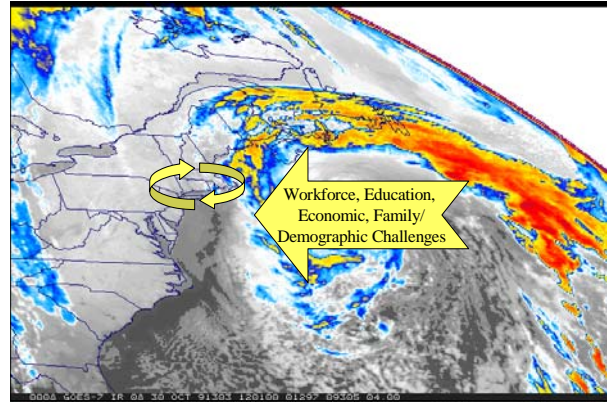


Connecticut's Progress, Challenges and Innovation in Early Childhood Investment: A Brief Prepared for the National Governors Association¹ February 2005

In 1997, the Connecticut General Assembly enacted what was then landmark legislation establishing a comprehensive School Readiness Program, designed to address the readiness needs of our most at risk three- and four-year old children. We created a series of nationally ranked Preschool Curriculum Benchmarks (standards), and recent evaluations of specific School Readiness Program sites reveal strong gains in children's language and cognitive abilities, a reduction in kindergarten and first grade retention, and a reduction in early elementary school special education costs. And yet our children and our state face many challenges.

Our challenges are not unique. Like many states, Connecticut faces high housing, health and child care costs, transportation logjams, a shift from manufacturing to service industries, an aging population, and a persistent gap in academic achievement among children in our most economically challenged communities. Demographic projections tell us we will likely be unable to meet our workforce needs unless virtually all of our current children enter school ready for success *and* achieve it throughout their K-12 academic careers.



“...Houston, we have a problem...”

Hartford, we have a problem...

Students in CT's poorest school districts (e.g. Hartford, New London, Waterbury) – as compared to CT's wealthiest (e.g. Darien, Westport, Avon) -- are:

1.7 times LESS likely to attend preschool	57% v. 90%
Nearly 5 times LESS likely to pass Mastery Tests at Grades 4, 6 and 8	13-15% v. 60%
10 times LESS likely to pass the 10th grade CAPT	6% v. 60%
11 times MORE likely to drop out of high school	24.5% v. 2.2%

Then, of course, there is the current state deficit, exacerbated by projections of huge losses of revenue as the federal budget is recalibrated. Yet, a tough fiscal environment coupled with new leadership can also enable progress in important and new ways. For Connecticut's new Governor, M. Jodi Rell, a focus on early childhood investment is one of those ways.

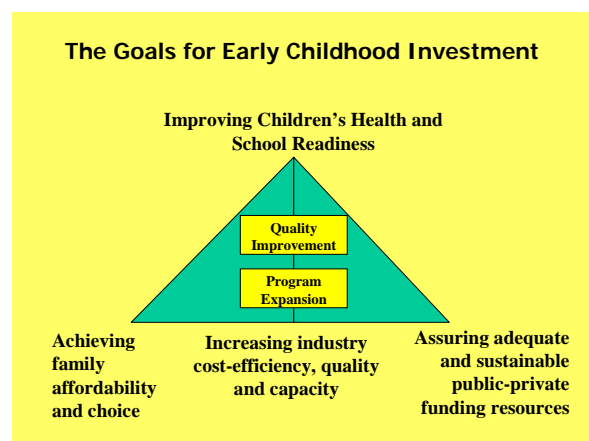
Early Childhood Investment Advisory Cabinet. To improve the management of state government itself, we are creating a “point of common accountability” for state-level strategic planning, service coordination and integration through the Governor's new CT Early Childhood Investment Advisory Cabinet. Membership will include the Commissioners of Social Services, Children and Families, Public Health, Education, and Mental Retardation, and the Secretary of our state budget authority, the Office of Policy and Management. The Cabinet will seek cross-agency policy and regulatory improvements, much more integrated fiscal planning and expenditure, more robust performance

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outcomes, and better strategic planning – all in the service of the goal of getting all of our children to the kindergarten door healthy, eager to learn and ready for school success. It will also allow us to better evaluate and more equitably fund diverse early care and education programs including Head Start, the CT School Readiness Program and existing child care services.

