



Universal Preschool (UPK) Updates and Next Steps

EDUCATION & HUMAN SERVICES STANDING COMMITTEE

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Refresher: Why UPK?

- Importance of high-quality early experiences to child development
- Multi-generational benefits
- Economic impact
- Children's Cabinet recommendations (2019) based off of Dreams4RPS Strategic Plan (2018)



Goals

1. **Quality, full-day, full-year, affordable, and accessible** early childhood care and education (ECCE) programs for every child in Richmond
2. Robust mixed-delivery network of community providers working alongside Richmond Public Schools to meet the needs of all Richmond families and ensure all kindergarteners are ready for school
3. Strong, thriving, stable early childhood workforce



Goals – The Numbers

- Aiming for 4000 total preschool slots (2000 for 3s and 2000 for 4s)
- Targeting \$50,000 lead teacher salaries and \$17/hour wage for others
- Projections range up to \$64 million in total cost



Progress to Date

- In 2022, \$619,500 of ARPA funds were awarded to stabilize and expand ECCE
 - Outcomes include: the creation/re-establishment of over 200 slots; improved workforce retention and satisfaction; and the opening of three centers serving low- and middle-income families
- The Children's Funding Project was engaged to complete a cost model, which was finalized earlier this month



Goals for Universal Preschool

- Quality, full-day, full-year, affordable, and accessible programs for every 3- and 4-year old in Richmond
- Robust mixed-delivery network of community providers working alongside Richmond Public Schools to meet the needs of all Richmond families and ensure all kindergarteners are ready for school
- Strong, thriving, and stable early childhood workforce



Partnership

The Children's Funding Project was engaged by the City of Richmond to do a cost study to inform the creation of a mixed-delivery universal program to pay for child care for Richmond preschoolers



Our Project Team

Eva Colen, Office of Children and Families

Daphne Bolotas, Office of Children and Families

Kate Ritter, Children's Funding Project

Sarah Eicher, Children's Funding Project



Results

Analysis of the cost models uplifted the following top takeaways:



UPK Costs

Costs for 3- & 4-year-olds receiving high-quality UPK, with improved wages for teachers, are \$16,000 per child in centers and \$13,300 per child in homes



Additional investments drive improved workforce and talent pipeline

The inclusion of a full-time Special Education Teacher and Assistant within a center would increase the cost for 3- & 4-year-old slots to \$16,700



Family Day Home Capacity

Family day homes will require a full-time assistant to adhere to VPI quality guidelines



Considerations

The high impact considerations span from shared resources to infant and toddler care:



Shared Services

Further exploration of shared resources between centers and day homes can be a good first step to support mixed-delivery integration and reduce costs



Quality Improvement for All

Explore how investments in universal preschool can improve quality for all age groups. Examples are child assessments or adequate pay for all classroom teachers



Safeguard Infant and Toddler Care

With preschool slots less costly paired with stable funding from a universal preschool program, the unintended consequence of incentivizing care for 3- & 4-year-olds is a reduction in much-needed slots for infants and toddlers

Provider Comments

The cost to increase wages has to be passed onto our parents weekly tuition. This is hardship for them as they are having a hard time with the increase of everything. It is going to become harder and harder for parents to afford child care

Many of my expenses are out of pocket

I would love to have someone else that helps out

I pride myself on having a program of excellence

We currently have a waitlist for children

It is a huge financial strain to increase staff pay. We increased tuition by 9% this year, but even so our profits have fallen so much that we are concerned about continuing viability of the program if something doesn't change

Right now we have a therapist on staff and sensory room. We're trying to get the right people for our kids.

Being able to support staff with professional development is important.

It will be hard to pay starting staff with \$12 an hour and keep the current staff happy and paid on time. It is already a struggle to pay them now

Questions for us?



Up Next: Fiscal Analysis and Strategic Financing



- Analysis to determine the gap between existing revenue (Head Start, Child Care Subsidy, VPI, local funds) and estimated expenses, based on the cost model
- Recommendations to maximize existing funding and align needs with funding requirements
- Support for multi-year fiscal planning, prioritizing increased access to child care, Early Head Start and Head Start, and preschool, with the potential for expansion to include additional critical services (home visiting, parent education, etc.)