



NATIONAL CENTER ON  
Early Childhood Quality Assurance

# State and Local Finance Strategies

Webinar Series on Strategies for Building and  
Financing the Supply of High-Quality Child Care

March 6, 2018



# Introductions

**Debi Mathias**, QRIS National Learning Network Director, BUILD Initiative



**Zelda Boyd**, Senior Technical Assistance Specialist, National Center on Early Childhood Quality Assurance



**Jenn Bender**, Learning Community Project Manager, BUILD Initiative





# NATIONAL CENTER ON Early Childhood Quality Assurance



# Series Overview

- ◆ We will explore and share supply building successes and lessons learned in states and communities.
- ◆ This is a five-part series.

Session/Date	Description
Webinar 1: 1/17/2018 2:00–3:30 (ET)	Strategies for Building and Financing the Supply of High-Quality Child Care <b>Check out the recording link for the webinar!</b>
Webinar 2: 2/13/2018 2:00–3:30 (ET)	Identifying, Mapping, and Alleviating Child Care Deserts <b>Check out the recording link for the webinar!</b>
Webinar 3: 3/6/2018 2:00–3:30 (ET)	Innovation in State and Local Finance – <b>Today's Webinar!</b>
Webinar 4: 5/01/2018 2:00–3:30 (ET)	Using Grants and Contracts, Payment Rates, and Financial Incentives to Increase Supply and to Improve Quality
Webinar 5: 6/04/2018 2:00–3:30 (ET)	Innovative Models to Build, Expand, and Sustain Quality Facilities in High-Need Communities

# Webinar Series Materials

- ◆ All materials related to this webinar and future webinars can be found at the following website:

<https://www.qrisnetwork.org/It/strategies-building-and-financing-supply-high-quality-early-learning-webinar-series/overview>

# Today's Panelists

Anne Mitchell

Alliance for Early  
Childhood Finance



September Jarrett

San Francisco Office of  
Early Care and  
Education



Amy Bornemeier

Nebraska Children and  
Families Foundation



Robyn Lightcap

Learn to Earn Dayton



Donna Cooper

Public Citizens for  
Children and Youth



Michael Medwick

First Five Nebraska



# Closing the Gap: SF's Evolving Strategy to Improve Access, Quality, and Compensation



San Francisco Office  
of Early Care & Education

# SF's Current Initiative: Early Learning Scholarship

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## A child and family focused approach

- Paying a fair reimbursement rate reflective of Tier 3 quality and compensation for work force
- Leveraging state and federal funding wherever possible
- Prioritizing enrollments for those children and families with the most to gain from high quality programs
- Applying QRIS and learning standards to ***all*** licensed settings
- Offering ***continuity of care from 0 – 5*** in quality settings
  - 12 month eligibility pilot for TANF families
  - 24 month eligibility for all other families



# Early Education in San Francisco

## Children's Fund

San Francisco becomes the first US city to guarantee local funding for early childhood education: \$50 million per year.

1991

## Preschool For All

San Francisco voters pass Prop H: the, *Public Education Enrichment Fund* (PEEF), including \$20 million annually for universal preschool.

2004

## Funding renewal

San Francisco voters pass Prop C, allocating funding for the *Children's Fund* and PEEF for the next 25 years.

2014

## First wage programs

San Francisco launches the city's first two programs aimed at stabilizing the ECE workforce.

2001

## C-WAGES

*Compensation and Wage Augmentation Grants for Economic Support* raises wages for ECE professionals serving low-income children.

2012

# SF's Current Initiative: Early Learning Scholarship

## QRIS and Learning Standards

Infant and Toddlers Ages 0-3	Preschoolers Ages 3-5
<ul style="list-style-type: none"><li>• Financial assistance for low-income families</li><li>• Family fees</li><li>• Reaching 568 infants and 1,317 toddlers today</li><li>• Goal to provide child care assurance for <b><i>all</i></b> eligible</li></ul>	<ul style="list-style-type: none"><li>• Universal Preschool</li><li>• All four-year-olds eligible for free, half-day high-quality preschool</li><li>• Reaching 5,529 preschoolers today</li><li>• Moving to on-demand enrollment for low-income children</li></ul>

## Increased Compensation on Parity with TK – 12

# Annual Spending 2017-2018

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## **2017- 2018 Early Learning Scholarship Spending**

