



The State of Early Learning

IN SOUTHEASTERN PENNSYLVANIA

KEY TERMS

3rd grade: 3rd grade is a key milestone for young students — studies show that children not yet reading at grade level have little chance to catch up. No coincidence, 3rd grade is the first year that testing for No Child Left Behind is required. In fact, 3rd grade literacy rates are such a strong predictor of school success and future prospects that the California penal system uses them to project future incarceration needs.

Early learning: General reference to the age-appropriate educational experience children age 5 and under, particularly 3 and 4 year olds, may/may not have before starting kindergarten.

Head Start: A federal program providing comprehensive services for low-income families, including a strong educational component. Must comply with federal guidelines; thus no certification from the Pennsylvania Department of Public Welfare (DPW) needed unless providing full-day, year-round care. PA provides supplemental funding to expand participation.

School district pre-kindergarten: Educational programs that follow the academic year; no DPW certification needed, unless providing full-day care. Some programs are part of Head Start; others partner closely with childcare providers. Only 5 of 64 school districts in the region offer pre-K.

Childcare: Full-day, year-round care-taking services that may/may not include an educational component; must be certified (i.e., licensed) by DPW. Exempt: neighbors or relatives caring for 3 or fewer children; nannies, babysitters, & au pairs; summer camps.

Nursery schools: Private part-day programs, not requiring DPW certification. Have option of obtaining license from the Pennsylvania Department of Education (PDE), and if licensed, must comply with high standards of operation.

Non-parental care: Care-taking, educational, or blended setting in which children are being served by a non-parent. Can be in the home (e.g., by a nanny, babysitter, or au pair) or outside the home (e.g., childcare facility, Head Start program, nursery school, or pre-K classroom).

Around the country, business leaders are joining — and often leading — efforts to provide quality early learning opportunities for young children in their community. Why has this become a business issue? Just as companies take measures to grow into the next generation, investing in early learning is proving to be a smart regional down payment to ensure a quality future workforce.

So where does our region stand? There are 250,000 children age five and under who could grow up to be assets, or weaknesses, to southeastern Pennsylvania's workforce. You'll read in this report how great the challenge is to increase quality early learning experiences for the region's children, but if we expect to pass "Human Capital 101," the whole community — not just parents and educators — must make this a priority.

The Big Picture

Research shows that too many kids are entering kindergarten and first grade with a deficit of skills that handicaps them throughout their educational career. Further, educational underachievers earn less and need more public services in adulthood. To achieve better results at the secondary school end, and even as early as the **3rd grade**, there must be increased quality at the very beginning of the educational pipeline, and that means increased access to a quality **early learning** experience for every child.

And it's not just poor kids who benefit. Early learning benefits all children. Poor families, in fact, can qualify for **Head Start** or **school district pre-kindergarten** (pre-K) programs; affluent families can afford the best quality private programs. It's the majority in the middle who scramble for places and often have little option — especially as their children reach age three and four — but to choose **childcare** or **nursery schools** that don't necessarily have a quality early learning component.

So how are we faring? Of southeastern Pennsylvania's 250,000 children five and under, an estimated 90,000 (many two years or younger) are being cared for at home exclusively by a parent. That leaves 160,000 children in some form of **non-parental care**.

What percentage of children in non-parental care are in a quality early learning setting? Here's what we know: 22 percent — nearly 35,000 children — are in quality settings. Another 24 percent are in settings striving to attain quality status, but at present not meeting research-based standards — particularly standards related to teacher qualifications.

The remaining 54 percent? We just don't know.

These children — more than 86,000 in number — are in settings that are operating outside of an assessment process or outside the regulatory system altogether, and because of that, there is no way of knowing which are being stimulated, socialized, and prepared for school. And if we can't know, that means the schools they will soon enter for kindergarten or first grade don't know either.

Advancing Early Learning Across the U.S.

Chicago: Research by Chicago Metropolis 2020 showed that educating and caring for children under the age of six in Illinois has grown into a job-generating industry with more employees than the hotel/motel or the cellular/wireless communications industries. (\$2+ billion in receipts and nearly 56,000 FT employees.) This report is being used to promote broad access to affordable and high-quality early care in the Chicago region.

Kansas City, MO: Partners in Quality (PIQ) is a public/private coalition supporting early learning in Greater Kansas City. By 2010, PIQ plans to implement a metro-wide quality rating system similar to Keystone STARS. Ratings will determine financial aid and operational reimbursements to programs.

