

# EARLY CARE AND EDUCATION— WHAT IT COSTS

## BUDGET SERIES: COMMUNITY PRE-K



The research on early childhood education is clear: Programs must be of high quality to produce positive outcomes for children.<sup>1</sup> In recent years, educational economists have refined their analysis of “high quality” and identified the core components of successful prekindergarten programs: They employ qualified teachers who are properly compensated, and they also provide other support to assure that healthy development is on track, including health services, proper nutrition and family support.<sup>2</sup>

The new research provides a critically important framework for policymakers in New York City as prekindergarten expands. The city will only achieve the results the public seeks and children need if pre-k is funded at a level to support these core components of quality. That means the city must fund programs in public schools and community organizations at a level that takes into account the cost of attracting and retaining certified teachers, providing adequate family supports, health screenings and nutrition to support healthy development in all preschoolers.

The question of funding levels is growing ever more urgent as the city moves toward a coordinated system of early childhood education in all settings, including child care, Head Start and prekindergarten. Currently, funding levels vary substantially across programs. This year, city officials have announced a new, long-range goal of making pre-k funding the primary source of public support for early care and education of four-year-olds. This new vision builds on the powerful partnership already established between the public education sys-

tem and community-based organizations in delivering Universal Prekindergarten services.

The city’s new vision springs from a new state commitment to expand prekindergarten funding and make the services available to all four-year-olds on a voluntary basis. Currently, pre-k is predominantly a part-day program but the scientific evidence shows full-day pre-k to be of more value. In addition, city officials and the state Board of Regents have called for prekindergarten for three-year-olds, as part of a comprehensive approach to early childhood education.<sup>3</sup>

Given these new policy directions, there is a need to better understand the cost of providing early childhood education. Child Care, Inc. has prepared this policy brief as the first in a series to examine what it costs to provide preschool children with a high-quality early learning opportunity focused on all aspects on a child’s development. This paper examines the community model for pre-k services, largely because the issue of funding levels at community sites is the most urgent policy issue now before the city.



Currently, the Department of Education provides 60 percent of its prekindergarten services in commu-

nity-based programs that operate outside of the public schools. This strategy of combining school and community resources has dramatically increased access for children and leveraged city resources to make the most of all public investments in early childhood services.

Yet the city's current investment in community sites fails to support the full cost of meeting state pre-k standards. Most importantly, the funding has not supported the cost of recruiting and retaining a certified teacher in every classroom. The lack of funding has forced many community sites to operate with teachers in study plans and to lose those teachers to the public schools as soon as the teachers are certified. Current rates also fail to adequately support professional development and family supports.

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As prekindergarten expands over the next several years, it will be critical to develop a funding strategy that recognizes the true costs of running a quality preschool program. Most critically, those costs include attracting and retaining certified teachers and other professional staff. This sample program budget is based on those key requirements as well as state regulations.

### BUDGET ASSUMPTIONS

- Every pre-k classroom enrolls a maximum of 18 four-year-olds with two staff at all times\*
- Every pre-k classroom serving three-year-olds enrolls a maximum of 15 children with two staff
- The pre-k program runs for 180 days per year and a full school day of 6.5 hours
- Head Teacher in each classroom has an M.A. Salaries reflect entry level pay for public school teachers
- The Director's salary is based on entry level salary for an assistant principal in an elementary school

\* Pre-k requires a maximum of 18 four-year-olds with two staff at all times or 20 children with three staff.

As prekindergarten expands to serve both three- and four-year-olds, the city will need to develop new classroom capacity in both schools and community organizations. The section, "Creating Capacity," sets forth a broad outline of the expenses involved and lays the foundation for a more detailed analysis of investment needed for future facilities expansion.

# GENERIC PREKINDERGARTEN PROGRAM BUDGET

## KEY ASSUMPTIONS FOR COMMUNITY PROGRAM

<b>6</b>	Classrooms
<b>6.5</b>	Hours per day
<b>180</b>	Days
<b>90-108</b>	Children*

\* Number of children in classroom depends on age of children. Assumes two staff present at all times. Also assumes all classrooms used exclusively for pre-k.

## ENTRY LEVEL ANNUAL SALARY DEPARTMENT OF EDUCATION

Assistant Principal	<b>\$88,000</b>
Instructional Coordinator	<b>\$55,000</b>
Teacher, M.A.	<b>\$48,000</b>
Family/Social Worker	<b>\$48,000</b>

## ESTIMATED COSTS: NEW YORK CITY FULL SCHOOL DAY PRE-K<sup>4\*</sup>

			<b>Annual Expense</b>
1.0 (FTE)	Director	\$88,000	<b>\$88,000</b>
1.0	Instructional Coordinator	\$55,000	<b>\$55,000</b>
6	Head Teacher	\$48,000	<b>\$288,000</b>
6	Assistant Teacher	\$28,000	<b>\$168,000</b>
.6	Family Resource (MSW)	\$48,000	<b>\$28,800</b>
<b>Subtotal salaries<sup>5</sup></b>			<b>\$627,800</b>
Benefits @ 30% salary			<b>\$188,340</b>
<b>Subtotal salaries and benefits</b>			<b>\$816,140</b>
	Substitute/10 days per classroom	\$85/day	<b>\$5,100</b>
	Administrative expenses <sup>6</sup>	5% of personnel budget	<b>\$40,807</b>
	OTPS/FTE child <sup>7</sup>	\$2,500 per child	<b>\$270,000</b>
<b>Total cost</b>			<b>\$1,132,047</b>
<b>Cost per classroom</b>			<b>\$188,848</b>
<b>Cost/child full school day 4-year-olds (18/class)</b>			<b>\$10,482</b>
<b>Cost/child half-day (2.5 hours) 4-year-olds</b>			<b>\$5,241</b>
<b>Cost/child full school day 3-year-olds (15/class)</b>			<b>\$12,578</b>
<b>Cost/child half-day 3-year-olds</b>			<b>\$6,289</b>