<b>Local Funding By Enrollment Type</b>	<b>Total Local Sources</b>
Gap Funding on State Contracts	15,249,806
Locally Funded Vouchers (full cost)	15,250,000
Gap Funding Early Head Start/ Head Start	7,204,799
Preschool for All	6,854,130
Locally Funded Spaces	6,536,476
San Francisco Unified School District	3,268,334
Local Funding for Continuity of Care	2,000,000
Foster Care	1,398,176
State Voucher Rate Enhancement	2,275,521
Violence Involved, 2 Gen Programming	645,000
Moderate Income Pilot	491,391
Subsidy Administration Costs	3,198,165
<b>Total</b>	<b>\$64,371,798</b>

# *On the Horizon...*

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## **June 2018 Ballot Measure**

- Commercial gross receipts tax
- Permanent
- Estimated to generate \$110 million + for:
  - Clearing the childcare waitlist for subsidy eligible low-income families
  - Providing financial assistance for infant and toddler care for working families
  - Increasing compensation
  - Supporting quality and comprehensive services



# What is Sixpence?

- Public-private partnership from the source of the dollars to the delivery of programs and services
- Sustainable funding for high-quality early learning opportunities for infants and toddlers at risk
- Locally designed programs to meet specific community needs
  - Home visiting programs
  - Center-based programs
  - Child care partnerships



# Legislative/Funding Timeline

**2006 (May):** Legislation passed to create the NE Early Childhood Education Endowment Fund (later, "Sixpence")

- Private sector commits \$20M within 5 years
- Public sector earmarks \$40M from Educational Lands and Funds

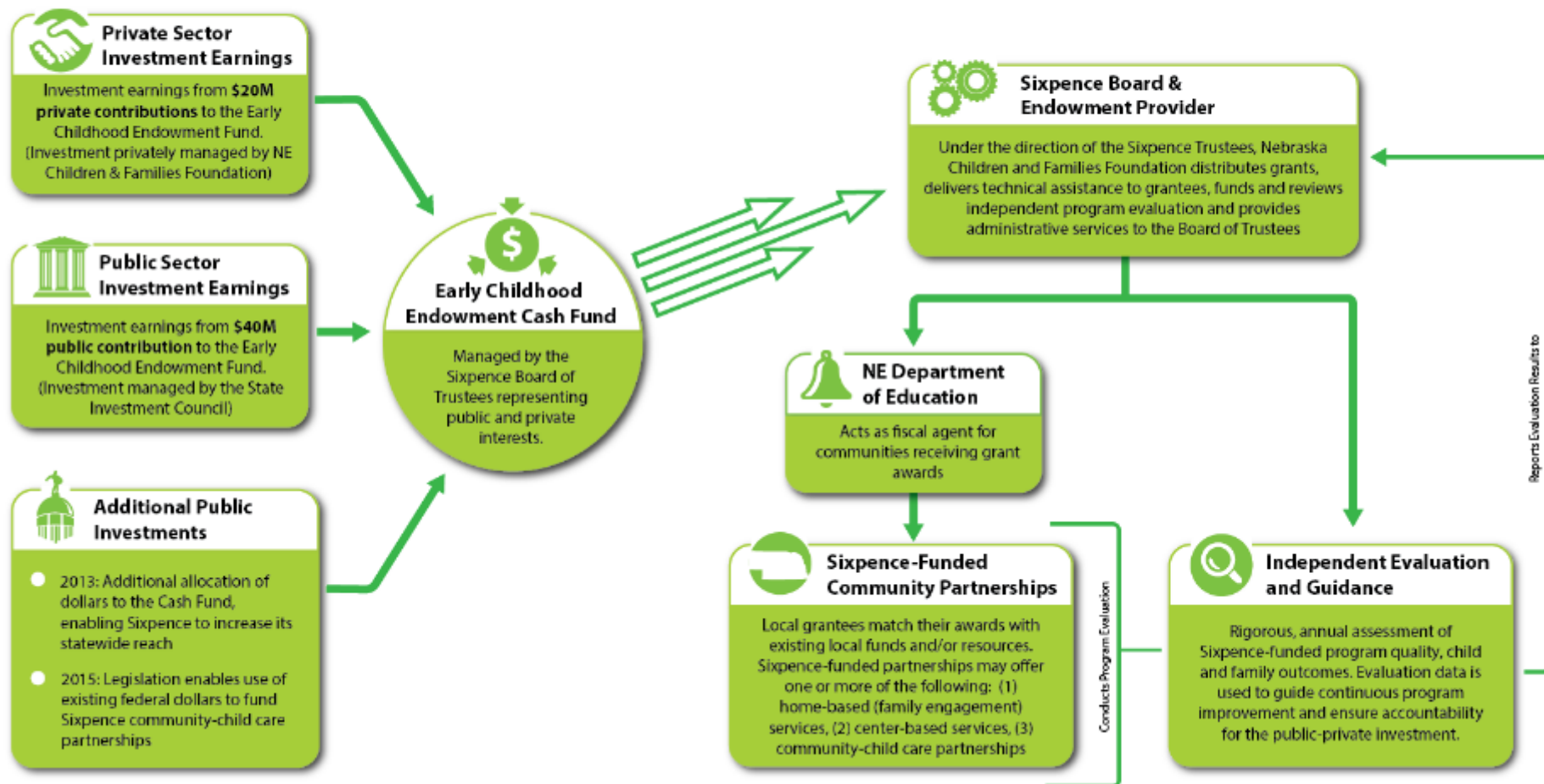
**2006 (November):** State constitutional amendment makes early learning an allowable use of Educational Land and Funds dollars

