A Report On The Cost Of Universal, High-Quality Early Education In Massachusetts

Executive Summary
Acknowledgements

The Early Education for All (EEA) Campaign and Strategies for Children, Inc. (SFC) are appreciative of the expertise and guidance of the many individuals who contributed to this project.

We especially thank the Massachusetts Legislature for its continued commitment to ensuring high-quality early education for all of our young children and families and for providing the impetus for this report. We also extend our sincerest appreciation to MassMutual Financial Group and Associated Industries of Massachusetts for their financial support of this work.

This project has truly been a team effort. Contributors to the report include Dr. Paul Harrington, Dr. Neeta Fogg and Kevin McCabe of the Center for Labor Market Studies at Northeastern University, Anne W. Mitchell, Jan J. Gilpin and the SFC/EEA staff. The Campaign has also relied on the expertise of its Resource Analysis Working Group: Dick Rowe, Chair, Doug Baird, Jon Baker, Steve Barnett, Shelley Berman, David Bunker, JD Chesloff, Vic DeGravio, Karen Frederick, Andre Mayer, Gerry McCue, Paul Reville and Tom Scott.

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Finally, to the devoted members of the EEA Campaign Advisory Committee and to our philanthropic partners, we thank you for your steadfast commitment, leadership and support. With the release of this report, we now have essential information on what it will cost to ensure high-quality “early education for all.” Now is the time to fulfill the promise.

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Background

The Commonwealth of Massachusetts has committed to provide universal access to high-quality early education for children ages three to five. In 2005, the first-in-the-nation Department of Early Education and Care became operational and was given a statutory mandate to oversee the development of a program of voluntary, universally accessible high-quality early education for all preschool-aged children in the Commonwealth. The state furthered its commitment by creating the Massachusetts Universal Pre-Kindergarten program (MA UPK) and funding a pilot initiative in its FY2007 budget.

In order to see MA UPK to fruition, the Massachusetts Legislature requested that the Early Education for All Campaign develop an estimate of the cost of full implementation. The Campaign, an initiative of Strategies for Children, Inc., is a coalition of leaders from business, early childhood, labor, religion, health care, education and philanthropy, working in partnership with parents, grassroots leaders and state policymakers to ensure access to high-quality early education for all children in Massachusetts ages three to five.

In response to this request from the Legislature, EEA convened the Resource Analysis Working Group which tapped the expertise of leaders in business, academia, K-12 education and early childhood education. Struck by the complexities of the task, the group recommended that an economist be retained to determine the incremental cost associated with implementation of universal, high-quality early education. EEA engaged a team of economists from the Center for Labor Market Studies at Northeastern University to produce a cost estimate. This estimate will inform state policymakers as Massachusetts joins a nationwide movement—including 17 other states—to provide universal early education.

More brain development occurs during the first five years than at any other time.

Children who participate in high-quality early education programs:

- Are 40% less likely to repeat a grade, 30% more likely to graduate from high school and more than twice as likely to go to college;
- Are better prepared for kindergarten, especially in the areas of pre-reading, pre-math and social skills;
- Develop better language skills, score higher on school readiness tests and have fewer behavioral problems once they enter school;
- As adults, have higher median annual earnings and are more likely to be homeowners.
The Cost of Universal, High-Quality Early Education

To fulfill the Commonwealth's commitment to universal *access* to *high-quality* early education, it will cost $600 million or just over $3,000 per child in 2006 dollars. This cost estimate:

- Is the aggregate investment needed statewide to implement MA UPK;
- Reflects the investment needed in addition to all public and private sources of funds presently in the early education system;
- Builds upon the existing strong foundation of private and public providers in Massachusetts with the ability, or potential, to deliver high-quality early learning experiences for children.

The Commonwealth has committed to provide universal access to high-quality early education for every preschool-aged child whose family chooses to participate. As a result, the estimation of cost includes inputs linked to effective early learning opportunities as well as funds to ensure that the MA UPK program is affordable to all families.

$600 million for Massachusetts Universal Pre-Kindergarten would support:

- An early education program that meets the *Early Childhood Program Standards for Three and Four Year Olds* and *Learning Guidelines for Three and Four Year Olds*, approved by the Massachusetts Board of Education in 2003;
- At least one teacher per classroom or family child care setting who holds a bachelor's degree and who has received specialized training in early childhood education;
- Highly qualified staff including assistant teachers or paraprofessionals and program directors or principals;
- Quality enhancements such as: professional development, curriculum development and implementation, materials and equipment, child assessments, transitions to kindergarten, technical assistance, comprehensive services like health and dental screenings and mental health supports where needed, accreditation and data maintenance and reporting;
- Ensuring that the MA UPK program is affordable to all families that would choose to enroll their children.
The Cost of Quality

Quality is of utmost importance. Early childhood research draws a direct line between program quality, the formal education level of the teacher and adequate compensation.

- Studies have found that the most effective early education teachers have bachelor’s degrees and some training in early childhood education; teachers with a four-year college degree are strongly and consistently linked to early education program quality;
- Of 17 states that are currently moving toward implementation of universal pre-kindergarten, 13 states require Lead Teachers to have a bachelor’s degree or equivalent;
- Massachusetts requires its Lead Teachers in private, licensed programs to have some training in child development; it does not require these teachers to have an associate’s or bachelor’s degree.

Investment in teacher quality is the primary driver of the cost of quality early education in the Commonwealth.

The Cost of Affordability

In order to address both current and anticipated affordability challenges, EEA has determined that for every dollar invested in high-quality early education, another should be invested to ensure its affordability to families. This approach would give the Legislature and the Department of Early Education and Care the wherewithal to ensure that a high-quality early education is affordable to all Massachusetts families with young children.

Affordability is critical:

- In a recent national study, Massachusetts was ranked the fourth “least affordable” state in the nation for preschool education;
- Parents responding to the 2006 Early Education Massachusetts Household Survey most frequently cited cost as an element of their current early education and care arrangements that they would most like to change;
- Thousands of preschool-aged children from families qualifying for public subsidies to help them access early education programs are placed on a waitlist because funds are not available to cover all eligible children.
Early Education: An Investment with Extraordinary Returns

The enormous potential of investment in high-quality early education has prompted the Massachusetts business community, including Associated Industries of Massachusetts, the Massachusetts High Technology Council, the Massachusetts Biotechnology Council, the Massachusetts Business Alliance for Education, the Massachusetts Business Roundtable, local chambers of commerce and senior executives from companies like EMC Corporation, Genzyme Genetics, MassMutual Financial Group, Staples, Inc. and Verizon all to support the Early Education for All Campaign and the goal of universal, high-quality early education for Massachusetts.

Massachusetts’ taxpayers could realize a significant return on an investment of $600 million per year to provide high-quality early education to three-, four- and five-year-olds, joining the vanguard of states implementing universal early education. With the creation of the new Department of Early Education and Care, the ongoing commitment to provide high-quality universal early education, and the funding of the MA UPK pilot program, the Commonwealth has laid the building blocks for responsible, accountable and effective investment in high-quality early learning opportunities for preschool-aged children. With this estimation of costs associated with implementation of MA UPK, the state can now assess the appropriate level of incremental investment needed to phase-in and fulfill its commitment to universal access to high-quality early education for the preschool-aged children of the Commonwealth.

“Investment in early childhood development programs brings...a total return, public and private, of 16 percent.”

Art Rolnick & Robert Grunewald, Federal Reserve Bank of Minneapolis

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