

# Planning for Universal Preschool in the City of Oakland

Expanding Access and Quality

---

# Overview

---

- Project Purpose and Approach
- Current Status of Preschool: Needs Assessment
- Key Discussion Points: Issues to Consider when Expanding Access to Preschool
- Addressing Challenges
- Cost Estimates and Phase-In Options

# Project Purpose and Approach

---

# Purpose of Project

---

- Assist city leaders and stakeholders in developing their strategies to expand access to quality preschool for 3- and 4-year-olds in the City of Oakland.
- Inform a data-driven plan for quality universal preschool in Oakland and identifying areas of high need.



# Approach

---

- Analyze supply and enrollment in early care and education (ECE) and Transitional Kindergarten (TK) to understand unmet need;
- Interview stakeholders;
  - Collect input from representatives including the Local Child Care Planning Council, Head Start, OUSD, First 5 Alameda, LIIF, Resource and Referral Agencies, local colleges;
- Review research on preschool initiatives in other cities/counties;
- Estimate costs;
  - Estimate the costs of providing and sustaining quality ECE programs;
- Develop phase-in plans; and
- Explore potential revenue sources to make access to quality preschool for all a reality in Oakland.

# Current Status of Preschool: Needs Assessment

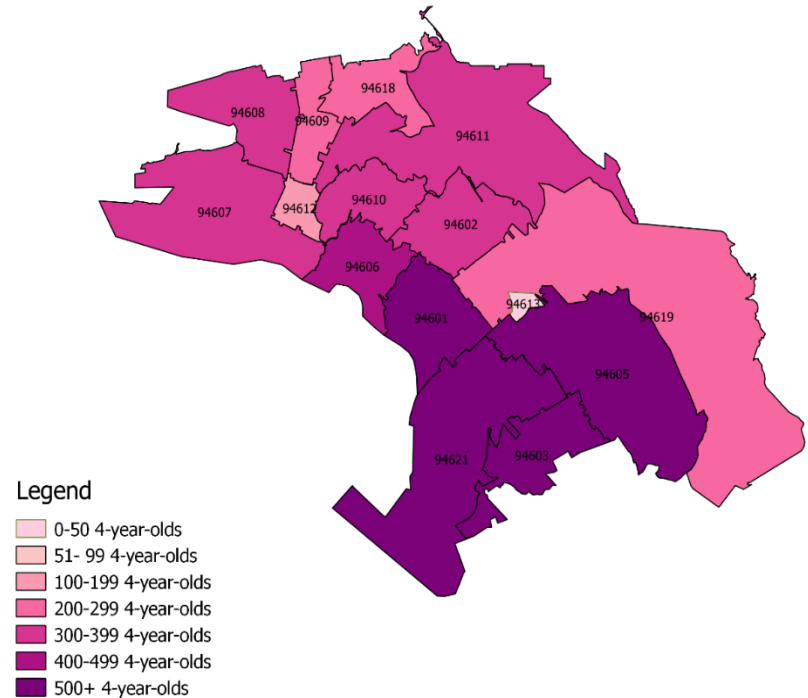
---

# Current Status of Preschool in Oakland: Demand

~11,364 Children of  
Preschool Age

5,601 three-year-olds (based on births in 2011)

5,763 four-year-olds (based on births in 2010)

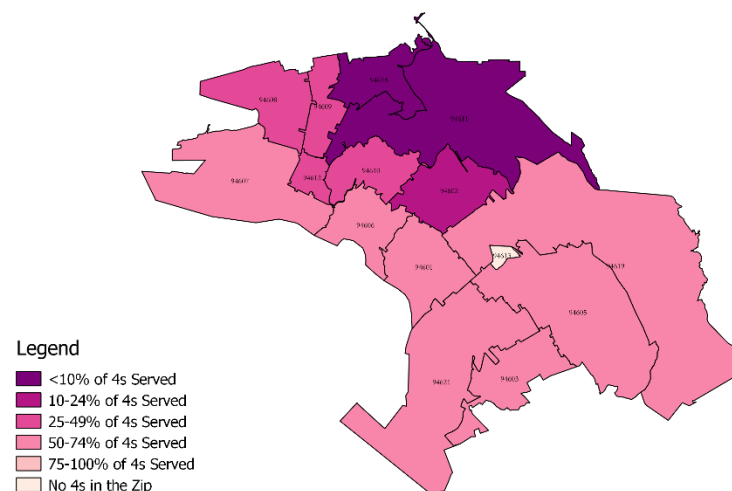


# Current Status of Preschool in Oakland: Enrollment

## Enrollment in CDE-Administered Title 5 Programs, Head Start, or Transitional Kindergarten (TK)

~34% of Preschoolers served as of 2014

- 1,181, or 21% of three-year-olds enrolled
- 2,666, or 46% of four-year-olds enrolled