Florida: In 2002, Florida's voters approved a constitutional amendment requiring the establishment of universal pre-K for all 4 year olds whose parents desire it. Also, the School Readiness Program distributes federal and state resources to support young children at the local level. And in Miami-Dade County, the Early Learning Coalition is boosting the availability and affordability of high-quality education and health services; among its successes was moving 300+ childcare providers into National Association for the Education of Young Children (NAEYC) accreditation.

SIZING THE CHALLENGE

Pennsylvania's Major Initiatives to Promote Quality Early Learning

Keystone STARS (Standards, Training, Assistance, Resources and Support):

A voluntary quality assessment and improvement program available to providers regulated by DPW. The program rates those that exceed state health and safety licensing requirements at four quality levels. STARS Four is the top rating and approximates the NAEYC standards.

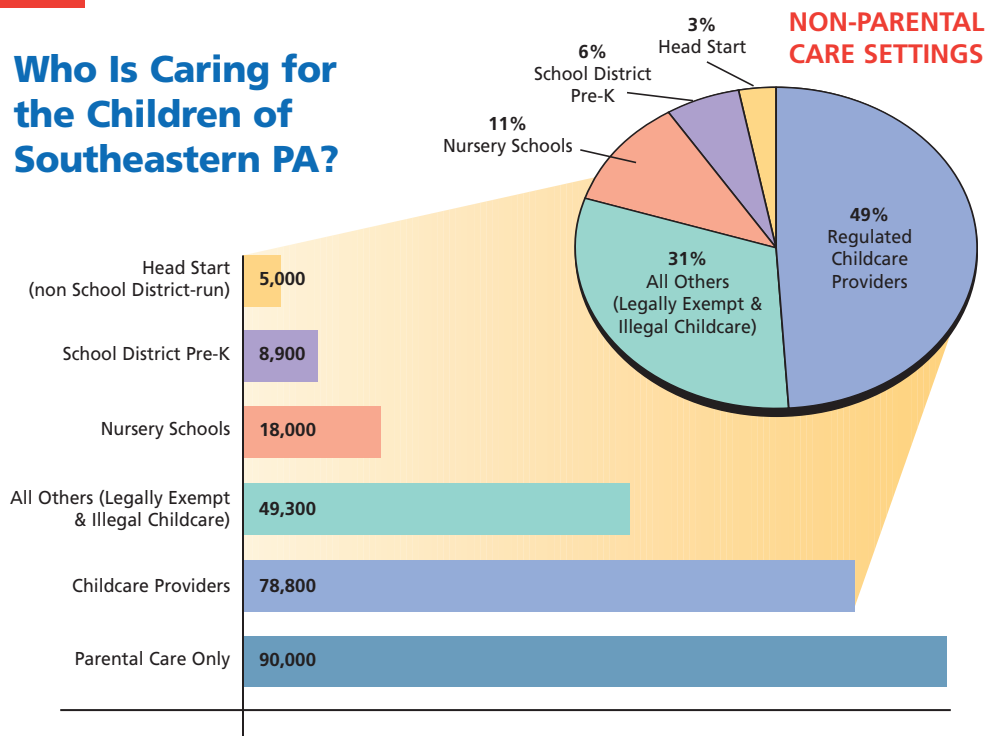
Accountability Block Grants: Provides funding to school districts to improve education quality via 11 options, including 3 for early learning. In '04-'05, over \$2 of every \$3 grant dollars were spent on early learning.

Head Start Supplemental Assistance Program: Supplements federal funding for Head Start programs for eligible children in PA. In '05-'06, state grants allowed 4,700 more low-income children to benefit from this in-demand pre-K program.

Pre-K Counts (formerly Partnership for Quality Pre-Kindergarten):

A 3-year public/private pilot effort to create a cohesive educational system for young children. Pre-K Counts is working with 23 school districts to deliver pre-K in a range of settings through partnerships with Head Start, high quality childcare providers, and early intervention.

Who Is Caring for the Children of Southeastern PA?

