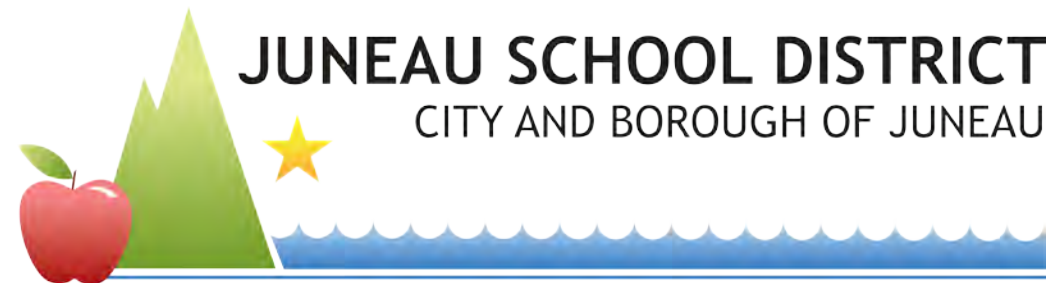


# Hot Topic: Investing in Early Childhood Education

Brian Holst, Juneau  
AASB Fall Conference  
November 11, 2017



**Invest in  
Talent:**

**Let's fill  
Alaska's  
Talent  
Pipeline!**



# Invest in Early Childhood Development



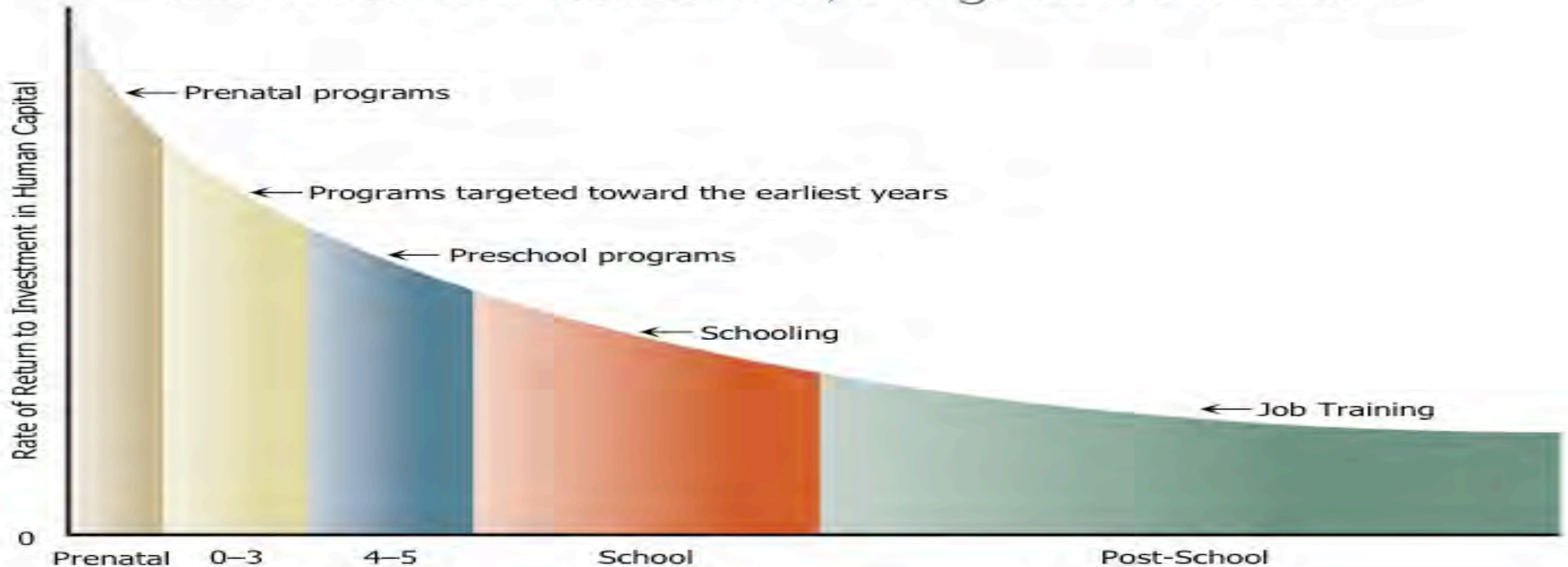
Prepared for  
Alaska Early Childhood  
Coordinating Council

Prepared by  
  
McDowell  
GROUP

1. You improve education
2. You improve health
3. You decrease crime
4. You achieve global competitiveness
5. You decrease inequality
6. You make a stronger America....  
(James Heckman)

# EARLY CHILDHOOD DEVELOPMENT IS A SMART INVESTMENT

The earlier the investment, the greater the return



Source: James Heckman, Nobel Laureate in Economics

# Early Childhood Development is Economic Development

“Investment in early childhood development programs brings a real (inflation adjusted) total return, public and private, of 16%. We are unaware of any other economic development effort that has such a public return...”