**2013:** Legislature approves additional \$11M infusion to Sixpence cash fund over 3 years

**2015:** Legislation advances allowing the creation of a new Child Care Partnership model, capturing CCDBG dollars and linking Sixpence to the state's QRIS



# Funding/Delivery Flowchart





# Increase in Statewide Reach

## **First Round of Grant Awards (2008)**

- 13 grant awards to 11 communities
- \$75-\$150K per award

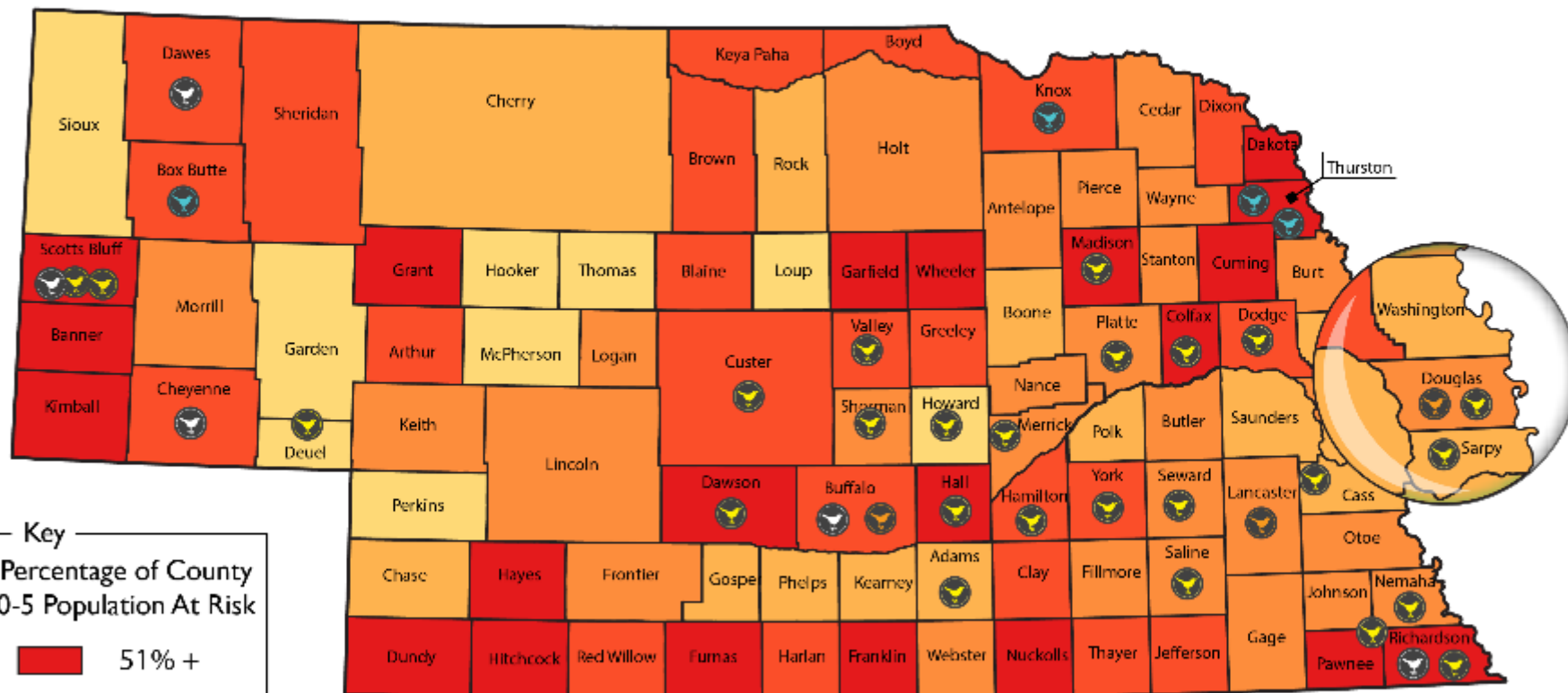
## **Current Sixpence Commitments (2018)**