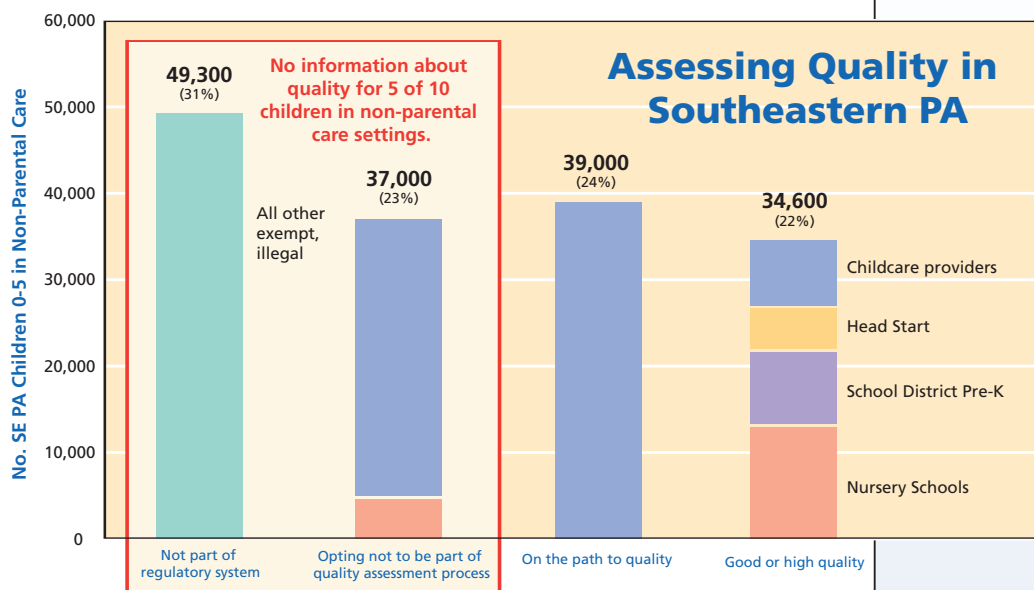


The figures above illustrate the range of non-parental care settings young children are placed in. First, note that the smallest slices (9% total) represent children in true pre-K programs in that they have an educational component: Head Start and school district pre-K. Another 11 percent are in nursery schools. Nearly a third of children are off the educational radar entirely because they are with exempt or illegally operating providers. Finally, fully half are served by regulated childcare providers of various shapes and sizes.

Now that we have a sense of how children are being cared for, what can we say about quality? First, how can we define quality? Of the numerous assessment processes in place — whether mandated by the funding entity (such as the federal government for Head Start) or voluntary in nature (such as the state's **Keystone STARS** program for regulated childcare providers) — staff qualifications are generally believed to be among the most important factors in determining quality and predicting a child's later performance in school. In fact, the highest ratings are awarded to providers and programs whose staff have degrees (completed or in-progress) in early childhood education or a related discipline. The table below shows the range of quality in non-parental care settings.

GETTING TO QUALITY

	Outside System	Opting Out of Quality Assessment	On the Path to Quality	Good or High Quality
Definition	Provider exempt from or operating illegally outside of the regulatory system	Provider eligible for quality assessment, but choosing not to participate	Provider or program participating in quality assessment, but not yet attained good or high quality staff qualification	Provider or program participating in quality assessment, and has at least 50% of staff with relevant degree
Applies to . . .	<ul style="list-style-type: none"> Providers exempt from DPW certification Illegal childcare providers 	<ul style="list-style-type: none"> Providers not participating in Keystone STARS Non-licensed nursery schools 	<ul style="list-style-type: none"> Keystone STARS providers at Level 2 or lower 	<ul style="list-style-type: none"> Keystone STARS providers at Level 3 or higher, or NAEYC-accredited School district pre-K Head Start Licensed nursery schools



Applying staff qualifications as the primary proxy for quality, the table at left shows the quality spectrum of settings for southeastern Pennsylvania's 160,000 children in non-parental care.

The Great Unknown: In the chart above, the two columns on the left represent the 5 of 10 children about whose early learning experience we know nothing. Approximately 37,000 are in settings that are not participating in a quality assessment process (childcare providers opting out of Keystone STARS or non-licensed nursery schools). Nearly 50,000 are in settings outside of the regulatory system altogether because they are exempt or operating illegally.

A Action: Enroll remaining eligible providers in Keystone STARS. The program is a supportive first step toward quality, and at the entry level requirements are small. With this step, as many as 1,600 providers serving 32,000 children would move onto the path to quality.