Art Rolnick, SVP and Director of Research, Federal Reserve Bank of Minneapolis  
Results of longitudinal study following 123 children from preschool to age 40.

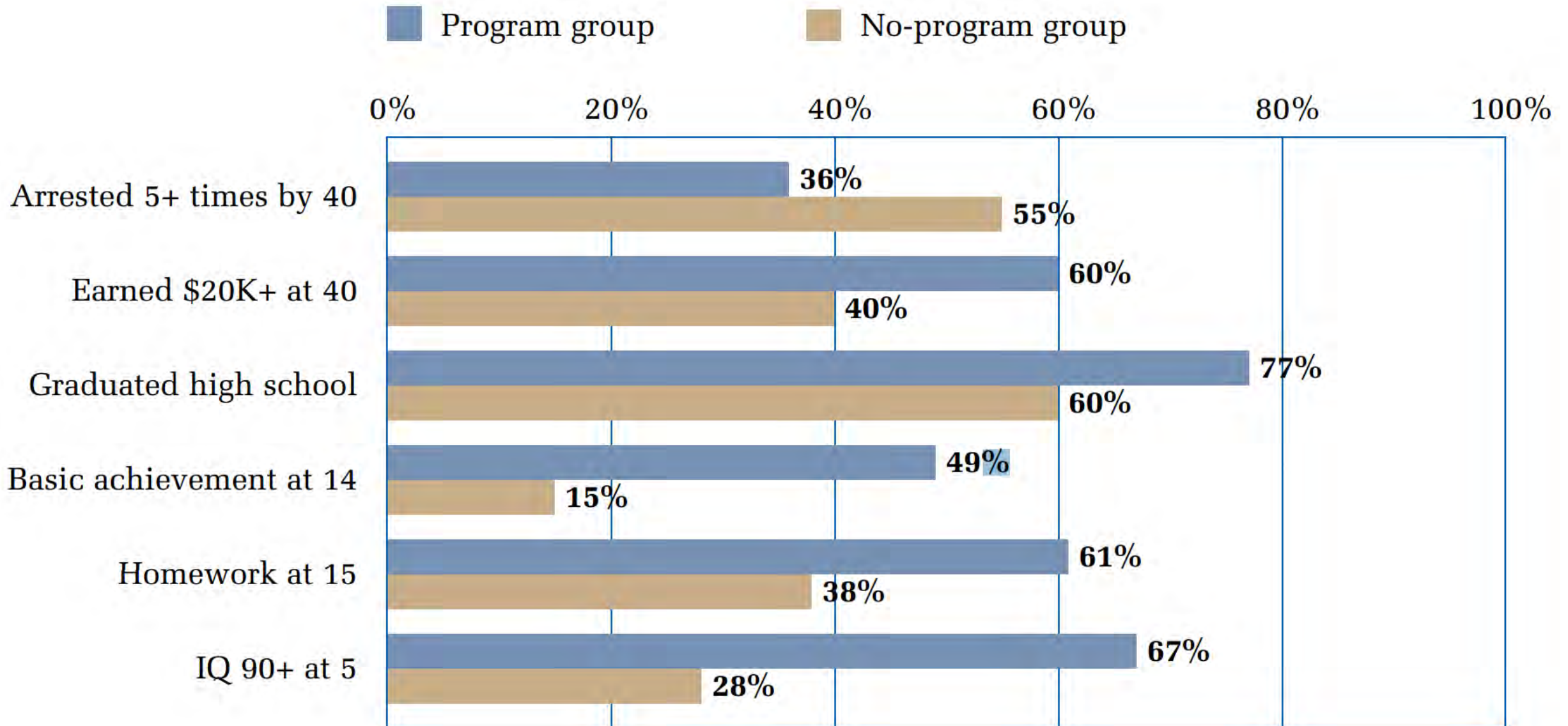


## Is there Evidence that this is real?

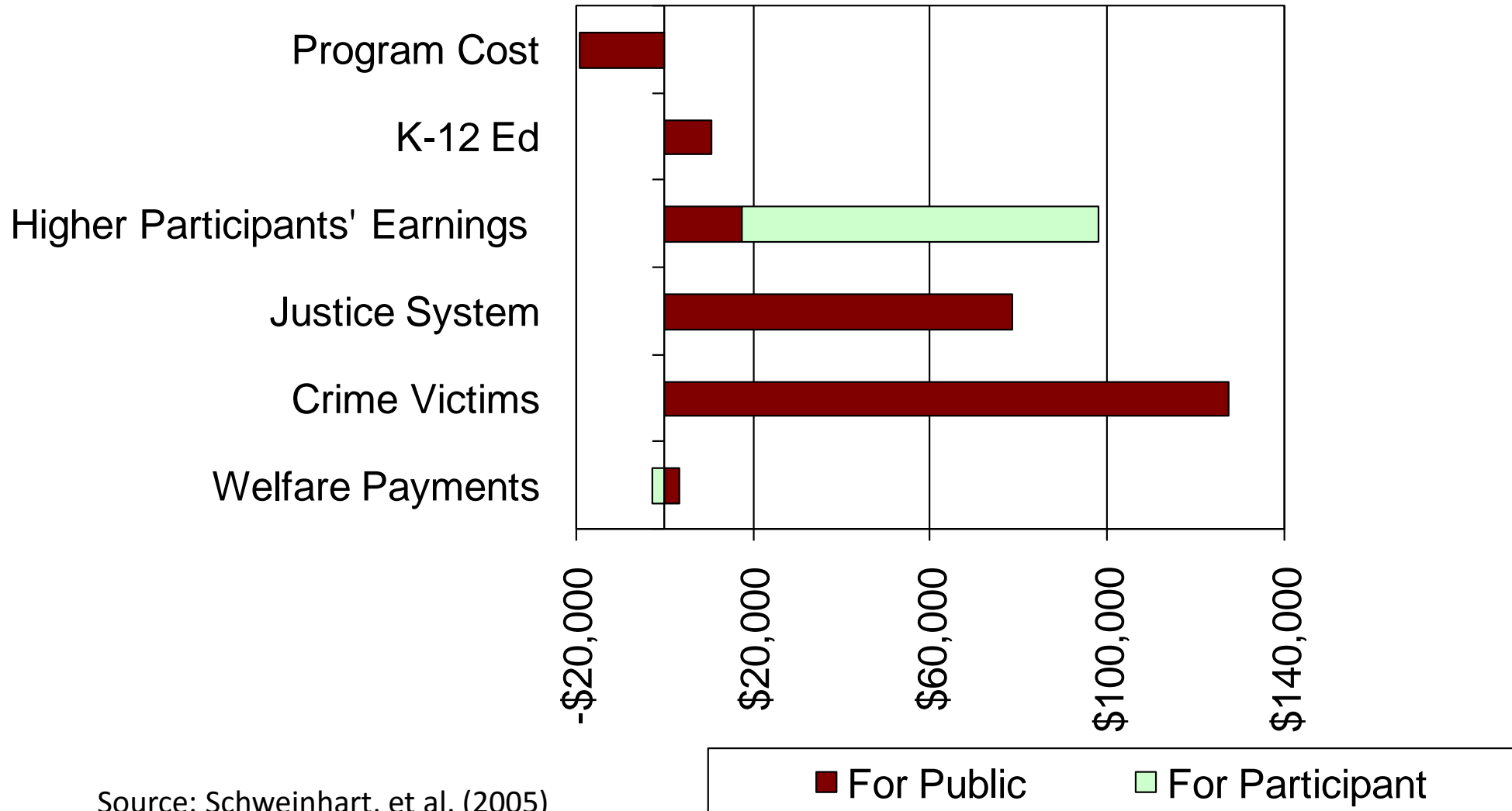
### 40 Year Study: High/Scope Study of Perry Preschool

- In early 1960s, 123 children from low-income families in Ypsilanti, Michigan
- Children randomly selected to attend Perry or control group.
- High-quality program with well-trained teachers, daily classroom sessions and weekly home visits.
- Tracked participants and control group through age 40.

# Major Findings: High/Scope Perry Preschool Study at 40



# Perry Preschool Benefits far outweigh the Costs





# Perry Preschool has a great ROI

## Estimated Return on Investment (ROI)

- Benefit-Cost Ratio = \$16 to \$1
- Annual Rate of Return = 18%
- Public Rate of Return = 16%
- Heckman Reanalysis = 10%

Sources: Schweinhart, et al. (2005); Author's calculations; Heckman, Moon, Pinto, Savellyez, & Yavitz (2010)