Early Childhood Research and Policy Council. We are also investing – and seeking business, higher education, and philanthropic participation – in the new CT Early Childhood Research and Policy Council. The Council will act as the R & D arm of the cabinet and guide us in key areas of policy-relevant early childhood research and evaluation, strategic data management, performance measurement, best practices identification and knowledge dissemination.

Early Care and Education Quality and Accountability Investments. Also in the proposed budget are a series of quality and accountability investments for early care and education providers and consumers, including development of a consumer-friendly quality rating system for centers and a statewide, developmentally appropriate “entry to kindergarten” assessment. In addition to providing kindergarten teachers a more useful base for instructional development, the kindergarten assessment will allow a look back at the effectiveness of preschool settings and will create a performance baseline against which to evaluate our No Child Left Behind and CT Mastery Test performance (at entry to 4th grade).



We will also be training early care and education center staff in the state’s preschool framework, investing in workforce scholarships, and piloting several strategies to promote early care and education workforce retention.

Progress Investments. In addition to investments designed to continue our march toward management improvement, quality and accountability enhancements, we are committed to a series of “progress investments.” These are designed to reach families (and caregivers) with new babies in all Connecticut communities, to promote community-based public-private partnerships around birth to five systems development with a focus on school readiness, and to invest in the continued development of high quality preschool environments for children.

Great Beginnings. The “Great Beginnings” initiative will partner the Governor’s Office with the United Ways of Connecticut, the Connecticut Children’s Trust Fund, and the medical and business communities to assure that all families with new babies, including those in which grandparents are significant caregivers, receive regular, developmentally appropriate information over each year, for the first four years of a child’s life. Connecticut is actively exploring a partnership with the three-year nationwide \$90 million “Born to Learn” campaign of the United Way of America, Civitas, and the Families and Work Institute that will launch in April 2005.²

² For more information, contact Nina Sazer O’Donnell at -- nsazerodonnell@familiesandwork.org -- or Marla Nash at -- Marlo.Nash@uwa.unitedway.org

“School Readiness Plus” Public-Private Community Partnerships. We will build upon the state’s effective School Readiness Program and on a series of community-based foundation initiatives³ to launch new or expanded public-private partnerships at the community level bringing together local government, education, business and philanthropy to make expanded birth to five investments. Called “School Readiness Plus,” the state will participate in a series of three- to five-year partnerships where communities have a demonstrated population of at risk young children, a persistent achievement gap in elementary school performance, and a public commitment to the school readiness of all of their children. Communities will be accepted for participation by RFP, based on a strategic plan, annual child, family, school and community outcome measures, and a local match to state funding.

Importantly, the Early Childhood Investment Advisory Cabinet and the CT Early Childhood Research and Policy Council will serve as resource leaders in the new partnerships, and all communities selected will also participate in the development of the quality rating scales and the development of the entry to kindergarten assessment. The goal of this endeavor is to assist communities to deliver virtually all of their children to the kindergarten door fully ready for school success *and* to prove the effectiveness of taking a comprehensive, birth to five, cross-systems approach to school readiness and family well-being.

Capital Investment. Our third area of major progress investment comes from the stark awareness that some 8,000 at risk three- and four year olds in Connecticut still await access to quality early care and education settings. We know that capital development takes 24-30 months from “idea to open door” in the nonprofit community and up to five years if constructed by our public school systems. We will expand the state’s current early care and education capital investment by one million dollars, to support debt subsidies for local early care and education capital development. This allocation, to be managed by the CT Health and Education Finance Authority, will allow the creation of 1000 new spaces by leveraging some \$12-15,000,000 in local bonding.