- Programs funded in 34 communities
- \$7.8M granted to programs serving approximately 1,640 children



## Children Age 0-5 At Risk by County: 2012–2016 (Sixpence Site Overlay)

Infants, toddlers and preschoolers most likely to face serious obstacles to healthy cognitive, emotional and social development



Data Source: U.S. Census Bureau; American Community Survey, 2016 American Community Survey 5-Year Estimates, Table B17024; generated by First Five Nebraska; using American Factfinder; <<http://factfinder.census.gov>> (7 December 2017).

	Home-based program		Combination home-/center-based
	Center-based program		Community child care partnership

**154,771**  
Total Children Age 0-5  
in Nebraska

**60,774 (39%)**  
Nebraska Children Age 0-5  
At Risk of Failing in School

# Our Kids Are Worth It!



## Our Kids are Worth It!

Philadelphia's Tax on Sweetened Beverages to fund Pre-K and Rebuild our Child Play and Learning Public Spaces



#rkidsrworthit



Facebook/ourkidsareworthit



# Campaign Timeline

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**2013 - Statewide Pre-K for Pa Campaign Launched; Creating Demand for Public Investment**

**2014 – Campaign for Governor – Pre-K is an top tier issue**

**2014-2017 – \$100 million in new state dollars for Pre-K**

**2015 – Pre-K Ballot Question Test Voter Support – 80% yes votes**

**2016 – Mayor’s Race - Pre-K is a top tier issue; winning candidate committed to funding universal Pre-K**

**February, 2016 – Mayor’s 1<sup>st</sup> Address to Council Proposes Soda Tax for Pre-K**

**April, 2016 – Mayor and Council joint Commission defines Universal Pre-k and Identify Financing Options including Sweetened Beverage Tax (<http://www.phila.gov/universalprek/Documents/Recommendations%20Report.pdf>)**

**June, 2016 – Council Imposes Soda Tax**

**January, 2017 – January enrollment of 1<sup>st</sup> 2000 slots begins**





## In 2015 We Showed the Political Capital Gain

- 124,000 voters voted “yes” on ballot question four, the most votes in favor of a ballot measure since 2007.
- More people voted in favor of Universal Pre-K than five of the primary candidates for Mayor combined! Got nearly as many votes as the Mayoral Primary winner
- The Ballot measure 4 won approval in every ward in Philadelphia, garnering more than 90% of the vote in some.

SMOKES AND COKES?

**NOT A  
PHILLY  
GROCERY  
TAX**



#kidsrworthit

**A Soda Tax  
is Worth It!**

Creates 1,200 Family  
Supporting Jobs

VOTE  
**YES** on  
Soda  
Tax



@kidsrworthit



Facebook/kidsrworthit

# What did we get ?

## Philadelphia's Sweetened Beverage Tax

- 1.5 cents per ounce
- Applies to all sweetened beverages and syrups, sweetened concentrates used to make a beverage regardless of whether the sweetener is sugar or a diet sweetener
- The tax is collected from distributor, defined as any person who sells sweetened beverages to a retail store or restaurant/bar

**PCCY** public  
citizens for  
children + youth



## Soda Tax Makes History



Supporters cheer City Council's passage of the levy on sugar-sweetened and diet drinks, a vote for Mayor Anthony Maestri's economic and progress agenda.  
 Phila.'s 1.5-cent per ounce levy on many drinks is the first such tax in a U.S. city.