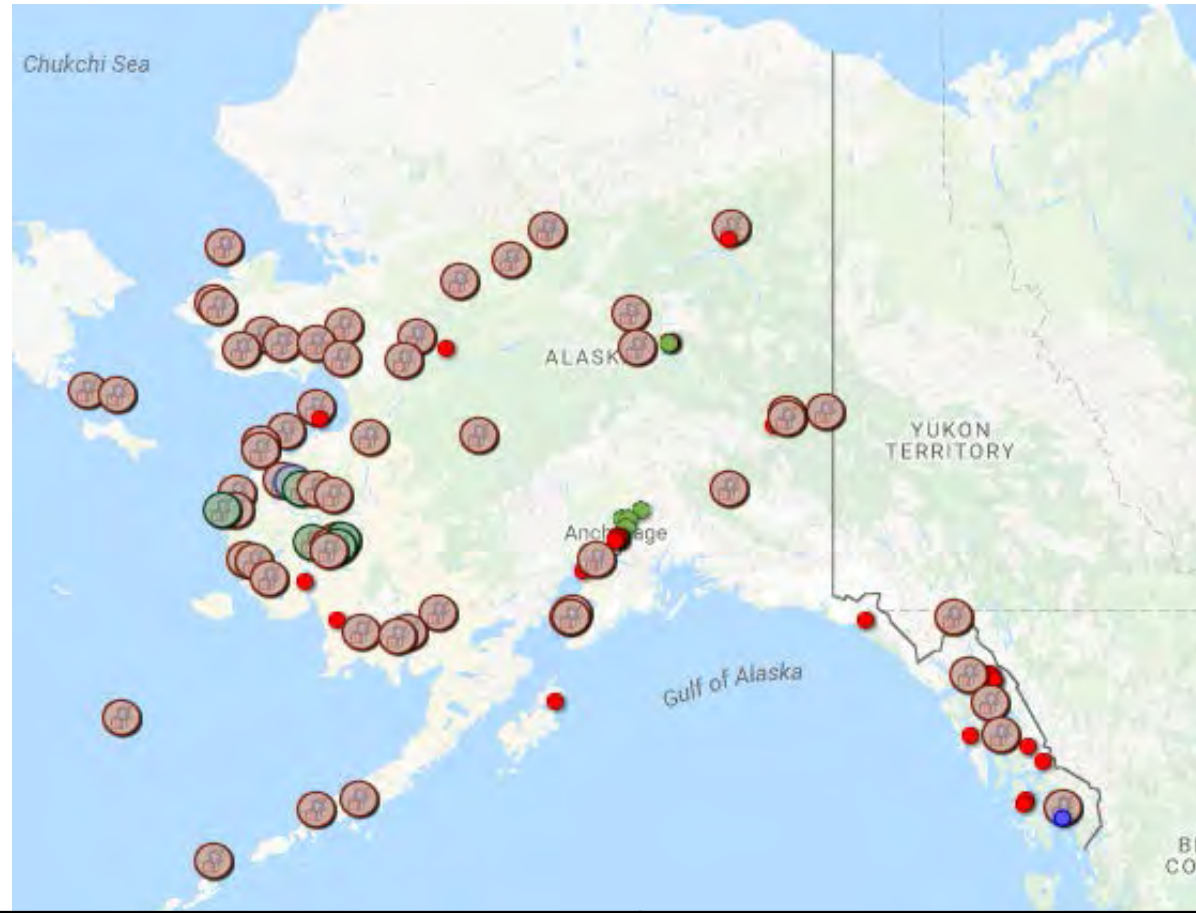
# What's the return on **\$20** invested in early childhood education?



Participants in preschool programs earn **14%** more than they would have otherwise; additional lifetime earnings of **\$156,490**.

Source: *Lifetime effects: The High/Scope Perry Preschool study through age 40*.  
Ypsilanti: High/Scope Press, 2005.

# Alaska Head Start Programs



2015 3047 children served 0-3	Employed 900 staff
2015 1400 4yr old children	\$30,000,000 in federal grants
50% of the students receiving special education	\$6,800,000 in state grants

