



# Data is Our Friend: Understanding the Costs of Quality

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STUDENT STANDARDS (SCASS)

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# QUICK CHECK-IN

*WHAT IS 1 BURNING QUESTION YOU HAVE ABOUT THE COSTS OF EARLY LEARNING PROGRAMS IN YOUR STATE?*





# What We Will Talk About

- Overview of the Cost of Preschool Quality and Revenue (CPQR)
- Why Use the Tool & How to Get Started
- Two State Examples: Kentucky and Indiana
- Tips for Talking About Costs
- Next Steps & Additional Resources

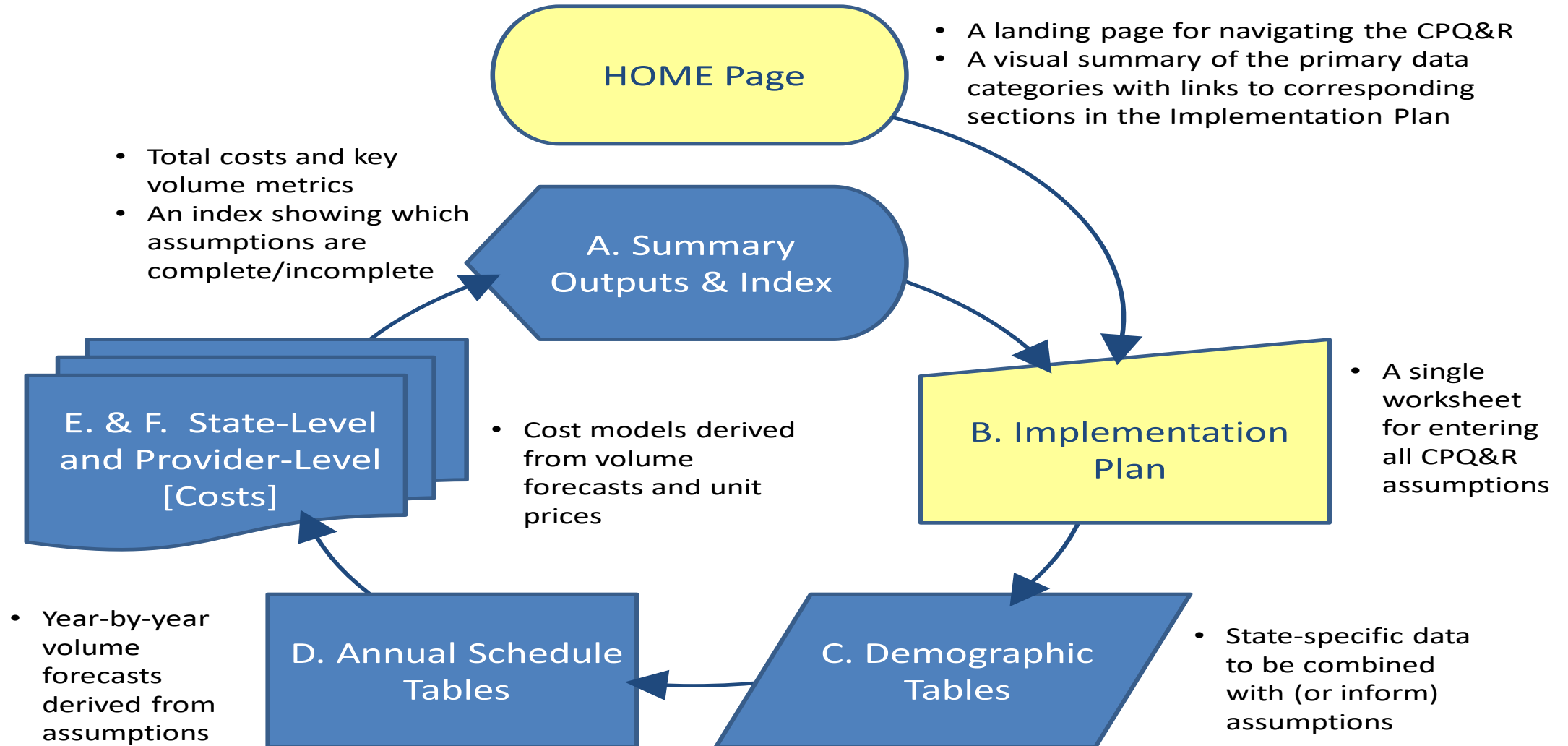


# What is the Cost of Preschool Quality & Revenue (CPQ&R)?

- Free, excel-based tool to project costs and revenue to expand access/enhance quality of preschool programs
  - **Fully accounts for state and local administrative costs**
  - **Projects costs based on quality standards**
  - **Includes a comprehensive revenue section**
  - **Allows users to compare alternate policy options**



