



Investing in high-quality pre-k in Pennsylvania's 2015-16 Budget

Frequently Asked Questions about pre-k in PA

Q: How much impact will the governor's proposed \$120 million funding increase have in boosting access to high-quality pre-k? Will it achieve "universal" pre-k access?

A: The proposed funding increase will give an additional 14,000 children access to publicly funded, high-quality pre-k, increasing access from the current 1 in 6 of Pennsylvania's 3- and 4-year-olds to about 1 in 4. While this is a laudable improvement, it still leaves a majority of young learners missing out on the once-in-a-lifetime benefits of high-quality pre-k. (To put this in perspective, 14,000 is less than 5 percent of the 296,000 children ages 3 and 4 in Pennsylvania). Even with this increased investment, Pennsylvania will still trail all our neighboring states, except Delaware, in access to pre-k. Pennsylvania will need multiple years of similarly increased investments to reach the goal of making high-quality pre-k universally accessible.

Q: How will expanding access to high-quality pre-k create jobs and help the economy?

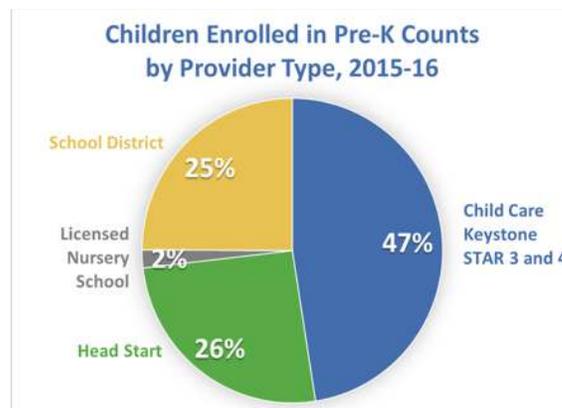
A: A 2014 fiscal analysis found every \$1 Pennsylvania invests in pre-k generates \$1.79 in new, short-term economic benefits. This means that the additional \$120 million investment in pre-k funding for 2015-16 would yield nearly \$215 million in the short term. It also would create nearly 3,400 new jobs. In the long term, every dollar invested in pre-k returns up to \$17 in savings and benefits to the commonwealth.

Q: Will the funds be distributed fairly across the state based on population and community needs?

A: The Pennsylvania Department of Education aims to provide Pre-K Counts funding in all counties, but a priority is given to grantees serving unserved or underserved counties. Unserved counties are those where an unmet need exists, yet no high-quality pre-k program is offered to serve qualifying children. These counties are Columbia, Forest, Fulton, Perry and Sullivan. Underserved counties are those where pre-k services are provided to some eligible children, but services must be expanded to address the unmet need of the county. Underserved counties are Allegheny, Beaver, Berks, Bucks, Chester, Cumberland, Delaware, Franklin, Fulton, Lancaster, Lehigh, Monroe, Montgomery, Northampton, Perry, Philadelphia, Snyder and York.

Q: Will the money only go to school districts or will private providers also benefit?

A: Funding for high-quality pre-k is available to a variety of providers, including private child care providers, Head Start centers, licensed nursery schools, and school districts. It is not limited or directed to certain areas based on population. As shown below, school districts have only about 1 in 4 of total slots funded in Pre-K Counts:





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Q: How does it benefit middle-class families?

A: The campaign's vision is that *every* 3- and 4-year-old in Pennsylvania has access to high-quality pre-k. While a family's income might be one factor that helps determine priority access to high-quality pre-k, it certainly is not the only factor. Pennsylvania could pursue a scaling up for pre-k access that makes it available free for all children at-risk of school failure (under 300% FPIG, or \$72,750 a year for a family of 4, English Language Learners, disabled, etc.) and partial public support provided for children in families over 300% FPIG, capped at family income of \$200,000 a year. Cost-sharing with middle-income families could be accomplished by requiring co-pays, providing partial payments to participating providers or family tax credits. However, in many communities, the current program income cap will help middle class families.

Q: What are "Pay for Success" bonds and how would they work?

A: "Pay for Success" is a Wolf administration initiative to use social impact bonds to help finance certain state-funded programs, including expanded pre-k. In the "Pay for Success" model, government partners with private sector investors who provide up-front funding to promising service providers. Those investors would receive repayment only if pre-identified benchmarks are reached. In other words, taxpayers would only pay for services that get results and generate long-term savings. Pre-k is a great model for this, and we can learn from the existing efforts in places like Salt Lake City, Utah and Chicago. Pennsylvania should explore the use of social impact bonds as one strategy to fund high-quality pre-k, especially given pre-k's compelling return on investment.

Q: Can any of these additional funds be used to cover transportation costs for pre-k?

A: Yes, Pre-K Counts and HSSAP programs may use funding to offer transportation for enrolled students, which helps support families and promote consistent attendance. It is particularly crucial in rural areas.

Q: Why doesn't PA have more high-quality providers?

A: Quality is partially driven by demand, so the more parents insist on high-quality pre-k, the more it will become the norm. Some parents might not be aware of what defines high-quality, so they may not seek out high-quality providers. Ultimately, their children are the ones who miss out as a result. Quality also requires a strong investment of resources to ensure that staff is qualified and facilities have the resources they need to achieve quality standards. Pre-k funding helps close the funding gap many providers have as they try to reach quality. Pennsylvania has a strong history of using a mixed public and private provider community of child care centers, Head Start programs, nursery schools and public schools to deliver high-quality pre-k. We want to preserve this model and build upon it so high-quality becomes the norm.

Please be sure to visit our specially curated page for policy makers to find this and other Pre-K for PA information on our website at:

www.prekforpa.org/policy-makers