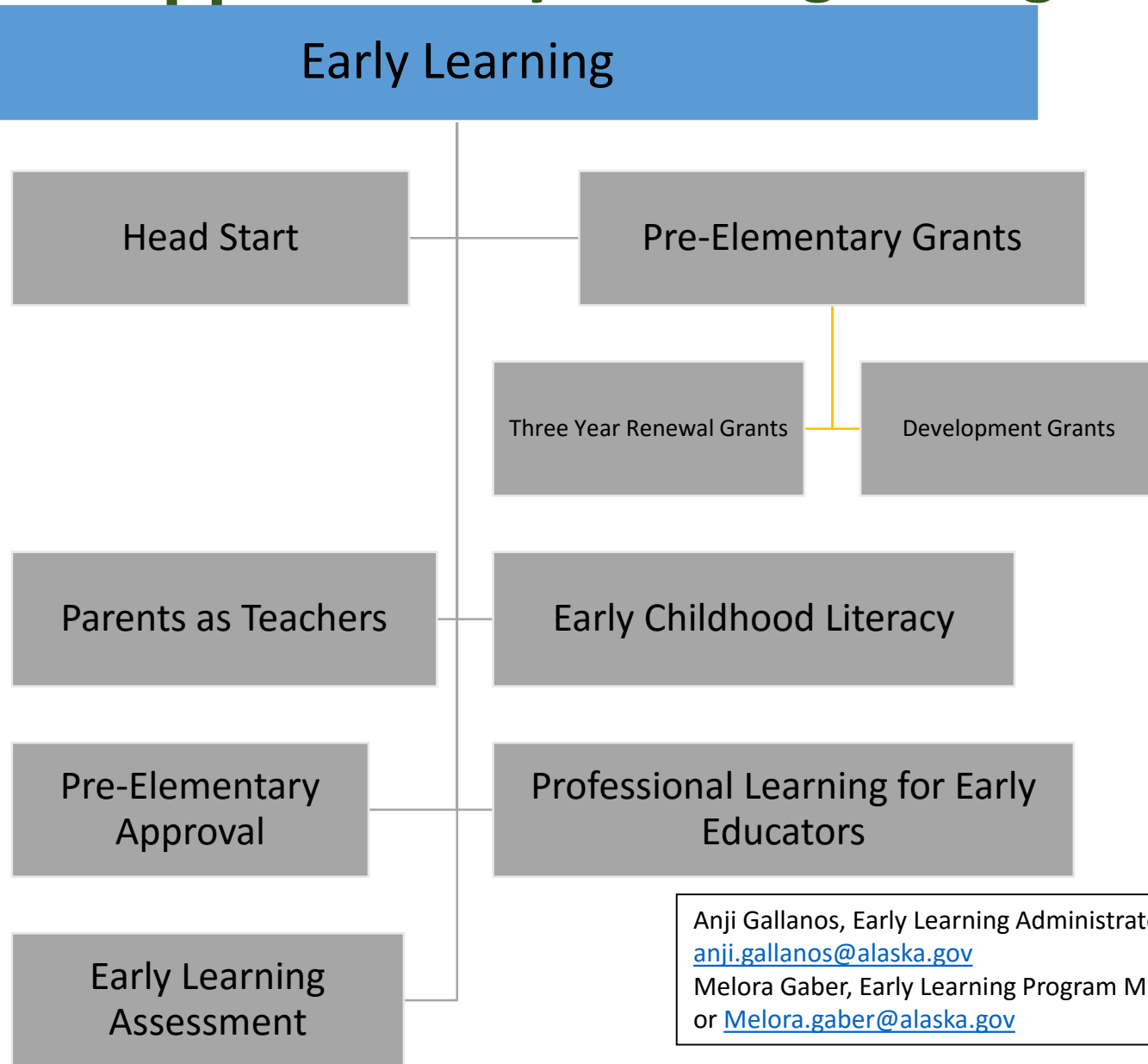
# Imagination Libraries in Alaska



Updated April 2016



# Alaska supports Early Learning through DEED



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# Not enough: Alaskan Kids are not ready for Kindergarten

- Districts administer the Alaska Developmental Profile (ADP) to all kindergarten students.
- The ADP is a tool based on multiple teacher observations recorded during the first four weeks of school.
- The ADP includes 13 sets of skills and behaviors (“goals”) in five domains.
- Three ratings
  - 2 = Consistently demonstrates (80% or more of the time)
  - 1 = Progressing
  - 0 = Does not demonstrate (20% or less of the time)