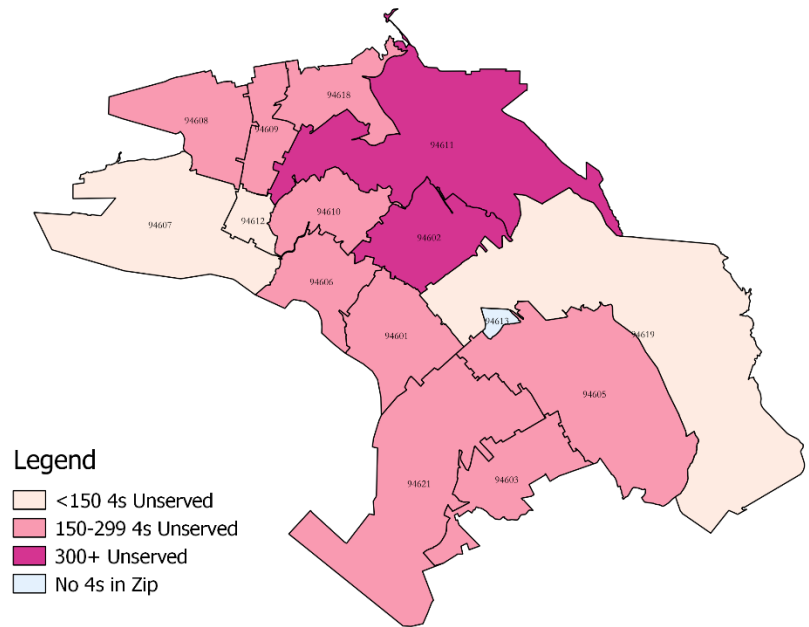


# Current Status of Preschool in Oakland: Unenrolled

Not Enrolled in CDE-Administered Title 5 Programs, Head Start, or Transitional Kindergarten (TK)

7,186 of Preschoolers NOT served as of 2014

- 4,420 of three-year-olds not enrolled
- 3,097 of four-year-olds not enrolled





# Current Status of Preschool in Oakland: Indicators of Need

---


- **Indicators of Need in the City**
  - 73% of public school kindergartners eligible for FRPL (SY2014-15)
  - 42% of students are English Language Learners (SY2014-15)
  - 50% of kindergartners in API 1-3 schools (SY2012-13)

# Current Status of Preschool in Oakland: Identifying Priority Zip Codes

Zip Code and Area/ Neighborhood	Births, 2010 (Four Years Old in 2014)	Births, 2011 (Three Years Old in 2014)	Public and Private Kindergarten Enrollment, (SY2014-15)	% of Ks Eligible by Free and Reduced-Price Lunch (SY2014-15)	% of Ks in API 1-3 Schools (SY2012- 13)	% of EL Kindergarten s in Public School, (SY2014-15)
94601 East Oakland/ Fruitvale	785	826	936	87%	79%	59%
94603 East Oakland/ Brookfield	640	580	534	90%	87%	66%
94605 East Hills	563	510	442	89%	83%	28%
94607 West Oakland/Jack London District	303	312	356	85%	47%	48%
94621 East Oakland/Elmhurst	597	598	597	87%	67%	64%
Totals, Priority Zips	2,888	2,826	2,865	87%	74%	55%

# Key Discussion Points

---



# Key Discussion Points: Issues to Consider when Expanding Access to Preschool

---

- School readiness and/or child care?
- Who should be eligible? Universal or targeted?
- 4-year-olds, or 3 and 4-year-olds?
- Teacher qualifications and compensation?
- Other quality measures?
- Hours/days of operation?
- Expenditure per child? Total funding level needed?
- Potential revenue sources?
- How long a phase-in period?



# 10 City or County Initiatives Analyzed

---

- Boston, Massachusetts
- Denver, Colorado
- Los Angeles, California
- New York City, New York
- Salt Lake, Utah
- San Antonio, Texas
- San Francisco, California
- Seattle, Washington
- Washington, D.C.
- West Sacramento, California

# School Readiness or Child Care?

---

- Primary goal of all 10 initiatives is to promote school readiness/performance, but most also try to address the family's needs for child care.

