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Early Learning Matters – April 25, 2011

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Quote of the month:

“If we improve early education now, the research shows southeast Wisconsin won’t have to spend nearly as much money later for special education, remedial job training, correctional facilities and other costs that are a drain on economic growth.... It will take a collaborative and meaningful effort from the broader community – business, civic and philanthropic – to move the needle.”

· Beth Wnuk, regional president for PNC Bank, Wisconsin and a member of the board of directors for the United Way of Greater Milwaukee, in op-ed in the Milwaukee Journal Sentinel, March 26, 2011

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1. Early Learning Coalition Positions on the Governor’s Budget Proposal

The Wisconsin Early Learning Coalition has developed its positions on child care, YoungStar, Head Start and 4-year-old Kindergarten (4K) proposals in the Governor’s Budget. The Coalition believes that early childhood development and education are keys to Wisconsin’s competitive growth, and to short-term and long-term benefits. The 15-member Coalition has developed the following position on the Governor’s budget proposal:

- Opposition to Cuts in the Wisconsin Shares Child Care Subsidy Program**
 The Coalition is concerned about the extent of the cuts (over \$100 million) to Wisconsin Shares. The Coalition supports:

 - (a)** returning \$37 million per year in federal TANF funding for child care that was transferred to the Earned Income Tax Credit to free up state funds;
 - (b)** rejecting the provision that gives the Department of Children and Families total authority to impose cost-saving measures and set reimbursement rates, and
 - (c)** ensuring sufficient funding so that quality child care services are available to low-income working families, without waiting lists and major cost-saving changes in parent copays, income eligibility, and payment rates.
- Support for YoungStar, but with Changes to Tiered Reimbursement**
 The Coalition is pleased that the Governor's budget continues to implement YoungStar, but is concerned about the changes made in the tiered reimbursement system (quality incentive payments) that were approved by the Joint Finance Committee in December 2010. The Governor's proposal would **reduce** payments to 2-star programs by up to 5%, provide no increases for 3-star programs, provide up to a 5% increase for 4-star programs, and provide up to a 10% increase for 5-star programs. However, child care programs that are currently accredited would stay at their current reimbursement level under the proposal. The Coalition is working on a compromise that would establish a reimbursement system that reasonably rewards quality, and doesn't unduly punish programs in good regulatory compliance. (See Coalition analysis and alternative proposal http://www.greatstartwi.org/pdf/youngstar_position_alternative_elc_coalition_april-2011.pdf.)
- Opposition to Cuts to Head Start and 4K Start-up**
 The Coalition is concerned about the 10% reductions in state Head Start funding and 4-year-old Kindergarten Start-up Funding. Research has shown that effective pre-kindergarten programs have a substantial return on investment.

For more information:

For WCCF's analysis of the Governor's budget proposals:

http://wccf.org/pdf/ece_governors_budget_2011-13.pdf

To see the full text of the Coalition's positions:

http://wccf.org/pdf/elc_position_governors_budget_2011-13.pdf

2. Wisconsin Shares Expenditures Continue to Drop

Wisconsin Shares expenditures dropped to the lowest levels in a decade in February and March 2011, according to a WCCF analysis of spending trends. Monthly expenditures averaged \$18.3 million in February and March, a dramatic change from

average monthly costs in recent years. The last time expenditures were this low for 2 consecutive months was ten years ago in April and May of 2001.

While it is not clear whether this trend will continue, there has clearly been a steady drop in the average Shares expenditures per month for 3 years, from \$29.1 million in SFY 2009 to \$23.6 million for the first 3 quarters of SFY 2011, a 19% drop. The lower costs appear to be due to a declining caseload and an even more significant reduction in the cost per child. Exactly why the cost per child continues to decline is not clear, but it may be due to a combination of parents with reduced work hours and more stringent policies and oversight by the Department of Children and Families and the counties.

If the expenditure level of the first quarter of 2011 continues through the last 3 months of the fiscal year, total Wisconsin Shares expenditures for the fiscal year may be as low as \$302 million, a level \$8 million below the estimated cost of the program by the Legislative Fiscal Bureau in its budget analysis in March 2011. A lower cost for Wisconsin Shares would lessen the need for major cost-saving measures. On the other hand, if the economy continues to improve and more jobs are created over the next biennium, the demand for child care subsidies is likely to rise.

3. Early Learning Fares Well in Federal 2011 Budget Deal: Head Start, Child Care & a Version of the Early Learning Challenge Grant

Despite facing potentially damaging cuts in the House version of the Federal 2011 budget, early care and education got a significant victory in the final compromise package worked out by the House, Senate and President Obama. The House version would have cut \$1 billion, or 15%, of the national Head Start budget, and cut the child care budget by \$39 million.

Instead, Head Start got an increase of \$340 million more than the 2010 budget, enough to maintain the children currently enrolled, and the Child Care and Development Block Grant got a \$100 million increase. The new funds Head Start and Early Head Start got from the stimulus package, the American Recovery and Reinvestment Act (ARRA) were sustained, while child care was able to salvage some of the ARRA funds. For Wisconsin, The 2011 budget package will provide an estimated \$4.3 million for Head Start, and \$1.3 million for child care-- more than the 2010 budget level.

Title I and Individuals with Disabilities Education Act (IDEA) funding remained at 2010 levels.