Action: Devise an intermediate step or an alternative process for nursery schools. At present, quality assessment is an "all or nothing" proposition for nursery schools, and for many, PDE licensing can be a significant commitment. Extending Keystone STARS — which is an incremental process of attaining quality — to this group or developing a process akin to it could bring more into the quality assessment fold.

Path to Quality: The bar at middle-right is comprised of childcare providers (including a handful partnering closely with school districts) that, while not having achieved "good" quality (STARS Level 3) are at least part of the assessment process. More than 1,000 providers caring for 39,000 children fall into this category. An almost geometric increase in staff credentials, time, and cost separates STARS Level 2 from 3 and prevents many from advancing.

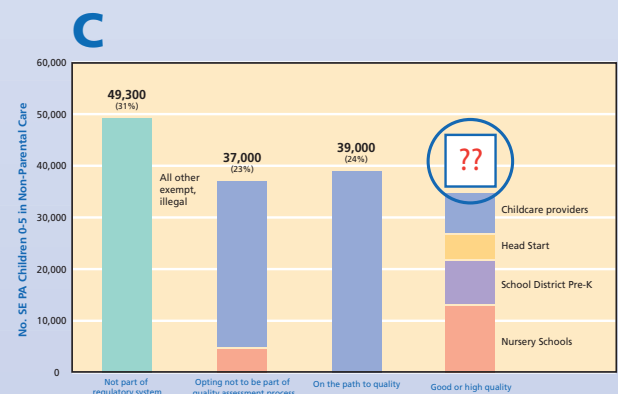
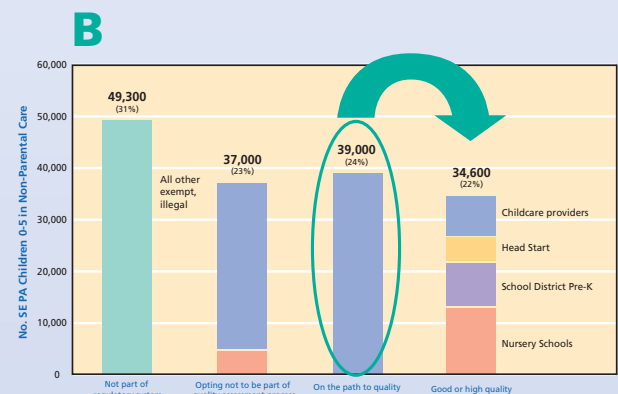
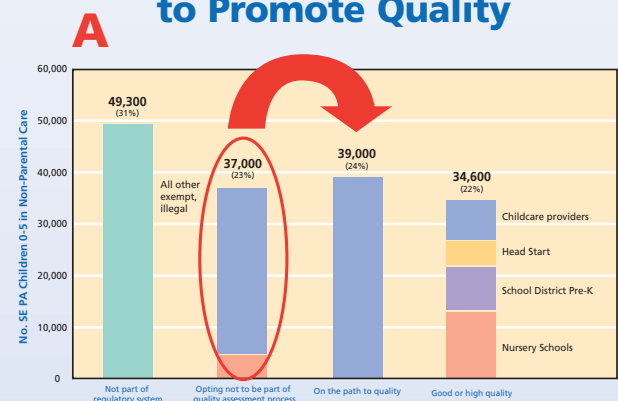
B Action: Move providers from Keystone STARS Level 2 to 3 by addressing barriers.

Good or High Quality: The far right bar shows the number of children in "good" or "high" quality settings. Ideally, this is where we want 100 percent of our children to be. One way to gain quality places is by the expansion of programs known to be of the highest quality — Head Start and school district pre-K programs. Additional state funding proposed for school district pre-K (through **Accountability Block Grants**) and Head Start (through the **Head Start Supplemental Assistance Program**), as well as partnerships formed between school districts, Head Start, and childcare providers (as encouraged through **Pre-K Counts**), would go a long way toward achieving this goal.

C Action: Expand Head Start and school district pre-K. A call in support of more public money devoted to these areas would allow more children to participate.

These four actions present the most immediate opportunity for increasing access to quality. But we should not forget the nearly 50,000 children in settings that are exempt from regulation or operating illegally. While more difficult to ascertain, it may be possible to assess and encourage quality through state subsidies of low-income children, many of whom are in care settings that fall into this group. And lastly, of the 90,000 children being cared for exclusively by their parents, it is likely that a segment would consider putting their children in an early learning program if quality could be assured.