# School Readiness or Child Care?

---

- In Oakland, we heard much support for combining the two goals:
  - “The poorest families will not be able to take advantage of a preschool program that [operates] only [during] traditional school hours...”
  - At the same time, not every family needs full-day: “We have parents who pick up kids at 2:30, 3:30, 5:00, and everything in between.”
  - “Non-standard hours are real so at least need to allow a blend so that a family could choose half-day (or school-hours) preschool and not lose the subsidy that they have to be with grandma the rest of the day...”
  - “Right now, if a family is using a (subsidy voucher) to pay grandma because they trust grandma, because it’s culturally consistent, because they want to keep the money in the family, all of which is possible, they can’t choose (half-day or school-hours) preschool. **And we could fairly simply make it possible for them to choose both.**”



# Who Should Be Eligible?

## Universal or Targeted?

---

- 9 of the 10 initiatives aim to provide access to preschool to all, regardless of family income
- Many start out in low-income neighborhoods, but offer admission to all children in those neighborhoods regardless of family income
  - Disadvantaged children do better in mixed settings.
  - Preschool expensive even for middle-income families.
  - Important to avoid stigma.

# Universal or Targeted?

---

- None of the initiatives serves 100 percent of the eligible population.
  - Denver enrolls 56 percent of its 4-year-olds.
  - San Francisco's goal was to serve 65 percent of its 4-year-olds; it is estimated that 70 percent of 4-year-olds now attend.
  - Boston serves about 50 percent of its 4-year-olds in the Boston Public Schools; Massachusetts Preschool Expansion Grant will expand access and serve additional children.
  - Washington, D.C., serves 86 percent of all 3- and 4-year-olds, with the capacity to serve 95 percent.

# Universal or Targeted?

---

- In Oakland we heard strong support for universal access:
  - “Whatever plan we create has to include services to middle class children because those families ... often cannot afford to pay for licensed care...”
  - “I really believe strongly that a mixed income setting has a lot of benefits for all children.”
  - “The biggest challenge in filling State Preschool slots is that parents must show a need, based on parent income.”
  - It would be great for families not to have “to sign all that crazy paperwork and say who lives in their house, and what their pay stub says.”
  - “The parents that are just entering work bounce in and out of work, they bounce in and out of school.” It would be great if the children did not have to “bounce with them.”

# Four-Year-Olds or Three- and Four-Year-Olds?

---

- Most of the 10 city/local initiatives we studied target 4-year-olds.
- Seattle plans to make it available to *all* 4-year-olds, and to 3-year-olds *up to 300% of federal poverty level*.
- DC and Salt Lake include 3-year-olds.
- San Francisco and West Sacramento plan to broaden to include birth to school age.
- Other findings:
  - Research suggests 2 years provides better outcomes than 1 year.
  - Targeting 3-year-olds and 4-year-olds allows flexibility to shift local funds should federal and/or state money for 4-year-olds become available.

# Four-Year-Olds or Three- and Four-Year-Olds?

---

- In Oakland, we found a range of opinions:
  - Focus on 4-year-olds first
    - “Make sure that we have all 4-year-olds in a classroom setting, though not necessarily all services in schools.”
  - Serve 3- and 4-year-olds in the same system.
    - “Moving children from Head Start or another preschool to another program with a new teacher and a new system is not going to promote learning.”
  - Adopt a community school approach with linkages to family child care or other programs for infants and toddlers, because that’s the age when the most brain development takes place and the kids arriving at preschool are already behind in language development.



# Structural and Process Quality Measures?

---

- **Structural Quality:**
  - Teacher Qualifications
  - Staff-Child Ratios
  - Group Size
  - Use of Curriculum
- **Process Quality:**
  - Child's interaction with teacher and materials, as measured by CLASS
  - Aided by coaching



# Teacher Qualifications & Compensation?

---

- 6 of the 10 local initiatives we studied require lead teacher to have at least a BA degree.
- 6 of the 10 also provide compensation comparable to public school teacher salary.
- NYC and Boston require teaching credential, with a phase-in period.
- Denver has no specific teacher qualifications, but must be at least Level 3 on QRIS, which includes teacher requirements.
- LAUP and San Francisco pay more for programs with degreed teachers.

