Making Preschool Affordable and Accessible in Indy
All children deserve access to a high-quality education that enables them to define their life paths.
We live in an knowledge-based economy which demands a knowledge-based education system. Commitment to this vision begins with early childhood education, continues through K-12 options and lasts through higher education and workforce development.

**Early Childhood Education**
- Provide simple, easy-to-navigate information to parents and families
- Increase the supply of high-quality, affordable programs
- Quantify the economic benefits of early childhood education

**K – 12 Options**
- Deliver quality oversight of Mayor-sponsored schools
- Incentivize innovation among new and existing schools
- Engage families and communities to exchange information

**Workforce Development**
- Launch Purdue Polytechnic Indianapolis
- Grow STEM engagement through the VEX Robotics Championship
- Support employers in Indianapolis in finding skilled workers

---

**Policy**

**Public Affairs**
The impact of childhood poverty

Making preschool affordable and accessible

Implementation timeline
National research shows children born into poverty display cognitive and social opportunity gaps at young ages.

All children have the capacity to learn and achieve at high levels. Unfortunately, children in poverty experience opportunity gaps at early ages when compared with their more affluent peers. These opportunity gaps are driven by a variety of factors such as a lack of early exposure to language, books, mathematics, nutrition, and socialization.

**Figure 1: Math test scores by income quartile**

Math test scores are stratified by income and gaps widen over time.

**Figure 2: Anti-social behavior score by income quartile**

Behavior problems are more frequent when family income is lower.

---

An increasing number of our city’s children live in poverty

Coming out of the Great Recession, many urban cities experienced growth in poverty rates. Our city was affected more by the Great Recession than the state as a whole. The Polis Center found the Marion County child poverty rate has doubled since 2000.¹

---

Indianapolis children born into poverty are likely to remain in poverty

A recent study on economic mobility\(^1\) demonstrates that **geography of birth largely predicts adult success.** In Indianapolis, the odds of children rising to a higher income bracket after being born into poverty are low. Among cities with higher mobility, there were four determining factors including more mixed income neighborhoods, two parent households, strong schools, and civic engagement.

**Chances of Climbing the Income Ladder\(^2\)**

\(\text{Less upward mobility} \quad \text{More upward mobility}\)


Childhood poverty impacts our economic and social vitality

In 2007, researchers estimated the costs associated with childhood poverty amount to over $500 billion per year in the form of lost economic productivity and earnings in adulthood, as well as costs associated with higher crime and poorer health. This cost is nearly 4% of US GDP.

Total Annual Cost of Poverty to America

Quality early childhood education reverses many of the effects of poverty on children’s lives

A comprehensive body of empirical evidence makes clear that well-designed, high-quality early childhood education programs can improve academic, socioeconomic, behavioral, and health outcomes for children living in poverty.

**Individual**

- Less need for special education intervention and repeating a grade\(^1,2,3\)
- Increased high school graduation rates\(^1,2,3\)
- Increased college enrollment\(^3\)

**Society**

- Reduced costs to the K-12 education system
- More educated and developed workforce

**Academic**

- Higher earnings\(^1\)
- Increased rates of home ownership\(^1\)
- Decreased dependency on welfare\(^1\)

**Socioeconomic**

- Fewer problem behaviors in first grade\(^4\)
- Reduced rates of juvenile arrest\(^2\)
- Reduced felony and misdemeanor arrests in adulthood\(^1\)

**Behavioral**

- Increased rates of immunization\(^4\)
- Improved overall child health status\(^4\)
- Decreased likelihood of smoking\(^3\)

**Health**

- Reduced rates of preventable diseases
- Reduced health care expenditures
- Increased overall life expectancy

---

\(^1\)Perry Preschool Project  
\(^2\)Chicago Child-Parent Centers  
\(^3\)Abecedarian Project  
\(^4\)Head Start
Indiana lags behind most other states in providing early education.

40 states, including Indiana’s neighbors, have state-funded pre-K programs, usually targeted towards low-income 4-year-olds. Recently, Indiana put a limited pilot program in place. While a step in the right direction, the pilot isn’t enough to meet the needs of Indianapolis families.