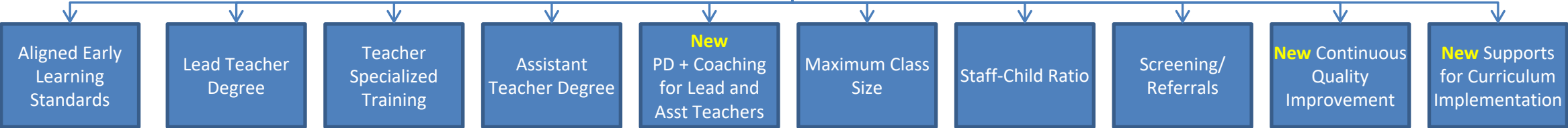
# High-Level Organization of the CPQ&R



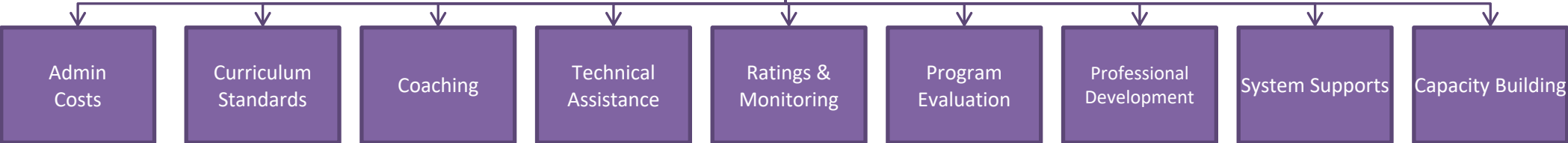
# CPQ&R Cost Components



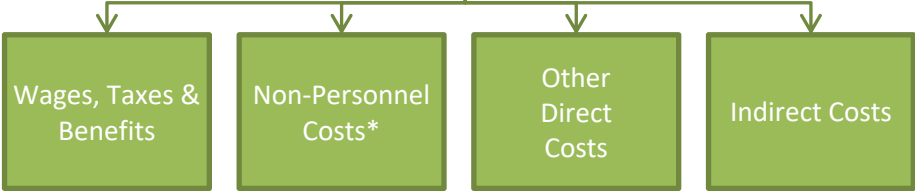
## NIEER Quality Standards



## State Level Infrastructure & Supports



## Provider Level Direct & Indirect Services



\*Non-Personnel Costs include per-child costs (e.g., food and food prep), per-classroom costs (e.g., rent and utilities allocations), per-staff costs (e.g., consultants and training incremental to NIEER Quality Standards assumptions), and per-site costs (e.g., audit and legal expense).





# CPQ&R Revenue Components

Table B.2.a.2:  
Available  
Funding  
Streams



- Head Start (HS) Federal Funding
- Early Head Start (EHS) Federal Funding
- CCDF - Child Care Development Fund Funding
- TANF - Temporary Funding for Needy Families Funding
- Child Care Tax Credits
- Title I Funding
- Title IX - Preschool Development Grant Funding
- IDEA Part B Funding
- IDEA Part C Funding
- CACFP - Children and Adult Food Care Program Funding
- MIECHV (Home Visiting) Funding
- State Pre-K Funding
- State Preschool Special Education Funding
- Other Federal Funding
- Other State Funding
- Other Local Funding
- Private Funding - Philanthropic Grants and Donations
- Private Funding - Tuition/Parent Co-Pay
- Other Private Funding



# Why Use the CPQ&R?

*To get good data to your drive policy decisions:*

- What is the “fully loaded” cost of implementing a high quality program, for states, providers in diverse settings?
- What is the cost to ensure we have sufficient well-qualified and well-compensated teachers?
- What is the cost of administration and infrastructure to ensure consistently high-quality programs?
- How do we balance providing access versus providing quality with limited resources?







