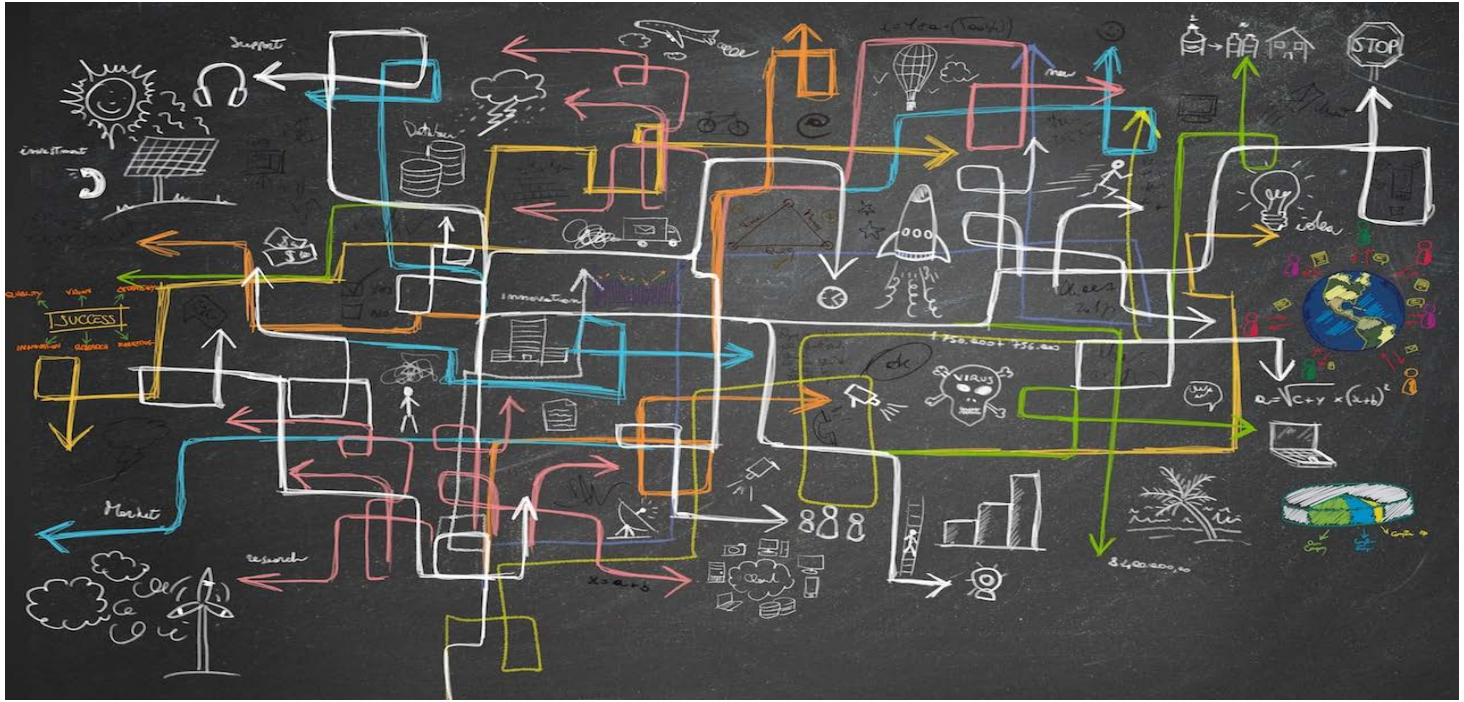
Quality Rating and Improvement System: The Vision

Quality Improvement Efforts

Classroom Experiences

Children's Development

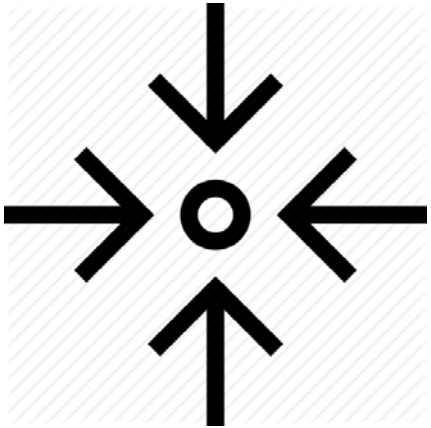
QRIS in reality…



What makes Louisiana QRIS Unique?