Opportunities to Promote Quality

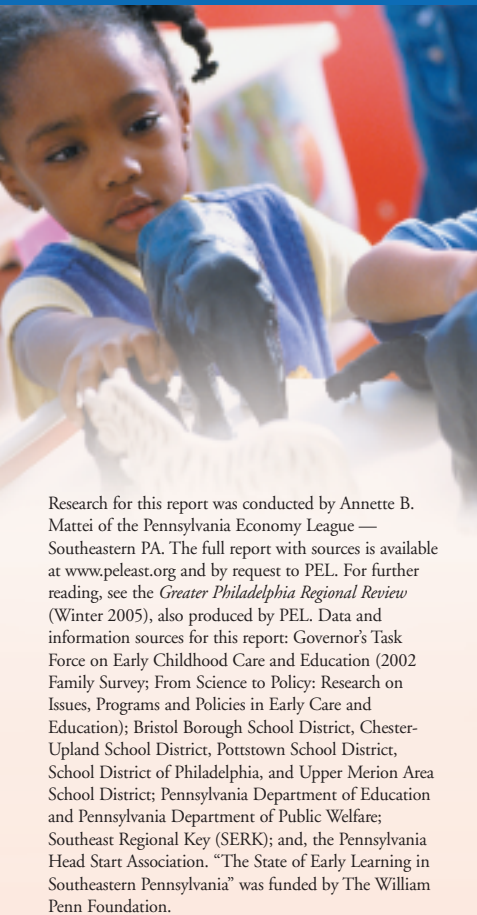




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Research for this report was conducted by Annette B. Mattei of the Pennsylvania Economy League — Southeastern PA. The full report with sources is available at www.pelcast.org and by request to PEL. For further reading, see the *Greater Philadelphia Regional Review* (Winter 2005), also produced by PEL. Data and information sources for this report: Governor's Task Force on Early Childhood Care and Education (2002 Family Survey; From Science to Policy: Research on Issues, Programs and Policies in Early Care and Education); Bristol Borough School District, Chester-Upland School District, Pottstown School District, School District of Philadelphia, and Upper Merion Area School District; Pennsylvania Department of Education and Pennsylvania Department of Public Welfare; Southeast Regional Key (SERK); and, the Pennsylvania Head Start Association. "The State of Early Learning in Southeastern Pennsylvania" was funded by The William Penn Foundation.

As consumers, we tend to like choice, and today's reality is that families require choice. When it comes to pre-school age children, we not only have to address their early learning needs but also the caretaking needs of working families.

Pennsylvanians enjoy a great deal of choice due to a "blended" system that the state, in conjunction with federal and local dollars, is investing in. But with more choice comes greater complexity. Understanding what is good quality and what is not can be confusing for parents and vexing for teachers who welcome these children into their classrooms without knowing which children already need to catch up.

To promote widespread quality in this blended system of early learning — and increase the educational and workforce potential of tens of thousands of children — the region's businesses can assist along two fronts:

- 1) As employers. Employees are also parents and consumers of early learning and care-taking services. Employers can help stimulate demand for quality early learning by:
 - Providing information to employees through Human Resources communications.
 - Instituting creative corporate policies, such as matching dependent care benefits.
- 2) As regional business leaders. Providers of services for young children, particularly childcare providers, are businesses, too. If we are to build a true blended system,

then the business community can help transform these businesses into much more than basic care-taking services by:

- Advocating and funding programs that move childcare workers and school aides with some college credit to degree completion.
- Providing leadership and technical assistance to key state initiatives, such as Pre-K Counts.
- Engaging at the local level with the primary agents for forming early learning partnerships: school districts and school boards.
- Supporting demonstration projects such as Pottstown's ambitious effort to transform its economy in part through improvement of early learning.

While this report helps build an understanding of the size of the region's early learning challenge, the need to continue this research escalates, especially as the push for quality becomes more widespread. Many questions remain, in particular: How will increased quality affect childcare providers' business model, especially compensation for more highly-credentialed staff? How will this affect affordability for families? How can we increase access to school district pre-K and Head Start without putting significant financial burdens on taxpayers or undermining the childcare industry? While these questions will be a challenge to answer, in asking them we know we'll have made progress toward attaining quality throughout the region's early learning system.

The State of Early Learning in Southeastern Pennsylvania **WHAT CAN WE DO?**