# Kindergarten Preparedness scores in Alaska are headed in the wrong direction

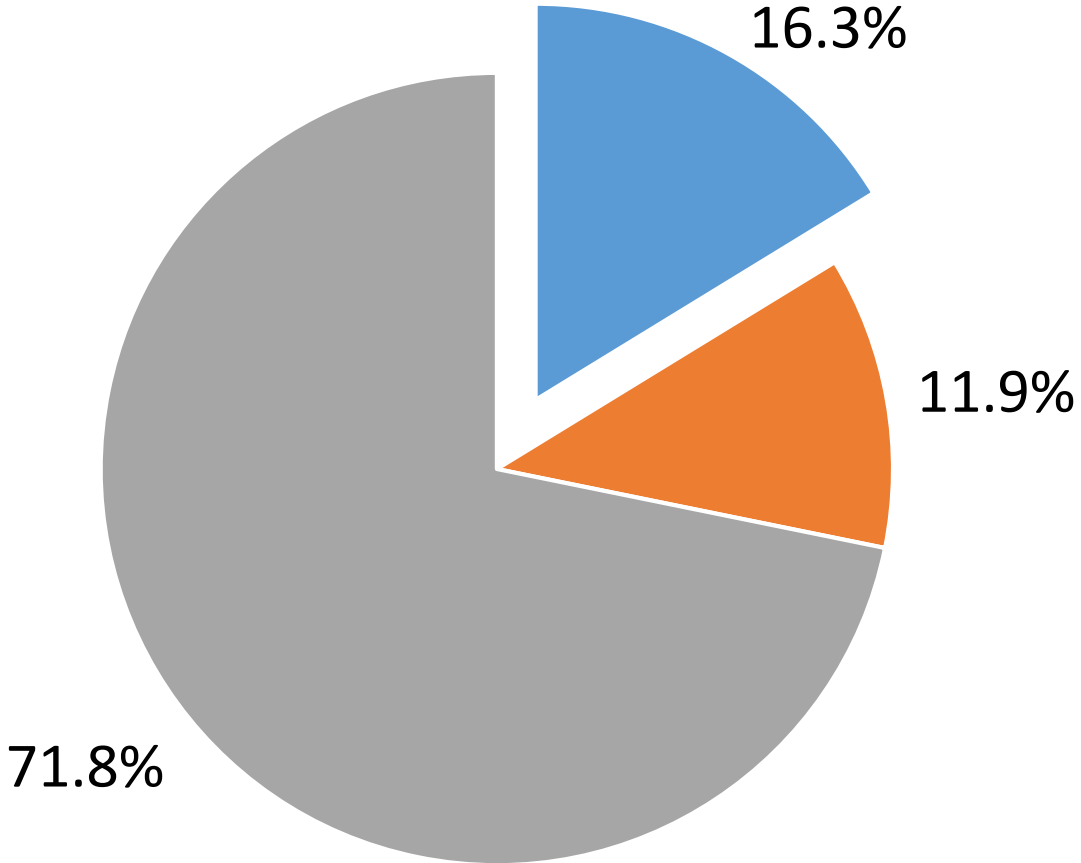
Statewide Developmental Profile: 2011-2012 through 2015-2016

	Physical Well-Being, Health, and Motor Development		Social and Emotional Development		Approaches to Learning		Cognition and General Knowledge		Communication, Language and Literacy				
	Demonstrates strength and coordination of large motor muscles.	Demonstrates strength and coordination of small motor muscles.	Participates positively in group activities.	Regulates their feelings and impulses.	Shows curiosity and interest in learning new things and having new experiences.	Sustains attention to tasks and persists when facing challenges.	Demonstrates knowledge of numbers and counting.	Sorts, classifies, and organizes objects.	Uses receptive communication skills.	Uses expressive communication skills.	Demonstrates phonological awareness.	Demonstrates awareness of print concepts.	Demonstrates knowledge of letters and symbols (alphabet knowledge).
2011-2012	1.58	1.51	1.48	1.42	1.48	1.40	1.48	1.43	1.56	1.47	1.30	1.37	1.40
2012-2013	1.58	1.49	1.45	1.38	1.44	1.37	1.48	1.39	1.52	1.44	1.25	1.35	1.36
2013-2014	1.58	1.51	1.46	1.40	1.46	1.38	1.48	1.40	1.52	1.45	1.28	1.35	1.38
2014-2015	1.56	1.47	1.43	1.37	1.44	1.35	1.44	1.39	1.51	1.43	1.26	1.34	1.36
2015-2016	1.54	1.48	1.44	1.37	1.45	1.36	1.45	1.39	1.51	1.44	1.24	1.31	1.33

Find Alaska Developmental Profile, ADP here:

<https://education.alaska.gov/tls/Assessments/developmental.html>

# 2015-2016 Kindergarten Readiness



- Students Demonstrating Kindergarten Readiness on all 13 Goals
- Students Demonstrating Kindergarten Readiness on 11 or 12 Goals
- Students Demonstrating Kindergarten Readiness on 10 or Fewer Goals