Unified

Focused



Local

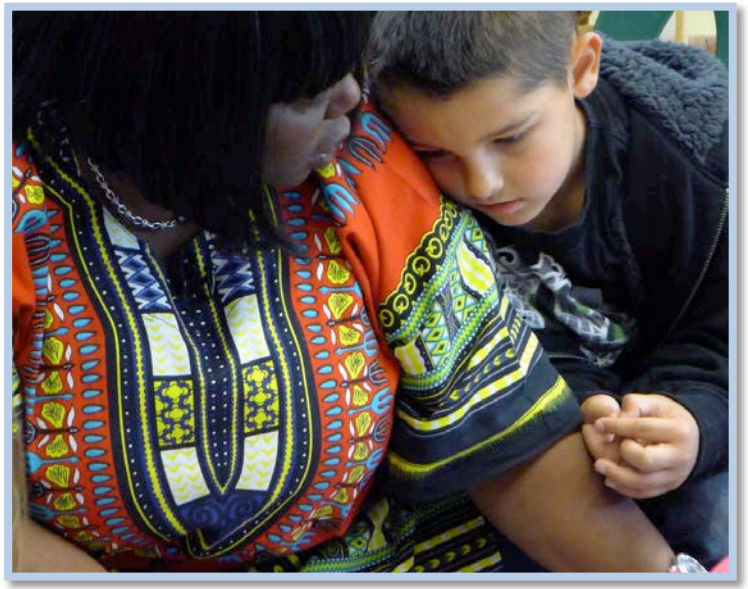
Interactions Matter!

There are now well over **150 peer-reviewed papers** linking teacher-child interactions, as measured by CLASS, to children's development and learning.

Child Care and Stress

*70 to 80% of children in center-based care show increasing levels of **cortisol** throughout the day.*

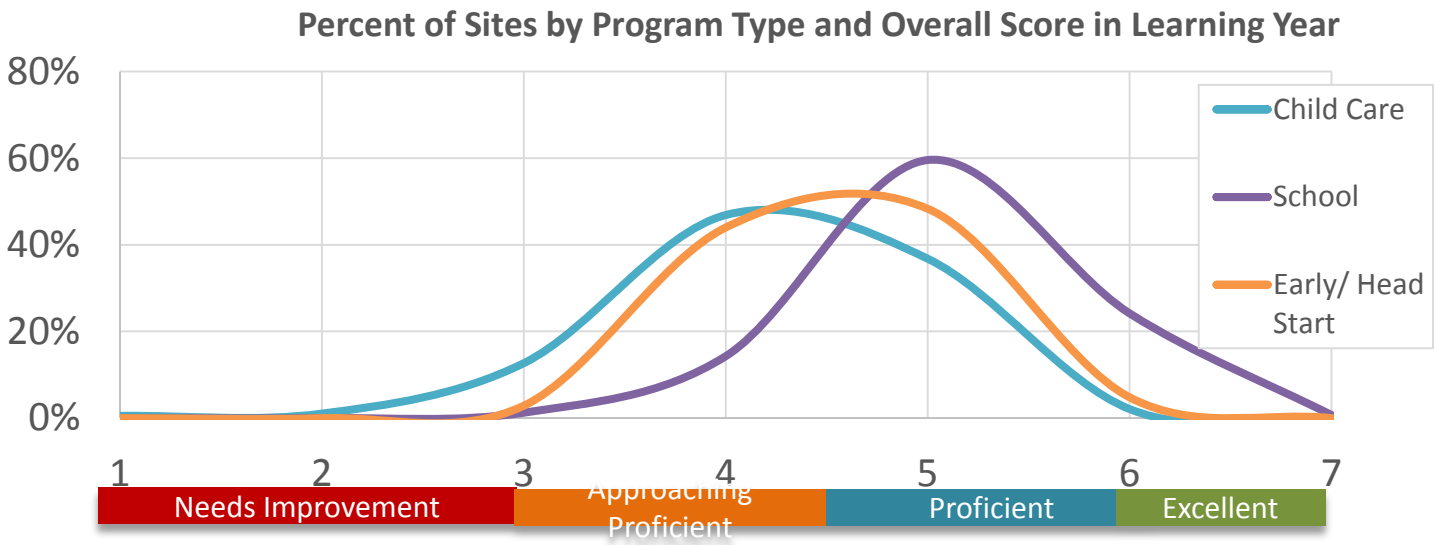
Child Care and Stress



Children are less stressed in strongly emotionally supportive classrooms.

Hatfield et al., 2013

In Louisiana, as elsewhere, there is substantial variation in program quality, both overall and by sectors



What does this look like?