# Teacher Qualifications & Compensation?

---

- In Oakland, we found strong concern that appropriate compensation must accompany increased requirements in teacher qualifications:
  - “I just can’t keep building programs that only pay people with bachelor’s degrees \$16.30 an hour,” said one program leader. “It just doesn’t feel right that my staff aren’t much better off than my clients.”
  - Discrepancy between State Preschool and Transitional Kindergarten teacher pay is also a problem. “There’s no way we’re going to get them to sit on a campus working with similar populations similar hours, similar expectations for professional development and then get paid less.”





# Teacher Qualifications & Compensation?

---

- Oakland comments, cont.
  - “It’s really hard to find qualified staff,” said one program administrator.
  - Even “living wage” is a difficult standard to meet.
  - Minimum wage rose to \$12.55 in Oakland. As another administrator said, “I don’t know how we are going to do that.”

# Other Structural Quality Measures?

---

- Denver, LAUP, and Seattle use their QRIS as the framework for quality; providers must meet a specific QRIS rating to participate.
- All have requirements for staff-child ratios, ranging from 1:7 in NYC to 2:22 in Boston.
- Most specify use of an evidence-based curriculum
  - But few of the curricula meet the standards of the What Works Clearinghouse,
    - To “meet” standards, must show positive outcome based on Randomized Control Trial
    - To “meet with reservations” must have strong quasi-experimental study

# Process Quality Measures?

---

- Scores on ECERS and/or CLASS factored into rating in Denver, LAUP, San Francisco, Seattle, and West Sacramento.
- Boston uses CLASS to measure kindergarten as well as preschool quality, and has provided 1 coach for every 10 classrooms for 3 years to improve scores.
- Boston also conducts child assessments using Peabody Picture Vocabulary Test and other research-based tools.



# Quality Measures in Oakland?

---

Oakland stakeholders especially concerned about:

- *Staff-child ratios*
  - Would prefer that the more protective State Preschool ratios be applied to TK.
- *Curricula*
  - Use of evidence-based curricula
  - Curricula aligned with child assessment



# Other Factors Affecting Outcomes?

---

- Total accumulation of hours exposed to a quality program
- Family engagement
- Presence of a mixed-income population of children

# Hours and Days of Operation?

---

- There are three main categories of preschool in terms of hours of operation among the 10 initiatives we studied:
  - ***Half-day programs*** that operate up to four hours per day, usually in two sessions: morning and afternoon
  - ***Full school-day programs*** that operate up to 6.5 hours per day (the typical school day)
  - ***Full-day programs*** that operate 8 to 10 hours per day, which is more similar to the schedules of working parents

# Hours and Days of Operation?

---

- Boston, New York City, San Antonio, Seattle, and DC all provide at least 6 hours, school calendar year.
- San Antonio provides 6 hours, plus 3 hours and 45 minutes of extended care.
- In Denver, LAUP, San Francisco, and West Sacramento, the hours and days of service depend upon the provider, but the preschool initiative funding only covers a half day.

# Hours and Days of Operation?

---

In Oakland, we heard strong support for having the services fit the needs of the family:

- A blended-funded system so families get what they need wherever they are.
- “Some kind of wraparound services outside traditional school hours is essential.”





# Hours & Days of Operation?

---

- City of Oakland phase-in scenarios (presented later) are based on the following assumptions:
  - Full school day (6 hours)
  - School calendar (186 days or 10 months)
  - Additional cost estimate for wraparound services

# Mixed Delivery or Single Provider?

---

- Only 2 of the 10 initiatives (Boston Public Schools Early Education and San Antonio) where the program is operated by a private non-profit have single provider systems.
- Others have some level of mixed delivery with an application process.
- In Oakland, we found support for mixed delivery and no stakeholder advocating single provider.

# Expenditure per Child?

---

- Annual expenditure per child varies greatly – from \$290-\$6,800 in Denver to \$15,372 in D.C., depending on:
  - Whether families pay full cost or a fraction of full cost;
  - Teacher qualifications/compensation; and
  - Hours/days of service.

# Total Funding Level Needed?

---

- Total funding level varies greatly based on:
  - Percentage of target population served.
  - Extent to which initiative pays full cost of preschool.
- NYC has the highest funding level, with more than \$300 million.

# Potential Funding Sources?

---

- Most of the initiatives studied have a dedicated funding mechanism for preschool.
  - Sales tax: 0.15% raises \$13 million per year in Denver and 0.125% raises \$31 million per year in San Antonio.
  - Property tax: Expected to raise \$58 million over 4 years in Seattle.
  - Set-aside: Generates \$27.2 million per year in San Francisco; funded by 4 percent reserved from the local property tax.
  - Combination of funding sources: In Washington, D.C., school district, Head Start, and set-aside from the city's general fund generate \$191 million per year.