**L**ike Brian L. Voth, a father of two, who is a member of the Philadelphia City Council, the levy on sugar-sweetened and diet drinks, a vote for Mayor Anthony Maestri's economic and progress agenda. Phila.'s 1.5-cent per ounce levy on many drinks is the first such tax in a U.S. city.

The 1.5-cent levy on many drinks is the first such tax in a U.S. city.

**INSIDE**  
 ► Philly's new school year starts today. See page A2.  
 ► How the tax will affect a variety of drinks. See page A2.  
 ► Mayor Maestri's plan to raise \$2.5 million to fund the tax. See page A2.

**END IS NEAR FOR Sports Authority**  
 At least 140 jobs could be lost as the store closes. See page A2.

**ACROSS-DESK**  
 Time to review tax abatements  
 The city's plan to review tax abatements is a first. See page A2.

**SPORTS**  
 Gambling on the Eagles' core  
 The city's plan to review tax abatements is a first. See page A2.

## SRC gives transgender students choices

Policy covers restrooms, gymnasium, and more.  
 By Michael W. Dunn  
 When asked, the Philadelphia School District Commission adopted a policy Thursday night that immediately allows transgender students to attend other schools, be referred to by their preferred names, and use their preferred restrooms.



## Obama honors victims in Fla.

President Obama and Vice President Joe Biden were in Orlando Thursday night to honor the victims of the Pulse nightclub shooting.

On the lookout, but for what?

## Revenues

**Tax imposed as of February 20, 2017**

**Total Expected Revenue from the Tax - \$89 million a year**

**Total Revenue Tacking Close to Estimate Amount for Pre-K - \$65 million per year**

**At full-scale will fund 6,500 slots annually and support provider TA and workforce training of the ECE labor force**

# Philadelphia Pre-K

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- Any child ages 3-5 years old
- No income requirements
- Providers selected based on PA QRIS – STAR 3 or 4, Head Start, NAEYC accreditation, lower quality providers given 18 months to reach STAR 3 with TA
- Providers were selected based on quality, stability, and location (with a bias toward high poverty census tracts that have a shortage of high quality childcare/prek)
- Standard \$8,500 payment, per child, school day/school year
- Providers are paid via contract for a specified slot level