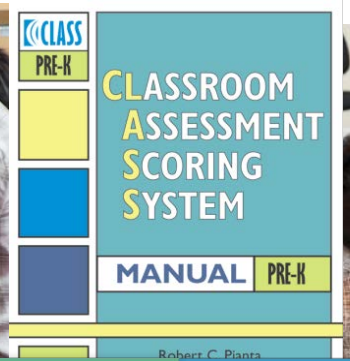
Too much time in whole group, rote instruction with limited engagement.

Children in child-directed activities with very little engagement with teachers.

Very few opportunities for children to interact with teachers in cognitively engaging ways.

CLASS provides organizations with a shared:

✓ Understanding ✓ Language ✓ Lens



CLASS
DATA ASSESSEMENT & ANALYSIS

CLASS
COACHING INTERVENTIONS

Early Evidence for Impact

- Local ratings are associated with children's learning and development
- Improvements across sectors and communities
- Intriguing findings on turnover

Children in Louisiana classrooms with more effective interactions (local CLASS ratings) learned more during the preschool year (Vitiello et al., 2018).

Early Childhood Research Quarterly 44 (2018) 161–169

Contents lists available at ScienceDirect

Early Childhood Research Quarterly

Measuring the quality of teacher–child interactions at scale: Comparing research-based and state observation approaches

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University of Virginia, United States

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Qris
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ABSTRACT

Use of observational measures to monitor preschool quality is growing rapidly. Although a large body of research has examined the validity of classroom observation tools within the context of researcher-conducted studies, little research to date has examined the extent to which the observations conducted as a part of state accountability efforts correspond to observations collected by research teams. This paper examines the degree of agreement between local and research rater teams using an observational measure of preschool classroom quality. It also explores the extent to which ratings predicted gains in children's literacy, math, and self-regulation skills. Local ratings were conducted as a part of Louisiana's quality rating and improvement system. Both rating teams observed 85 classrooms offering publicly funded preschool programs using the Pre-K CLASS, and 820 children from these classrooms (average age = 52.6 months, SD = 3.6 months) were directly assessed in the fall and spring. Results indicated cor-