# Explore Funding Sources from Other Initiatives?

---

- Salt Lake: Pay for Success bond financed by Goldman Sachs & J.B. Pritzker, backed by state of Utah; provides approximately \$3 million per year.
- LAUP and West Sacramento have primarily been funded by First 5 but tobacco tax revenues are declining.
- NYC: a large State Grant to the city.
- Denver provides tuition credits on a sliding scale, so parents pay a substantial portion.
- Many initiatives (Denver, LAUP, SF, Seattle, DC) build on existing public funds for preschool, such as Head Start, Title 1, State Preschool.

# Potential Funding: Family Fees?

---

- “Universal preschool” is not necessarily “free” preschool.
- Of the 10 preschool initiatives studied, half charge fees to at least some parents who participate.
- Of those charge who charge fees:
  - All apply a sliding scale based on income, and
  - Most are free to children meeting defined eligibility guidelines. For example:
    - Eligibility for Free or Reduced-price lunch
    - Or, in Seattle, up to 300 percent of the poverty level

# Potential Funding Sources in Oakland?

---

- **.015% sales tax**
  - Pro: Could generate considerable revenue.
  - Con: City/county already has one of the highest tax percentages in the state.
- **Property Tax levy equivalent to Seattle's**
  - Pro: Could fund a substantial portion of an initiative (Seattle is funding its universal preschool program primarily through a property tax increase).
  - Con: Might not be popular with the general public.
- **Leveraging new Expanded Transitional Kindergarten (ETK)**
  - Pro: Children who turn 5 between December 3 and May are eligible for ADA for ~70% of the year (after they turn 5 years old).
  - Con: LEA would have to pay for ETK until students turn 5 years old.



# Potential Funding Sources in Oakland (continued)?

---

- **Expanded use of Title I**
  - Pro: OUSD is already investing a substantial portion of its Title I funds to fund early childhood education. Substantial revenue could be available for preschool if more Title I funds were redirected.
  - Con: Might need to make the case for expanding: investing more in ECE means less money for students in other grades.
- **Set-aside Public Education Enrichment Fund (e.g., San Francisco)**
  - Pro: No increase to taxes in SF; can encourage coordination among programs.
  - Con: Administrative oversight needed.
- **Sliding fee structure (e.g., Denver or Seattle)**
  - Pro: Some revenue from families.
  - Con: Requires paperwork and some administration.

# Funding for Facilities?

---

## Oakland stakeholders:

- School facilities bond for preschool in school settings
- Developer Fee, as in San Francisco
- Community Development Block Grant (CDBG)
- One-time investments in CBO settings by private funders:
  - Purchase outright – or
  - Purchase and offer really inexpensive rent, as some foundations have done for charter schools.

# Length of Phase-in Period?

---

- Denver and NYC attempted to serve entire target population in 1<sup>st</sup> year
  - Denver now serves 56% of 4-year-olds.
  - NYC served 53,000 in first year.
- Others phased in over time
  - San Francisco took 10 years to get to 70% of 4-year-olds.
  - DC took 6 years to get to 86%.
  - Seattle started with 270 children; start out slow to position to leverage potential state & federal funds.

# Addressing Challenges

---

# Addressing Challenges: Facilities

---

## ■ Facilities Need to Be Safe and Clean

- “The conditions of the preschools are often very bad. The neighborhoods they’re in are often not good.”
- “We need to build in child care that’s developed for young children, not try to convert some of the storefronts and old buildings we find ourselves in. They need outdoor space that is appropriate. They need bathrooms in all the rooms. And they need to be in neighborhoods where people are willing to bring their kids.”
- “A neat and tidy environment– that’s the first thing parents look at. And when they see terrible carpet and toys all jumbled everywhere and sort of a grey, dirty looking environment and smelly bathrooms, it’s disgusting. ...[Whereas] if their child is in a beautiful place with gardens and lovely materials, that’s very appealing to parents.”

# Addressing Challenges: Facilities

---

- **Facilities Need to Be Accessible**
  - Parents also need to be able to get to the facility –but may be more apt to find a way to get to a safe, beautiful facility than to a closer, but unappealing site.

# Addressing Challenges: Facilities

---

- **Facility Costs are High**

- Construction cost for new facilities about \$350 per square foot.
- Cost for renovation about \$250 per square foot: “If you’re going to dump in \$200k to \$500k to renovate a facility, you want to make sure that that facility is available to you for at least 15, 20 years.”
- Construction in public school schools may cost 2 to 3 times as much as in community-based setting.
- Getting funding for private facilities even harder.