Redefining Connecticut’s Strategic Early Childhood Framework. To all of this work, we bring a substantial shift in our “school readiness framework” and some new work on the economics of early care and education that we believe may be applicable in other states as well. Recognizing that children are not born at the age of three when they enter preschool nor do they stop learning at the age of five when they enter kindergarten, we are beginning to expand our age focus from birth through age 8. Drawing on the work of the BUILD Initiative,⁴ we are also looking – through the work of the Cabinet and the community partnerships – to build a “system of systems” that eventually includes early care and education, health systems, family supports, and early intervention services. Finally, we are adopting the school readiness framework of the National Governors Association and expanding our focus from “ready children” to “ready children, ready families, ready schools, ready communities and a ready State.”⁵

³ These include the Graustein Memorial Funds’ 50-community Discover Initiative, the Hartford Foundation for Public Giving’s Bright Futures program, the Community Foundation for Greater New Haven’s First Years First initiative, and the United Ways’ Success by Six efforts.

⁴ Online at – www.buildinitiative.org

⁵ “Building the Foundation for Bright Futures.” National Governors Association, January 2005. Online at -- www.nga.org/cda/files/0501TaskForceReadiness.pdf

Building the Economic and Human Capital Frame for Early Childhood Investment. We are also building our knowledge framework on the economic and fiscal side of the “early childhood investment yields a good return” equation. Over the 2003-04 period, Connecticut’s nonprofit community raised sufficient funds to contract for a rigorous economic impact study of the state’s early care and education “industry.” The study, conducted by the University of Connecticut’s Center for Economic Analysis, based its analysis of the economic contribution of the child care industry on a counter-factual methodology – that is, it computed the impact on the state’s economy as if the industry had disappeared. This approach, now coming to be called “hypothetical extraction,” revealed that Connecticut’s licensed early care and education industry contributes nearly a billion dollars to the state’s economy, employs a larger workforce than our pharmaceutical industry, and allows 10% of the state’s families to participate in our workforce.⁶

In January of 2004, then Lt. Governor Rell articulated a series of “human capital” goals for the State of Connecticut. She called for the development of “skilled lifelong learners, because work matters; self-sufficient earners, because economic capacity matters; competent parents, because family matters; and contributing citizens, because democracy matters.”⁷

Formally recognizing the need for reinvestment in early childhood, she also called for a period of fiscal analysis to provide defensible data on the current cost of early care and education in Connecticut and for an analysis of strategies other states were using to fund the expansion of school readiness programs. To these analyses, we bring a dual focus: that of improving quality and then expanding access to quality programs. The ultimate goal is, of course, the school readiness of our children at entry to kindergarten, but we recognize three concomitant goals as well: achieving family affordability and choice in early care settings; increased industry cost efficiency, quality and capacity; and access to a base of adequate, sustainable public and private resources.

CT ECE Finance Project. To answer the Governor’s questions about the true cost of early care and early learning and to provide a framework for building a defensible “business plan” for expansion, a 40-organization alliance called the ECE Finance Project⁸ has created a framework for the necessary economic analyses. Rather than take an advocacy position favoring any one particular program model (e.g., Head Start, universal PreK, our School Readiness Program, the state funded Day Care Center program), we have built a Connecticut early care and education “cost modeling template” from which we, or any other

ANALYSES ESSENTIAL TO A SOUND PLAN

INDUSTRY ANALYSES	BENEFIT-COST ANALYSES	FINANCING STRATEGIES
Economic Impact Studies ★	Return on Investment Studies ★	Parent as Payer
Comparative Industry Studies ★	Quality Improvement Efficiency Studies	Government as Payer
Cost-Model Analyses ★	Program Expansion Efficiency Studies	Investors from Other Sectors
Cost-Efficiency Analyses		Tax-Based Strategies
Cost-Abatement Analyses		Reallocation Strategies

⁶ Note: Because this study estimates only “licensed” care and because Connecticut utilizes a high level of unlicensed, “kith and kin” care, these are conservative estimates of economic impact. The study is online at -- www.ctkidslink.org/publications/ece04econimpactbrief10.pdf

⁷ Presentation at ECE and Economics Forum hosted by Fairfield University’s School of Management and the Business Council of Fairfield County, January 2004.