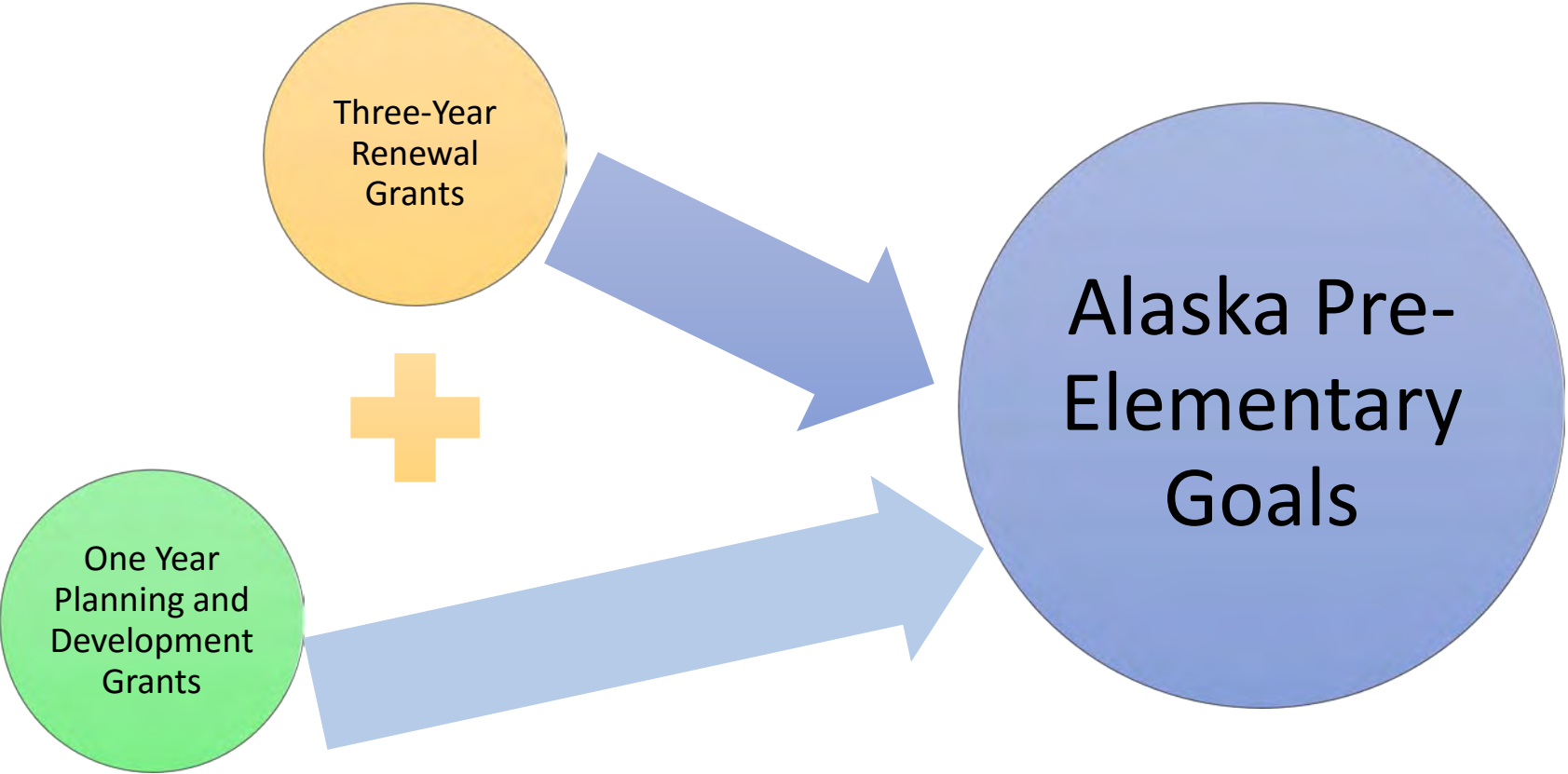


## **To achieve better results, a stronger Early Learning System is needed**

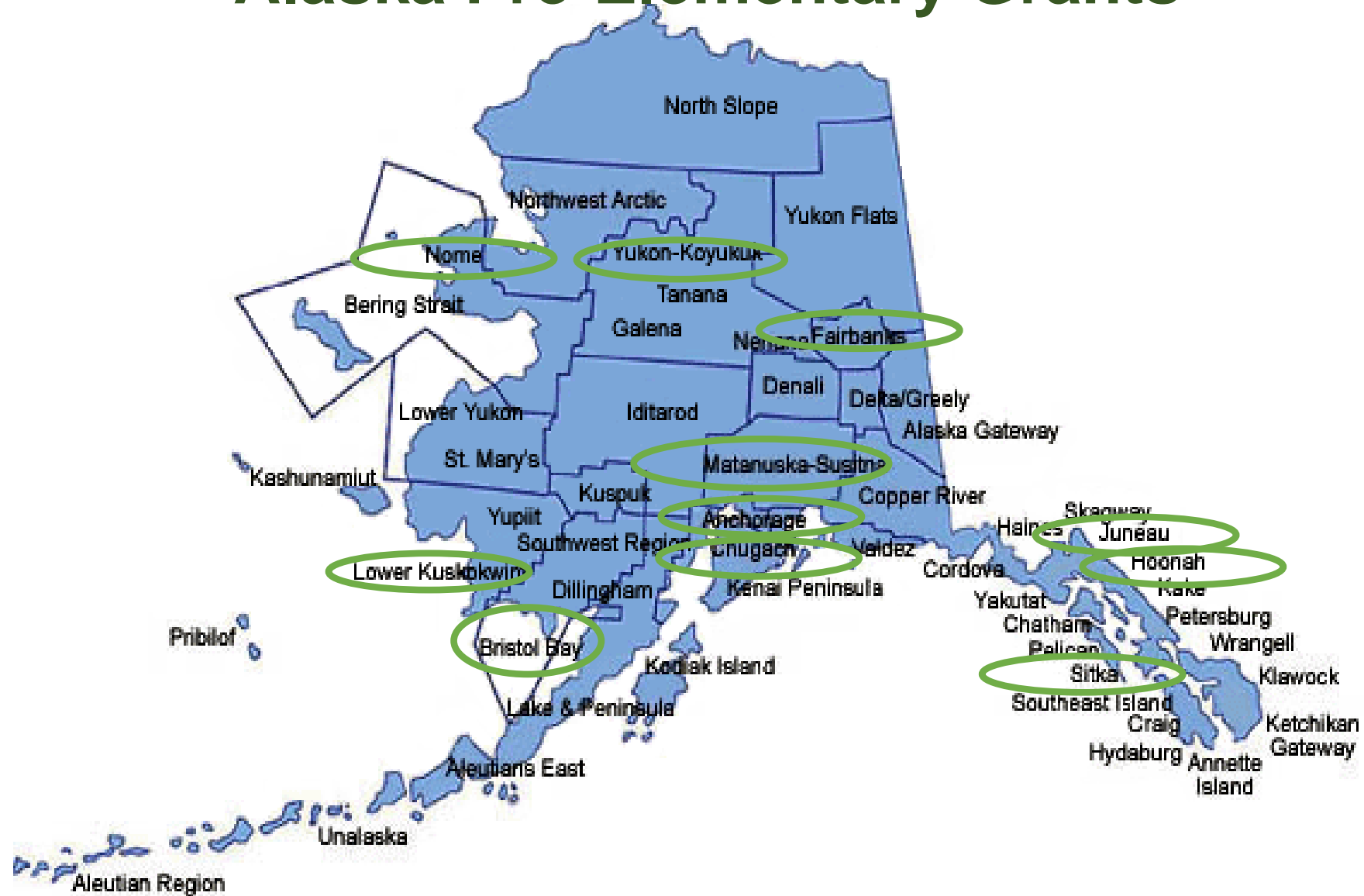
Key components:

- Prenatal and infant wellness
- Parents As Teachers home visiting
- Imagination Library and literacy supports
- High quality child care for working parents
- High quality pre-kindergarten

# There are resources: Two Alaska Pre-Elementary Grant Program Opportunities



# Alaska Pre-Elementary Grants



# Investing in Early Care and Learning helps Kids and the Economy (mostly).

- 1 in 7 (15%) of Alaskan workers are able to work because of the Early Care and Learning sector.
- \$2 billion is approximately added to the economy as annual earnings by adults able to participate in workforce because of early care and learning services.
- Increases standard of living of working families
- Every dollar spent on early care and learning in Alaska returns \$1.50 in economic activity.
- Wages are too low to attract and sustain a high-quality workforce
- Cost of care is beyond many parents
- Child-care is often an untenable business model

# Reasons for supporting High Quality Early Learning

- Help children enter kindergarten with the skills needed to succeed in school
- Increase high-school graduation rates and college attendance
- Reduce teen pregnancy rates, crime, and other social problems
- Reduce long-term social costs for special education, child welfare, and public assistance
- Reduce inequality in society
- Raise productivity in society, maximize human potential