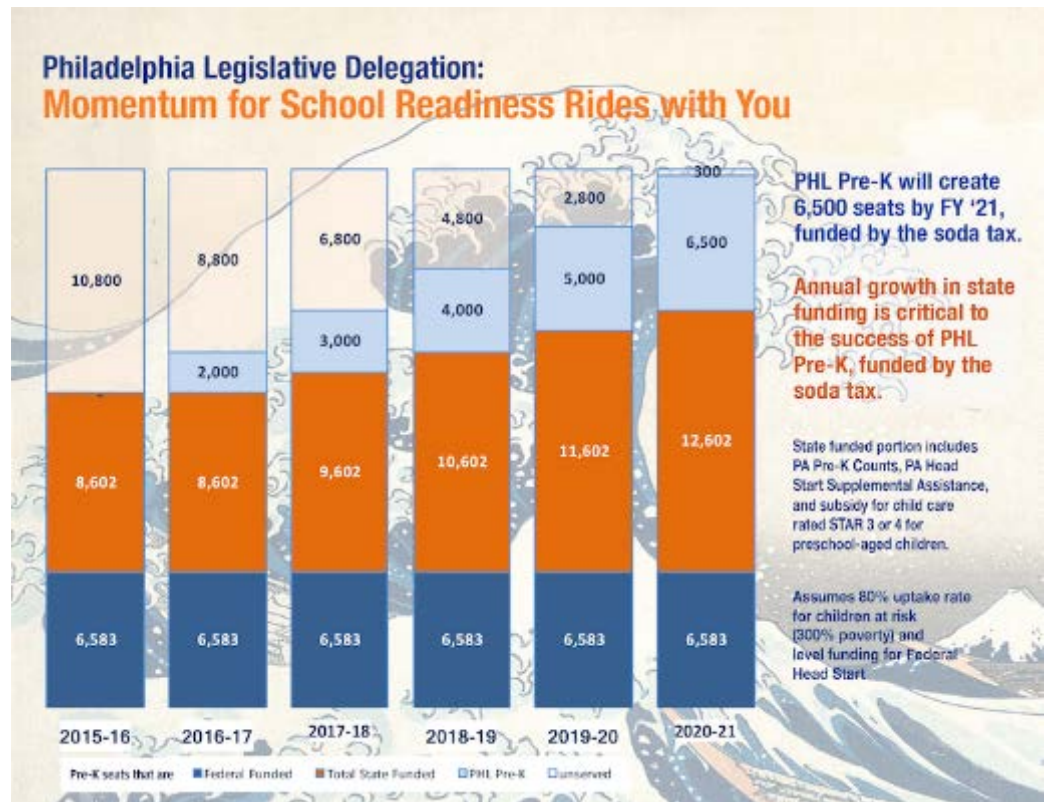




# Phila Mayor Visiting Dozens Of New Pre-K's





# A Rising Tide of Integrated Funding





# preschool ★ ★ PROMISE

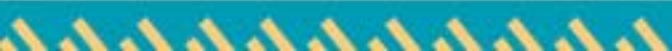
Our vision is to ensure that all children in Montgomery County are ready for kindergarten and have the foundation needed for success in school and life.





## Preschool Promise Mission

**We promise one year of affordable, high-quality  
Preschool for 4-year-olds.**





Montgomery County  
Preschool Promise

## Pillars of Success

### **Educate**

the community  
about the power  
of Preschool

### **Expand**

the availability  
of high quality  
Preschools



### **Assist**

families in finding  
and paying for  
Preschool







## How does Preschool Promise work?

- All four-year-olds are eligible (the year before kindergarten).
  - Quality improvement is the central focus.
    - ✓ We help programs earn and increase their Star Rating through Ohio's QRIS (5-Star system), with a goal of all programs reaching 3-Star or higher within four years.
    - ✓ We provide free coaching and professional development.
  - Tuition Assistance is:
    - ✓ only available at sites that are Star Rated.
    - ✓ tiered based on income, household size, and the Star Rating level.
    - ✓ available for full-day, year-round or part-day Preschool depending on the family's needs.
- 
- 





## Where is the Preschool Promise?

The long-term vision is to go Countywide to serve all 6,500 4-year-old residents.

- In the 2014-15 school year we started with a small pilot in the suburb of Kettering, and then in 2016-17 expanded to include a section of Northwest Dayton.
  - In the 2017-18 school year we continued in the suburb of Kettering and expanded to serve the entire City of Dayton – where we have about 2,700 eligible 4-year-olds.
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## How is Preschool Promise funded?

- 2014-15: Montgomery County funded the pilot phases of Preschool Promise in Kettering along with the school district and City.
  - 2016-17: Private funders also invested to expand the pilot.
  - In November 2016 **Dayton passed an 8-year levy, a 0.25% earned income tax increase** (the first increase in 32 years). The tax provided funding for Preschool (\$4.3 million a year) along with general support including police and fire protection, street repair, and vacant lot maintenance.
  - Fiscal Year 2018: Total budget is \$5.6 million.
    - \$4.3 million from the City of Dayton tax, \$1.1 million from Montgomery County, and \$200,000 from the school district and private funders.
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# NATIONAL CENTER ON Early Childhood Quality Assurance

## Questions, Answers, and Comments

## Audience Sharing Their Own Strategies



# Webinar Survey

How much was your understanding of State and Local Finance Strategies improved?

Not improved

A little improved

Moderately improved

Significantly improved

# Webinar Survey

**How likely is it you will use at least one of these strategies or practices?**

**Won't**

**Probably not**

**Will consider**

**Definitely**

**Already doing all of this**

**Not applicable to my work**

# Webinar Survey

**Please tell us what was useful – and how we could improve the webinar.**

# Thank You

Join us for Session IV on May 6, 2018: Innovations in State and Local Financing, 2:00–3:30 p.m. (EST)

Registration links can be found at: <https://www.qrisnetwork.org/lt/strategies-building-and-financing-supply-high-quality-early-learning-webinar-series/overview>

# Webinar Follow-Up

◆ If you have additional questions or are looking for resources, email:

- Debi Mathias, [dmathias@buildinitiative.org](mailto:dmathias@buildinitiative.org); and
- Zelda Boyd, [Zelda.boyd@icf.com](mailto:Zelda.boyd@icf.com).

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**CHILDREN & FAMILIES**