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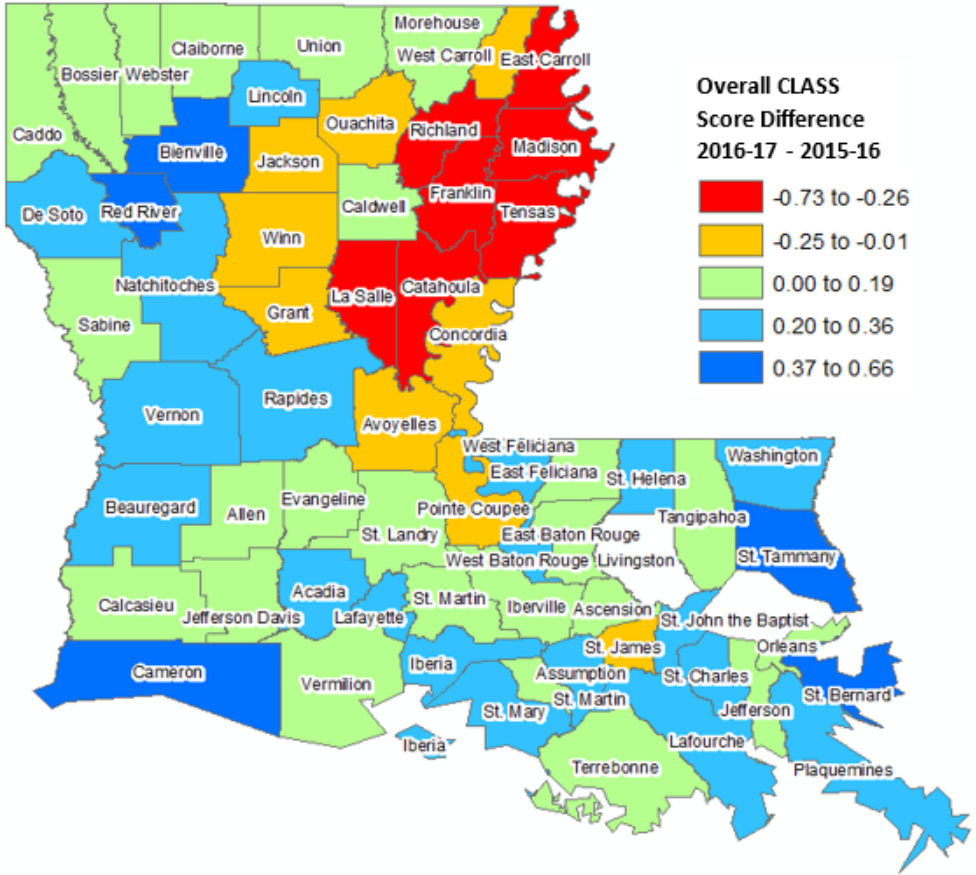
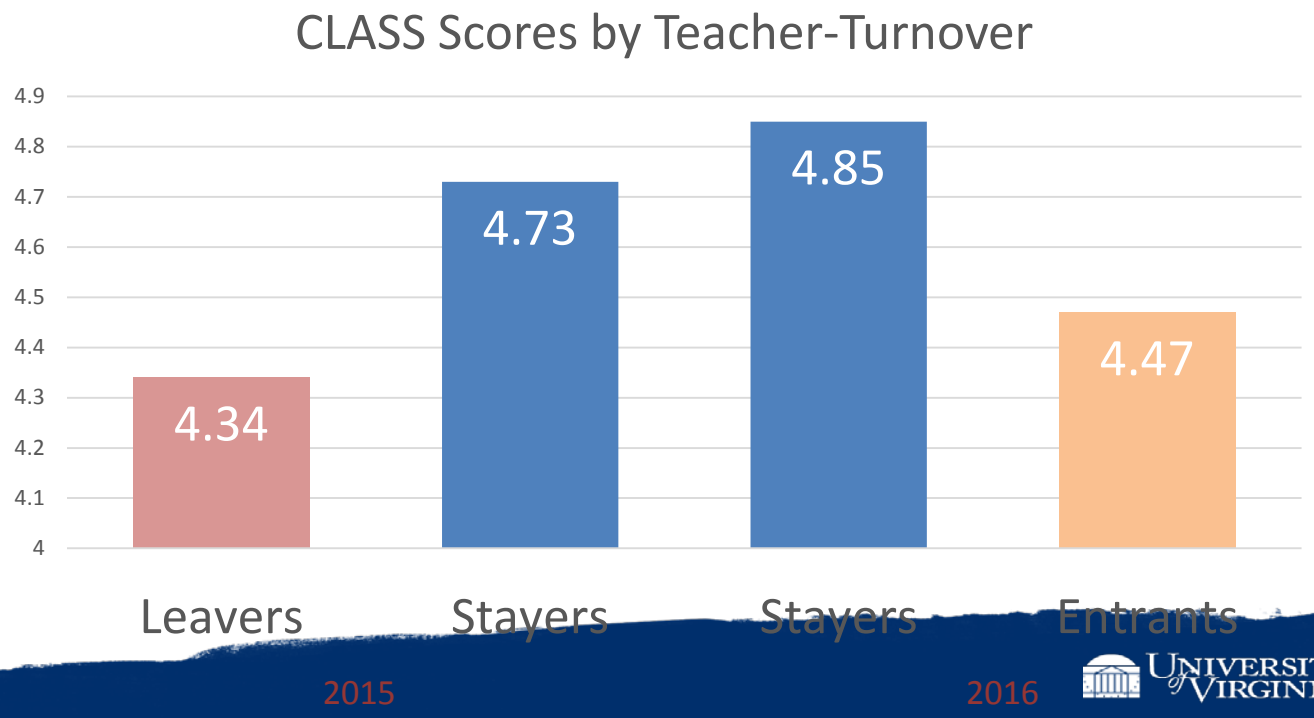


System-wide improvements, with variations across communities

Leavers are less effective, stayers are getting better, and new entrants are more effective than those who left