# Addressing Challenges: Outreach and Enrollment

---

## ■ Under-enrollment

- “The amount of public money we’re losing though under-enrollment dwarfs all of our investments in quality improvement.”
- “It is like a bucket with a hole in the bottom. And there is not anyone out there really focusing on the enrollment and outreach strategies that need to happen in order for the enrollment bucket hole to be plugged up.”
- “We don’t look like a city that is in dire need of money at the state level because we’re actually sending money back...We have to get rid of that problem first.”



# Addressing Challenges: Outreach and Enrollment

---

- Partnering with families

- “If there is not a really significant parent element to preschool, it’s just not going to work. It will devolve to a test-score driven academic exercise.”



# Addressing Challenges: Outreach and Enrollment

---

- AB 833 will help address under-enrollment by allowing contractors within the county to transfer funds in 2017.
- But there are underlying issues, where parents have to choose between enrolling their child in preschool or collecting subsidy for family, friend and neighbor care. This is a major barrier to enrollment.

# Cost Estimates and Phase-in Options

---

# Estimated Cost per Child in Oakland

---

- The annual per child cost for full school day (6 hours), school year (186 days or 10 months) preschool at current salaries and quality standards (e.g., 1:8 ratio and class size of 24 children) is estimated to be \$10,537.
- The annual per child cost for a part day (3 hours), school year preschool program at current salaries and quality standards is estimated to be \$7,342.
- The annual per child cost for wraparound care (4 hours), school year is estimated to be \$5,204.

# Estimated Cost (with Quality Enhancements) per Child in Oakland

---

- Increasing teacher compensation to be comparable to K-12 teachers, the per child cost is estimated to be \$15,048.
- The estimated annual cost per child of providing one family service specialist for every 50 children and a family service supervisor to supervise 5 family service specialists is \$836 at current salaries or \$1,380 if teacher salaries were increased to a level similar to K-12 teachers.
- Increasing teacher compensation to be comparable to K-12 teachers and including the family service option, the per child cost is estimated to be \$16,428.

# Summary of Phase-in Scenarios

## Total Cost in Final Year of Phase-in (Year 10), Base Cost

Phase-in Scenario	Total Cost in Year 10	Number of Children Served in Year 10
1. Serving 3- and 4-year-olds in priority zip codes	\$34.5 million	2,508
2. Serving all 4-year-olds using Denver's model of sliding scale tuition credit for all children above 185% of the federal poverty level	\$26.2 million	3,246
3. Serving all 4-year-olds using Denver's model of a sliding scale tuition credit for all children above 185% of the federal poverty level AND serving all 3-year-olds below 185% of the federal poverty level	\$57.3 million	5,509
4. Serving all 4-year-olds	\$34 million	2,478
5. Serving unenrolled 4-year-olds in priority zip codes through Expanded Transitional Kindergarten (ETK)	\$4.3 million*	486



# Serving all 4-year-olds

---

- Increase teacher compensation to K-12 teacher levels: \$48.6 million in Year 10.
- Increase teacher compensation and add family service option: \$53.1 million in Year 10.
- Serve all 4-year-olds in part day (3 hours), school year preschool: \$23.7 million in Year 10.



# Serving unenrolled 4-year-olds in priority zip codes through ETK

---

- 1,098 4-year-olds not served by preschool in five priority zip codes.
- 486 eligible for ETK.
- ~\$7,931 per child per year to cover cost of providing TK to ETK-eligible children.
- Total cost in Year 5: \$4.3 million



# Questions?

---

- Needs assessment
- Key Discussion points
- Special challenges
- Cost estimate and phase-in

# Key Discussion Points

---

- School readiness and/or child care?
- Who should be eligible? Universal or targeted?
- 4-year-olds, or 3 and 4-year-olds?
- Teacher qualifications and compensation?
- Other quality measures?
- Hours/days of operation?
- Expenditure per child? Total funding level needed?
- Potential revenue sources?
- How long a phase-in period?

# Contact Information

---

For more information, please contact:

Jennifer Anthony

[janthony@air.org](mailto:janthony@air.org)

Emily Weinberg

[eweinberg@air.org](mailto:eweinberg@air.org)

Melissa Arellanes

[marellanes@air.org](mailto:marellanes@air.org)

Susan Muenchow

[smuenchow@air.org](mailto:smuenchow@air.org)