Percent of 4-year-olds served in state pre-K\(^1\)

<table>
<thead>
<tr>
<th>Total ROI per $1 spent on early childhood programs(^2)</th>
<th>Amount</th>
<th>Program/Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>$8.74</td>
<td></td>
<td>Perry Preschool</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ypsilanti, MI</td>
</tr>
<tr>
<td>$7.10</td>
<td></td>
<td>Chicago Child-Parent Centers</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chicago, IL</td>
</tr>
<tr>
<td>$6.92</td>
<td></td>
<td>Elmira Project</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Elmira, NY</td>
</tr>
<tr>
<td>$4.01</td>
<td></td>
<td>Abecedarian Project</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Chapel Hill, NC</td>
</tr>
</tbody>
</table>

30,639 at-risk 4-year-olds in Indiana are not currently enrolled in publicly-funded early education programs\(^3\)

---

\(^1\) The State of Preschool 2012. The National Institute for Early Education Research.
Affordability: The high cost of early childhood education limits access

The average high-quality preschool program costs between $4,708 and $6,972 per year per child.¹ This is cost-prohibitive for many families in Indianapolis, where 37% of all children ages 0-5 are living in poverty.² For 50% of families, child care costs 21% or more of their annual income.

² National KIDS COUNT
³ Marion County CCDF reimbursement rates, Indiana Family and Social Services Administration. http://www.in.gov/fssa/files/CCDFMarionReimbRate.pdf
⁵ National KIDS COUNT
Accessibility: The supply side of early childhood education is large, complex and lower quality than our children deserve

Early childhood education is provided in Marion County by a network of nearly 800 licensed centers, licensed homes, and registered ministries. Only 15% of providers are considered to be high quality, indicated by Level 3 or higher on Paths to QUALITY™, Indiana’s quality rating and improvement system for early care and education providers.

Paths to QUALITY™ ratings of early education Providers in Marion County

1 Carefinder Indiana. Indiana Bureau of Child Care. https://secure.in.gov/apps/fssa/carefinder/showSearchResults.html
* Ministry Capacity - recommended capacity according to square footage
Agenda: making preschool affordable and accessible

The impact of childhood poverty

Making preschool affordable and accessible

Implementation
Our vision is for every child in Indianapolis to have access to a voluntary, high-quality early childhood education that prepares him or her for a successful academic career and success in life.
Mayor Ballard’s plan for expanding quality preschool

"Now is the time to make access to affordable, high-quality preschool a promise within reach for all children and families that make Indianapolis their home." – Mayor Gregory A. Ballard

- $25 Million Investment in Preschool
- Governed by Guiding Principles
  - Affordability
  - Accessibility
- Leveraging the State’s Preschool Pilot
- Starting Indy’s Preschool Scholarship Program
- Improving Provider Capacity
- Streamlining Search Process for Families
- Parent and Family Outreach and Engagement
Shared guiding principles lead to investments consistent with quality

Mayor Ballard has developed a set of guiding principles to govern the investments of the plan. These principles highlight specific ways to address affordability and accessibility.

<table>
<thead>
<tr>
<th>Principles</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Moving providers to Level 3 or 4 on Paths to QUALITY or to national accreditation</td>
<td>Partnering with agencies to serve children with additional risk factors</td>
</tr>
<tr>
<td>Supporting public schools and nonprofit providers in a mixed delivery system</td>
<td>Ensuring participation is completely voluntary to providers and parents</td>
</tr>
<tr>
<td>Contributing to a stronger birth through three continuum of care and education</td>
<td>Prioritizing providers that do not expel or suspend children from preschool</td>
</tr>
<tr>
<td>Focusing on areas of high crime with little access to quality preschool</td>
<td>Prioritizing preschools providing health and developmental screenings</td>
</tr>
<tr>
<td>Partnering with schools and providers with a track record of serving children up to 185% of poverty</td>
<td>Prioritizing preschools providing transportation or extended hours to meet needs of working families</td>
</tr>
<tr>
<td>Partnering with schools and providers that have the best, most-qualified teachers</td>
<td>Leveraging national, state, and other grant dollars</td>
</tr>
</tbody>
</table>
Making preschool affordable for Indianapolis families

Mayor Ballard proposes matching funds for as many children and families that qualify for the State scholarship. In addition, Mayor Ballard will initiate a supplementary preschool scholarship program to serve even more children and families.