New Research: Understanding Improvement at Scale

Quality Improvement Efforts

Classroom Experiences

Children's Development

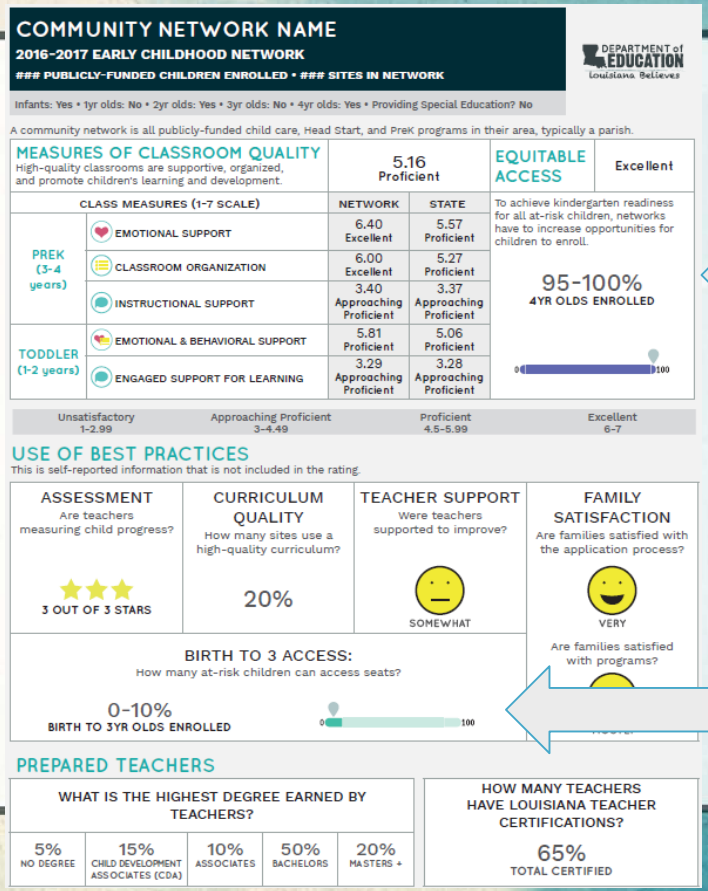
Thanks from our whole team in Virginia!

- Daphna Bassok, Associate Professor of Education and Public Policy/ Associate Director of EdPolicyWorks
- Bridget Hamre, Associate Professor and Associate Director of CASTL

University of Virginia
Curry School of Education

Community Network Equitable Access to Quality

- Community level access and quality are reported side by side on the Community Network Profile
- Communities are rated on the percent of at-risk four-year-olds served by public funds through all of the publicly-funded programs in their community.
- For each community, the at-risk birth-to-three access rate across all of the publicly-funded programs in their community is reported informationally.



COMMUNITY NETWORK NAME

2016-2017 EARLY CHILDHOOD NETWORK

PUBLICLY-FUNDED CHILDREN ENROLLED • ### SITES IN NETWORK

DEPARTMENT of EDUCATION Louisiana Believes

Infants: Yes • 1yr olds: No • 2yr olds: Yes • 3yr olds: No • 4yr olds: Yes • Providing Special Education? No

A community network is all publicly-funded child care, Head Start, and PreK programs in their area, typically a parish.

MEASURES OF CLASSROOM QUALITY
High-quality classrooms are supportive, organized, and promote children's learning and development.

5.16 Proficient

CLASS MEASURES (1-7 SCALE)		NETWORK	STATE
PREK (3-4 years)	EMOTIONAL SUPPORT	6.40 Excellent	5.57 Proficient
	CLASSROOM ORGANIZATION	6.00 Excellent	5.27 Proficient
	INSTRUCTIONAL SUPPORT	3.40 Approaching Proficient	3.37 Approaching Proficient
TODDLER (1-2 years)	EMOTIONAL & BEHAVIORAL SUPPORT	5.81 Proficient	5.06 Proficient
	ENGAGED SUPPORT FOR LEARNING	3.29 Approaching Proficient	3.28 Approaching Proficient

Unsatisfactory 1-2.99	Approaching Proficient 3-4.49	Proficient 4.5-5.99	Excellent 6-7

EQUITABLE ACCESS — Excellent

To achieve kindergarten readiness for all at-risk children, networks have to increase opportunities for children to enroll.

95-100%
4YR OLDS ENROLLED

0 100

USE OF BEST PRACTICES
This is self-reported information that is not included in the rating.

ASSESSMENT — Are teachers measuring child progress? 3 OUT OF 3 STARS

CURRICULUM QUALITY — How many sites use a high-quality curriculum? 20%

TEACHER SUPPORT — Were teachers supported to improve? SOMEWHAT

FAMILY SATISFACTION — Are families satisfied with the application process? VERY

Are families satisfied with programs?

BIRTH TO 3 ACCESS: How many at-risk children can access seats?
0-10%
BIRTH TO 3YR OLDS ENROLLED
0 100

PREPARED TEACHERS

WHAT IS THE HIGHEST DEGREE EARNED BY TEACHERS?

5% NO DEGREE	15% CHILD DEVELOPMENT ASSOCIATES (CDA)	10% ASSOCIATES	50% BACHELORS	20% MASTERS +

HOW MANY TEACHERS HAVE LOUISIANA TEACHER CERTIFICATIONS?
65%
TOTAL CERTIFIED

Early Childhood Access to Quality:

Elliot Regenstein

Foresight Law + Policy

Questions & Discussion

Adjournment

Opportunity for Public Comment

Next meeting on October 3: Review Local Governance Release for Applications