# EXPANDING PRE-K CAPACITY IN COMMUNITY BASED ORGANIZATIONS



Given the new policy directions in both the city and the state, it can be assumed that pre-k expansion will

continue in community-based settings. Starting in the fall of 2007, the city will need to open more than 300 new classrooms to meet its expansion targets. In the years to come, the public prekindergarten program is likely to include three-year-olds. The information below examines the space demands and costs of creating classroom space in a community facility.

Experts in early education estimate that the best design for early childhood space requires 105 square feet per child. That amount of space allows ample space of children, parents and staff in the center. That estimate includes not only the classroom space, but usable outdoor space for exercise and play. Community facilities also need a reception area, staff lounge and adequate office space and storage. Many authorities also recommend parent resource centers. To accommodate these uses, schools and centers should allow a *minimum* of 75 square feet per child to foster learning and healthy development and to accommodate the needs of staff and parents.

Current regulations provide parameters for classroom space for all preschool programs. The city's Department of Health and Mental Hygiene (DOHMH) regulations specify:

- 30 square feet of usable classroom space per child
- Maximum of 20 four-year-olds and 15 three-year-olds in each classroom\*\*
- 1 sink and 1 toilet for every 15 children
- Access to adequate outdoor space

\*\* Pre-k requires a maximum of 18 four-year-olds with two staff at all times or 20 children with 3 staff.

The National Association for the Education of Young Children (NAEYC), the accrediting body for preschool programs, recommends more space for preschoolers:

- 35 square feet of usable classroom space per child
- 75 square feet of outdoor usable space

NAEYC and other educational experts also recommend community programs have at least:

- Reception area
- Staff lounge
- Parent lounge/resource center
- Adequate office space for teaching and administrative staff
- Adequate storage throughout the center

The cost for new construction of such space will vary significantly. One survey of nonprofit organizations that have developed child care center spaces over the past five years, revealed that costs range between \$125 - \$350 per square foot.<sup>8</sup> Based on this survey and adjusting for increases in construction costs in the past few years since the survey was completed, the best estimate of the average cost is \$260 per square foot. It is likely that any expansion will be a mix of renovation and new construction. Early childhood facilities are most likely to be developed as part of other community facilities, such as community centers or housing development.

Seeking to expand capacity in community programs helps meet many critical policy goals. The current partnership between community organizations and the Department of Education creates broad access and expands choices for families. Community programs are better able to offer the year-round, extended day that many working parents need.

# LOOKING TOWARD THE FUTURE: WHAT IT WILL TAKE

The state's elected officials have pledged to expand prekindergarten service significantly over the next decade. As the city continues to expand its prekindergarten program, public funding levels must support the core components in individual programs, as well as the infrastructure necessary to support quality across the entire system of school-based and community-based programs. In particular, maintaining quality pre-k programs will require:



- Development of the early education workforce
- Strategies to expand capacity in both schools and community settings
- Infrastructure to oversee and align pre-k in both schools and community settings, including programs that offer child care, Head Start and preschool special education
- Adequate funding levels to properly compensate certified teachers and provide family supports
- Provision of health screening and proper nutrition at all sites



A Publication of CCI  
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*CCI seizes every opportunity to promote quality early learning, healthy development and care for all children, birth through school-age.*

<sup>1</sup> Barnett, W.S., et al, *State of Preschool Yearbook*. New Brunswick: National Institute for Early Education Research, 2006. This yearbook includes an overview of the latest research on the core elements of quality that make a preschool program effective. Available at [www.nieer.org](http://www.nieer.org). For further analysis, see also "What is the cost of a preschool program?" by Henry Levin and Heather Schwartz, Teachers College, Columbia University, also posted at [www.nieer.org](http://www.nieer.org).

<sup>2</sup> Ibid.

<sup>3</sup> "Early Education for Student Achievement in a Global Community," New York State Board of Regents, early childhood policy statement, 2006. To download a copy, visit [www.winningbeginningny.org](http://www.winningbeginningny.org).

<sup>4</sup> Similar expense items are assumed for 3 & 4 year olds.

<sup>5</sup> Budget does not include staff for food preparation required for a full day program.

<sup>6</sup> Administrative expenses include secretarial, financial and janitorial costs.

<sup>7</sup> Estimate includes costs such as: rent, food, maintenance and repair, supplies, telephones, postage, and insurance. Costs based on rent of \$15 per square foot, and 75 square feet per child. Cost will vary depending on location.

<sup>8</sup> Susan Muenchow, "Suggested Standards for Preschool for All Facilities," American Institutes for Research, 2004.