**Provides the United Way of Central Indiana with a flexible public purpose grant**

**(1) Leveraging the State’s Preschool Pilot**
- Uses funds to match State’s investment up to $3 million
- Serves children in families under 127% FPL
- Works with families to identify quality choices
- Learns from ELAC evaluation

**Investment**
- Approx. $8 million per year (public and philanthropic match) resulting in $40 million over 5 years

**Outcomes**
- Scholarships for 1,300 four-year-olds to high-quality preschools per year

**Partners**
- The Mayor’s office, the City-County Council, United Way of Central Indiana, the Early Learning Advisory Committee, Child Care Answers, FSSA, preschool providers, school districts, philanthropic organizations, small businesses, corporate partners, and others

**(2) Starting Indy’s Preschool Scholarship Program**
- Uses funds to provide supplemental scholarships
- Serves families up to 185% FPL
- Works with families to identify quality choices
- Provides regular reporting on outcomes
Making preschool accessible for Indianapolis families

State and Indianapolis-specific scholarships are only effective if there are a sufficient number of high-quality providers to educate young children. **Grants will be made available to scale the number of providers at Level 3 and 4 on Paths to QUALITY™.**

<table>
<thead>
<tr>
<th>(1) Direct investments in preschool providers</th>
<th>(2) Broader investments in the preschool system</th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Building renovations</td>
<td>▪ Developing innovative and scalable partnerships</td>
</tr>
<tr>
<td>▪ Curriculum purchasing</td>
<td>▪ Creating stable and consistent learning environments</td>
</tr>
<tr>
<td>▪ Recruiting and retaining teachers</td>
<td>▪ Launching the Indy Preschool Locator tool in partnership with GreatSchools.org</td>
</tr>
<tr>
<td>▪ Engaging families and caregivers</td>
<td></td>
</tr>
</tbody>
</table>

**Investment**

- Approx. $2 million per year (public and philanthropic match) resulting in $10 million over 5 years

**Outcomes**

- Expansion of high-quality preschool slots for four-year-olds
- Expansion of the number of quality providers

**Partners**

- The Mayor’s office, the City-County Council, United Way of Central Indiana, the Early Learning Advisory Committee, Child Care Answers, FSSA, preschool providers, school districts, philanthropic organizations, small businesses, corporate partners, and others
The impact of childhood poverty

Making preschool affordable and accessible
Collaboration is the key to success in achieving the Mayor’s vision.

The high-level roles and responsibilities of each of the key partners are outlined below.

### City of Indianapolis
- Secure funding
- Support community conversations
- Participate in selection committee
- Encourage providers, supporting organizations, and others to apply for grants
- Identify matching and aligned investments
- Provide information to families about GreatSchools.org locator tool, and parent focused resources

### United Way of Central Indiana
- Organize grant selection
- Facilitate community conversations
- Manage creation and distribution of the Indy City Scholarship program
- Create a common, streamlined grant process
- Steward public resources responsibility
- Report to the Mayor on progress
- Raise additional matches and aligned investments

### Child Care Answers
- Identify preschool providers to participate in the City’s scholarship program
- Disseminate information to local preschool providers about grant opportunities
- Provide assistance through training, mentoring and coaching supports to local preschool providers
- Offer ongoing technical assistance to preschool providers as they implement a high-quality program

### City-County Council
- Consider funding request
- Approve funding request
- Communicate opportunities to constituents
- Engage parents and family caregivers to support preschool success
Mayor Ballard’s preschool plan will start serving children in the fall of 2015.

### Implementation Timeline

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>▪ Convene public meetings</td>
<td>▪ Build out grant process</td>
<td>▪ Review grant process with committee</td>
</tr>
<tr>
<td>▪ Appropriate funds</td>
<td>▪ Convene committee to review progress</td>
<td>▪ Finalize grant process</td>
</tr>
<tr>
<td>▪ Appoint oversight committee for grants</td>
<td>▪ Report to Mayor on progress</td>
<td>▪ Release first round of grant applications</td>
</tr>
<tr>
<td>▪ Announce grant decisions</td>
<td>▪ Launch second round of grants (if necessary)</td>
<td>▪ Oversee grants</td>
</tr>
<tr>
<td></td>
<td>▪ Check-in with grantees on progress and timeline</td>
<td>▪ Report to the Mayor on progress</td>
</tr>
<tr>
<td></td>
<td>▪ Report to Mayor on progress</td>
<td></td>
</tr>
</tbody>
</table>