# Tips for Getting Started

- *Overcome “don’t knows”* -- don’t know EXCEL, don’t have DATA...**don’t really want to know what it truly costs!**
- *First, Answer just 2 questions -*
  - What is the existing structure of the early learning system?
  - What is it we would like to change or accomplish?
- *Then, Select YOUR State from the Drop Down Menu*
  - *Enter Slot Plan*
  - *And “voila” cost projections begin to appear that you can tinker with, revise and compare to different scenarios*

Note: In order to be able to keep HOME sheet open in separate window while navigating Implementation Plan, Select 'View' ->'New Window'

### Modeling Sections (and Table Numbers) of Worksheet B. Implementation Plan

Start Here

Slots	Funding	Quality Standards		Infrastructure and Costs		
				State	Provider	
Annual Slots (B.2.a.1)	TRUE Funding Streams (B.2.a.2)	TRUE Maximum Class Size (B.2.b.1)	TRUE Professional Learning and Support (B.2.b.6)	TRUE Inflation (B.2.c.1)	TRUE Program Evaluation (B.2.c.6)	TRUE Personnel Costs (B.2.d.1)
		TRUE Staff-Child Ratio (B.2.b.2)	TRUE Early Learning & Development Standards (B.2.b.7)	TRUE Baseline Administrative Cost (B.2.c.2)		TRUE Non-Personnel Costs (B.2.d.2)
		TRUE Lead Teacher Degree (B.2.b.3)	TRUE Continuous Quality Improv. System (B.2.b.8)	TRUE Capacity Building (B.2.c.3)		TRUE Other Direct Costs (B.2.d.3)
		TRUE Assistant Teacher Degree (B.2.b.4)	TRUE Curriculum Supports (B.2.b.9)	TRUE Additional System Supports (B.2.c.4)		TRUE Indirect Costs (B.2.d.4)
		TRUE Lead Teacher Specialized Training (B.2.b.5)	TRUE Screening/ Referral and Support Svcs. (B.2.b.10)	TRUE External Technical Assistance (B.2.c.5)		

Choose standards

Press button to take you to selected area of the model; all other areas will be hidden

If FALSE, then the selected area of the model may have incomplete or illogical assumptions in one or more scenarios

**Add a Scenario**  
push button or 'Ctrl' + s

Add a Scenario

[Total Scenarios = 1]

Note: contents of first scenario will be copied

Press button once to add a scenario; complete the review of assumptions in the first scenario prior to adding a scenario in order to minimize data entry

**Unhide all Sections in Worksheet B**  
push button or 'Ctrl' + j

Unhide all Sections

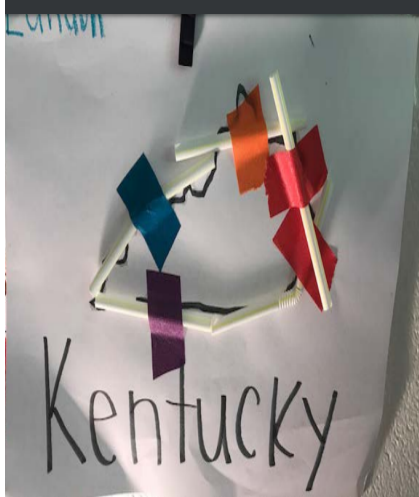
Press button to unhide all sections of the Implementation Plan, including those hidden upon choosing a section