# Reality is that many People Do Not Support High Quality Early Learning

- Costs too much (return on investment not recognized)
- Early education is the job of parents, not of schools or the government
- Harder to realize return on investment in short term
- Competing priorities (short-term needs trounce long-term strategy)
- Not needed by my kids....

## Example: **Best Start for Kids, King County (Seattle)**



- Best Starts for Kids is an initiative to improve the health and well-being of King County by investing in prevention and early intervention for children, youth, families, and communities.
- The levy will generate about \$65 million per year and cost the average King County property owner an estimated \$56 per year, which is about one dollar per week. Over six-year 14 cents on \$1,000 in property taxes.
- It will be the most comprehensive approach to early childhood development in the nation, starting with prenatal support, sustaining the gain through teenage years, and investing in healthy, safe communities that reinforce progress.

## What can be done? An example from Juneau...

- The School Board has identified Kindergarten Preparedness as one of the major goals in Five-Year Strategic Plan
- Raise Awareness in our community
- Support a community Collective Impact initiative bringing together key stakeholders: ROCK Juneau
- Build out our capacity to deliver high-quality early learning
- Design and fund a Universal Pre-K in Juneau: Best Starts for Kids, Juneau!
- Use the resources we have (AK, Fed, Local, Tribal) but don't wait!



# Ready to invest?