⁸ Online at -- www.readyssetgrowctkids.org/finance.html

entity, can reliably calculate the current and potential costs of center-based care across various program contexts.

The template, now in final testing, is based upon a set of sourced data tables on workforce characteristics and other non-personnel costs including capital development. It allows us to calculate the current per child or per hour cost of center-based programs based on our state licensing regulations, our School Readiness Program, the expected NAEYC (National Association for the Education of Young Children) 2020 accreditation requirements, and the cost of universal PreK in Connecticut, as examples. We are also testing it to see if we can calculate the current dollar cost of replicating the famed Perry Preschool program in Connecticut. We anticipate release of the cost-modeling template by mid-March 2005.

Policy Solutions Are Not Enough: Creating a BHAG. Recognizing that real public policy change is accomplished over time and in partnership with a broad base of constituencies, the Connecticut philanthropic community has been investing in early childhood-focused community planning and civic engagement for several years. Two years ago, 30 organizations representing state-local, public and private interests came together as the CT Early Childhood Alliance. In May of 2004, the Alliance adopted what *Good To Great* business author Jim Collins would call a BHAG, “a big hairy audacious goal”: *All children born in Connecticut beginning in 2004 will enter kindergarten (in 2009) healthy, eager to learn, and ready for school success.* Though elegant in its simplicity and vision, it gains power from its specificity. It identifies a specific population, the cohort of ~42,000 babies born in 2004 and each year after. It identifies a specific period of time, 2004 to 2009. And, it is measurable through the National Education Goals Panel’s five domains of school readiness.⁹

Public-Private Citizen Engagement and Organizational Partnerships. About a year ago, a small collaboration of organizations led by two retired businessmen developed and launched a web-enabled, nonpartisan citizen education and engagement campaign, called *Ready, Set, Grow...CT Kids!*¹⁰ Its goal is to enlist one adult in support of the public goal for each child born annually -- some 40,000 in all -- over the period 2004-2006. Over 3,000 citizens have already listed themselves as Friends of CT’s Young Children. To date, 17% of these Friends have self-identified themselves as Children’s Champions, committing to active participation at the state or local level as parents, professionals and/or providers.¹¹ Ready Rabbit, our charming 6-foot mascot, is also visiting all Connecticut communities and has been very successful garnering earned media for their events and activities.



⁹ The 1997 National Education Goals Panel identified five dimensions of school readiness. All are required: Early thinking ability and knowledge (cognitive development), language development and communication ability, social and emotional development, physical health and development, and children’s knowledge of the world around them.

¹⁰ Online at – www.readysetgrowctkids.org

¹¹ For some examples of how this is working in Connecticut, see -- <http://discovery.wcgmf.org/> – and – www.readysetgrowctkids.org -- and click on Find Your Community, left navigation bar.

Taking this campaign for public support beyond the web, an 8-page newspaper tabloid on early childhood – funded by Connecticut’s philanthropic community and featuring the Governor on the cover -- was distributed on February 3rd to 400,000 households in Connecticut a week prior to presentation of Connecticut’s Budget for the 2006 and 2007 biennium.¹²

We are also engaged in building specific strategic stakeholder partnerships from the business and employer sector, higher education leadership and K-12 education associations, philanthropy including foundations and the United Ways of Connecticut, parents, senior citizens and grandparents, especially those actively raising their grandchildren, voters across parties, mayors and other local governmental leaders, and the faith community. As examples of progress, two of our major business associations – SACIA: The Business Council of Fairfield County and the CT Business and Industry Association – have endorsed an early childhood investment agenda this year. The CT Education Association and the CT AFT have both endorsed universal access to quality preschool as has the Greater Hartford Interfaith Alliance for Equity and Justice.

We look forward to a vibrant dialogue with the Connecticut General Assembly this session, as it seeks to expand its vital leadership role on early childhood issues, and we are regularly engaged with the “fourth estate,” Connecticut’s media and journalistic community.

As Governor Rell has said repeatedly: The data are in. The investment works. It’s time for a long-range strategic plan to move this issue forward.

¹² Online at -- www.readyssetgrowctkids.org/resources/2005_ece_tabloid_jan.pdf