# Building Blocks: The Kentucky Early Childhood Cost of Quality Study

## Challenge

**Lack of information** about the actual costs of providing quality early care and education in Kentucky.



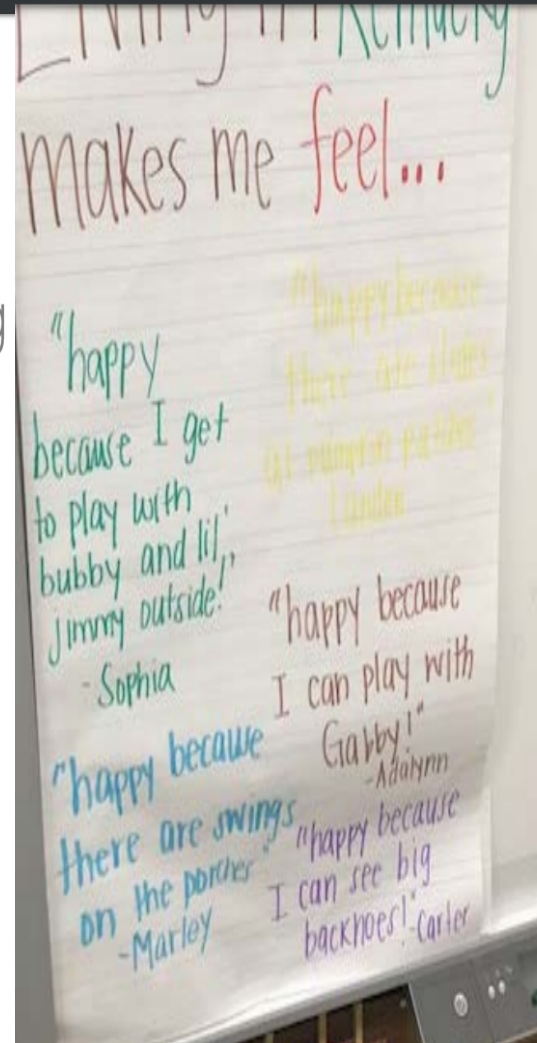
## Goal

**Inform** sound budget decisions by state and local leaders.

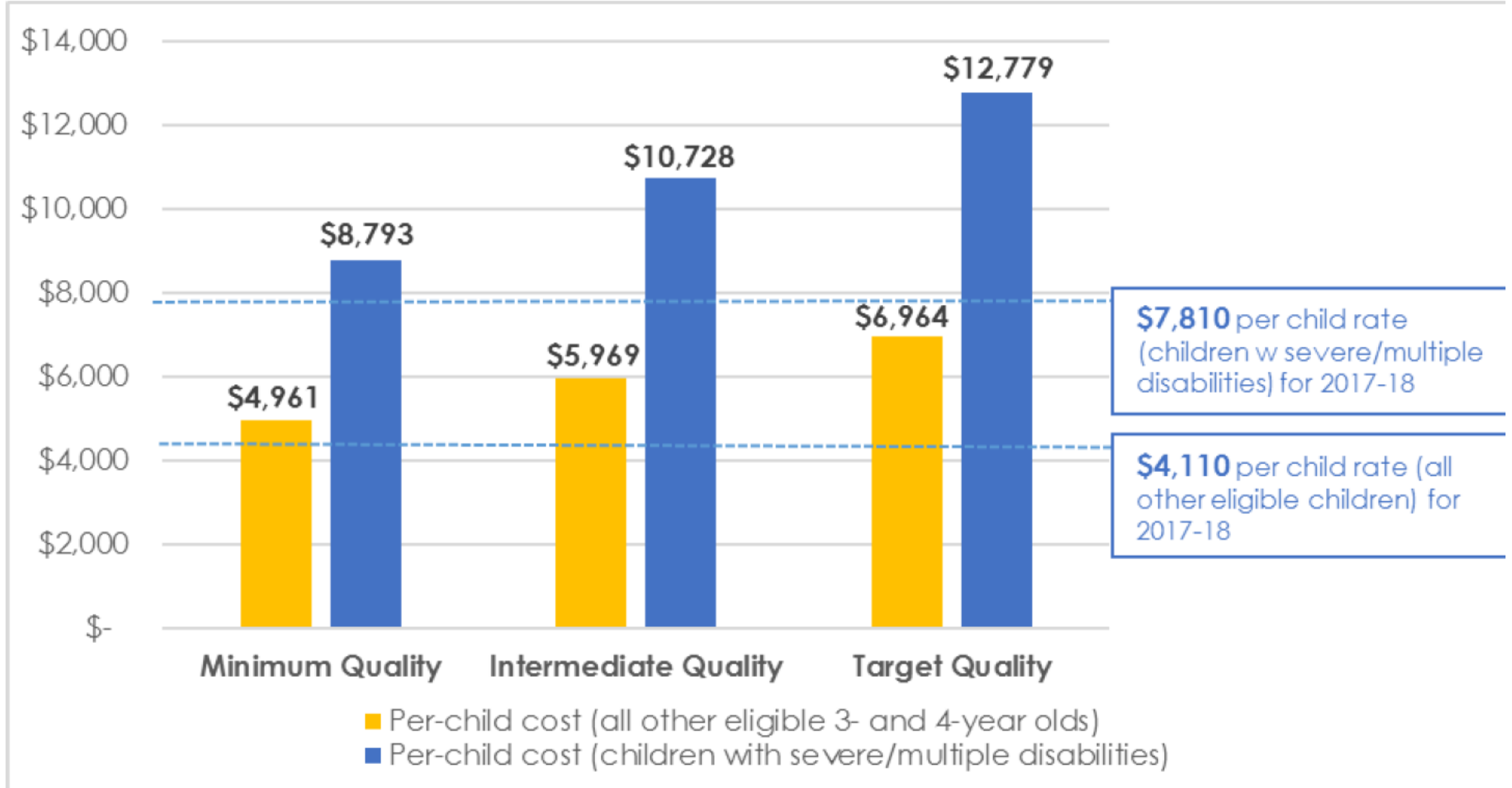


## Objective

**Develop and validate** estimates that reflect the cost of