But the big surprise was that the Early Learning Challenge Grant survived to live another day when budget negotiators, with what was probably a strong push from the President, carved out a place within the Race to the Top education initiative. The administration will determine how much of the \$700 million funding for Race to the Top will be used for competitive grants to states to increase high quality early learning for low-income children and support early learning systems at the state level.

Given the furor to address the deficit and to cut billions in the federal discretionary budget, early childhood programs fared very well. Wisconsin advocates did their part, sending 228 messages to Senators Kohl and Johnson. Next round: the 2012 budget, which may be an even steeper climb. But at least we're starting out at a reasonable base budget.

4. PWES Promotes Investment in Early Childhood at ECAC Meeting

Member of the Partnership for Wisconsin's Economic Success (PWES), a business and civic group promoting investment in early childhood development and learning, addressed the Early Childhood Advisory Council (ECAC) at its February 24 meeting. Dennis Winters, Chief Labor Economist at the Department of Workforce Development and co-chair of PWES, outlined the business case for investing early, focusing on research and workforce trends. Co-chair Jon Stellmacher reviewed the mission of PWES and its activities to date to educate and raise awareness among community and political leaders and to advocate for public policy supporting early development.

To see the PowerPoint presented, go to: http://wccf.org/pdf/PWES_total_presentation_022411.pdf

5. Maryland : Groundbreaking Early Childhood Data Systems

One of the Early Childhood Advisory Council's recommendations last year was to create a longitudinal data system for planning and decision-making to ensure that outcomes are measured and evaluated. The Department of Public Instruction has a federal grant to help Wisconsin build an overall system, with early childhood elements. A staff position to work on early childhood data is expected to be hired soon.

ECAC members have been looking at other states and communities for best practices. Maryland has an exceptional school readiness assessment system.

The Maryland State Department of Education developed a school readiness assessment at Kindergarten entry that evaluates what each child knows and is able to do in seven domains of learning (similar to those in Wisconsin's model early learning standards). The assessment is not a test, but a set of daily observations, work samples, and age-appropriate guidelines used by a teacher trained to do the assessment.

Maryland tracks children starting at 4-year-old (where data are available) with a unique identifier number. Maryland finds the assessment data particularly helpful in indicating if they are making progress on school readiness. After 9 years of school readiness assessment, the percentage of children arriving at school "fully ready" has increased from **49% in 2001-2002 to 81% in 2010-2011**. Significant progress in school readiness was found for low-income children, African American children, Hispanic children, and children with disabilities. The data helped Maryland to target resources to communities with school readiness gaps.

6. In the News

- Dr. Dean Gruner , CEO of ThedaCare, and Denis Hogan, regional director of Associated Bank had an Op-Ed in Appleton Post-Crescent, “Early childhood education helps economy.” [click here](#)
- Beth Wnuk, regional director of PNC Bank, had an Op-Ed in the Milwaukee Journal Sentinel, “A focus on early education will pay off down the road.” [click here](#)

7. Reading Room

Child Trends summary of recent research.

See excerpt below from Trend Line 4/15 blog:

“Nonpartisan and reliable research from a variety of sources have produced an ever-growing body of evidence that high-quality early childhood interventions such as [home visiting](#), [Head Start](#), and [Smart Start](#), promote the physical, social and emotional development of children from infancy through adulthood. In addition, there is growing economic analysis that documents the favorable return on investment for specific high-quality interventions. A February [article](#) in *USA Today* reported new findings of economic benefit associated with the Child-Parent Centers, as discovered through a federally-funded evaluation [study](#). The researchers have documented impressive economic benefits: each dollar spent on Child-Parent Centers returns between \$4 and \$11 in societal savings over the children’s lifetime as a result of increased earnings and tax revenues (stemming from improvements in school and work performance), and averted costs associated with reductions in arrests, depression, substance abuse and sickness. The lead author of the study says that this is up to an 18 percent annual rate of return.

And consider Head Start, where multiple studies have found measurable and long-lasting gains for several subgroups of children, particularly those at [high risk for school failure](#). A broad-based consortium of leading researchers recently [noted](#) that Head Start has been proven to increase the odds for children by ensuring that they are “healthier, more academically accomplished, more likely to be employed, commit fewer crimes, and contribute more to society.”

To learn more about Child Trends and Trend Lines, go to: [click here](#)

NGA Issue Brief on Home Visiting

The National Governors Association (NGA) Center for Best Practices has published a new issue brief, *Maximizing the Impact of State Early Childhood Home Visitation Programs*, that looks at how governors can better integrate home visiting programs into effective, comprehensive state early childhood systems.. It is available online at <http://www.nga.org/Files/pdf/1103HOMEVISIT.PDF>

8. Keep Up to Date on Wisconsin's 2011-13 Budget

You can stay abreast of critical budget issues by linking to the [Wisconsin Budget Project website](#)

9. WCCF on Facebook

"Find us on Facebook" with a link to our facebook page at <http://www.facebook.com/pages/Wisconsin-Council-on-Children-and-Families/141061865927340>

You can also follow us on Twitter: <http://twitter.com/wiskids>

10. Check Out the WCCF Blog

Hey !!--- Go to WCCF's Blog for the latest in children and family news: <http://www.wiskids.blogspot.com/>

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