providing preschool and child care across Kentucky at various levels of quality.



## Cost Estimates – Kentucky Preschool Program





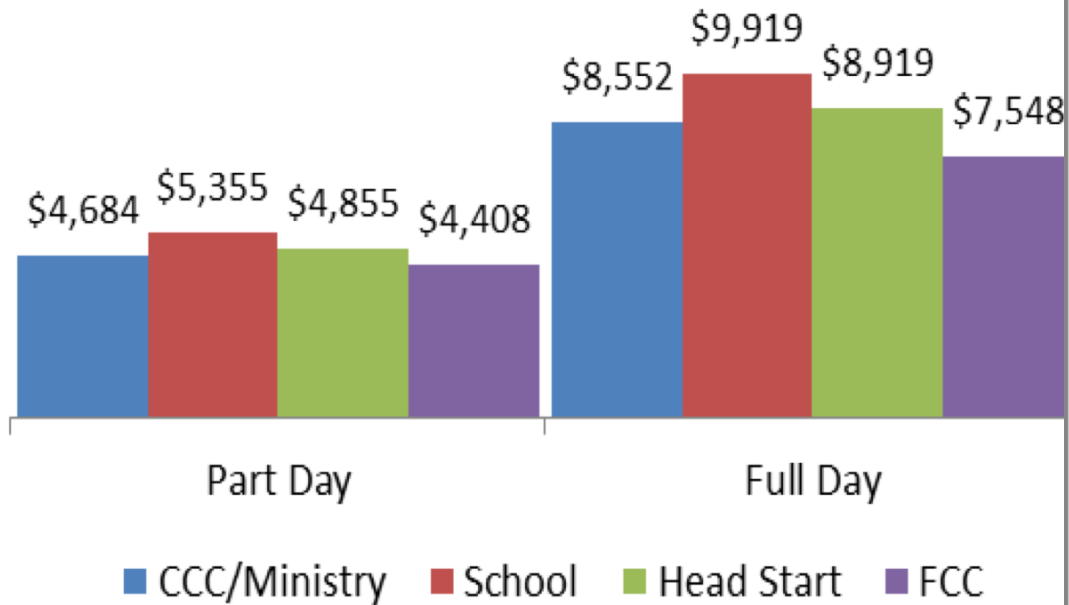
# Indiana- Erin Kissling

- Coordination of data between state agencies and our non-profit partner
- Identification of the need for investment in state infrastructure
- Consider how you will use the information with key stakeholders with intentionality

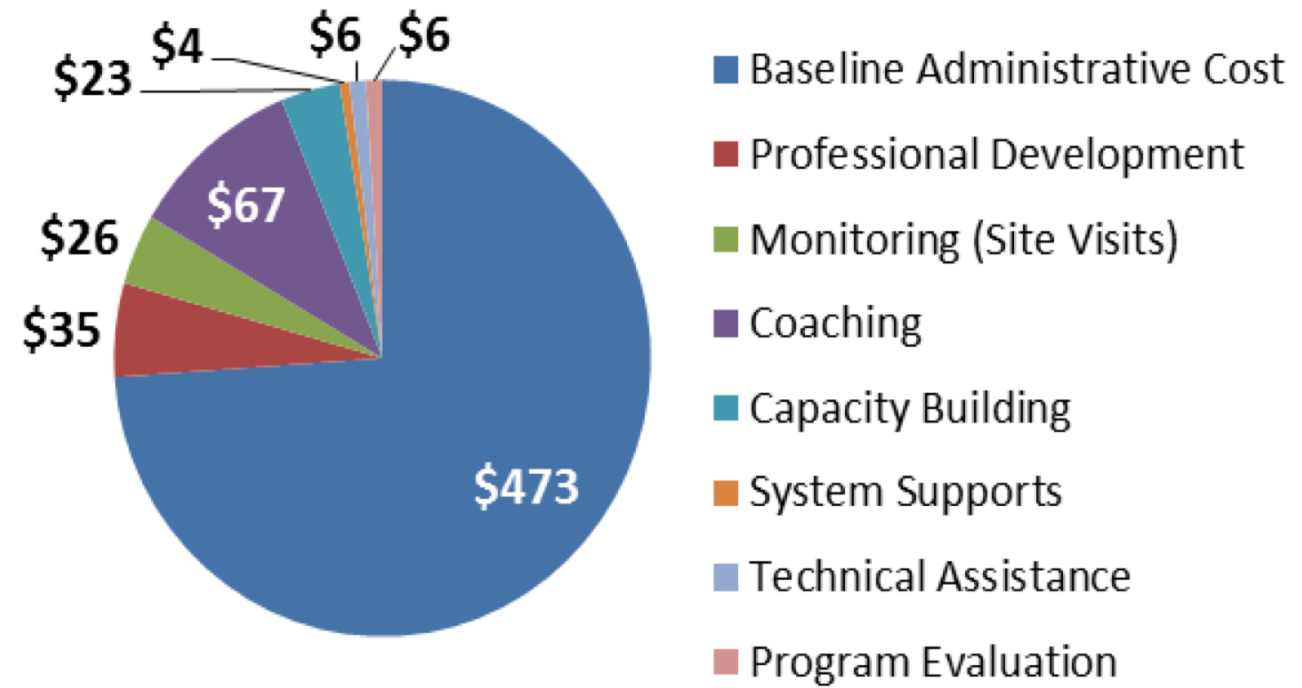


# Initial Data Produced for IN ELAC

Estimated Slot Costs by Dosage and Delivery Model (State and Provider Level Costs)



State Level Costs: Cost per Slot Breakdown







# How to Talk About Costs

[CPQR Communications Toolkit](#) includes:

- Sample social media templates
- Press Release Templates
- Quotes from experts
- How to create graphics with your cost data
- Printable 1 page handouts on 8 key cost/quality topics



PRE-K QUALITY MATTERS

1 What difference does quality make?



INVEST IN QUALITY

2 What do we get for our money?



BENEFITS OF QUALITY

3 What outcomes can we expect?



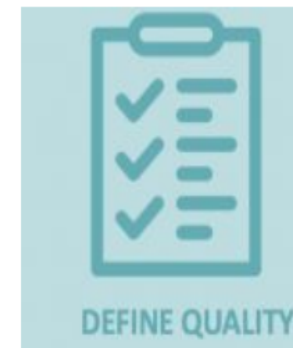
TEACHER QUALITY

4 Why are teachers important?



CLASSROOM QUALITY

5 Why does class size matter?



DEFINE QUALITY

6 Why do we need standards?



IMPROVE QUALITY

7 How do we measure improvement?



SUPPORT QUALITY

8 How can administrators help?



# What CEELO is Doing to Build Capacity to Finance Quality ECE

- Conduct further research on state administrative costs
- Cost of Quality Think Tank
- Awaiting the NASEM Study on Financing Early Care and Education with a Highly Qualified Workforce
- TA to states, and cities, to project costs of quality
- Financing and sustainability planning tools and resources



# For More Information

- Cost of Preschool Quality
  - <http://ceelo.org/cost-of-preschool-quality-tool/>
- Finance Peer Exchange
  - [http://ceelo.org/pdg\\_peer\\_exchange\\_finance/](http://ceelo.org/pdg_peer_exchange_finance/)
- NIEER Resources on Economics and Finance (e.g. compensation parity)
  - <http://nieer.org/research-topic/economics-and-finance>
- Contact: Lori Connors-Tadros, [ltadros@nieer.org](mailto:ltadros@nieer.org)