



Department Priority: R-06
Request Detail: Colorado Preschool Program (CPP) Expansion

Summary of Incremental Funding Change for FY 2020-21			
	FY 2019-20	FY 2020-21	FY 2021-22
Total Funds	\$0	\$27,627,017	\$27,627,017
FTE	0.0	0.0	0.0
General Fund	\$0	\$27,627,017	\$27,627,017
Cash Funds	\$0	\$0	\$0
Reappropriated Funds	\$0	\$0	\$0
Federal Funds	\$0	\$0	\$0

Summary of Request:

The Governor’s Office requests a General Fund increase of \$27,627,017 in FY 2020-21 and beyond to expand the number of Colorado children served by the Colorado Preschool Program (CPP). This request was developed with the technical collaboration of the Colorado Department of Education. This request would expand access to half- and full-day preschool for nearly 6,000 at-risk 3- and 4-year-olds across, increasing the percent of eligible children served to about 50%.

The General Assembly established the CPP in 1988 to provide high-quality early childhood education and family support to at-risk 3- and 4-year old children and has provided regular funding increases to CPP over the past 30 years. CPP currently serves approximately 27,530 children through a combination of half- and full-day positions across 175 school districts, including through contracts with community-based organizations. However, CPP only has funding to support 41% of all potential eligible children, leaving approximately 39,483 at-risk children without access to affordable, high-quality preschool.

High-quality early childhood education has demonstrated positive outcomes across numerous indicators for both children and families in the short and long term. Rigorous experimental and quasi-experimental studies have found that participation in early childhood education leads to statistically significant reductions in special education placement (-8.1 percentage points), grade retention (-8.3 percentage points), and increases in high school graduation rates (+11.4 percentage points).¹ Separate economic analyses based on longitudinal studies of preschool programs similar to CPP have demonstrated that the benefits of early childhood education outweigh the costs of providing early educational opportunities, with seven to twelve dollars saved for every dollar invested.²



¹ McCoy, D. C., Yoshikawa, H., Ziol-Guest, K. M., Duncan, G. J., Schindler, H. S., Magnuson, K., ... Shonkoff, J. P. (2017). Impacts of Early Childhood Education on Medium- and Long-Term Educational Outcomes. *Educational Researcher*, 46(8), 474–487. <https://doi.org/10.3102/0013189X17737739>

² High Scope Perry Preschool Project. <https://highscope.org/perry-preschool-project/>

Current Program:

The General Assembly established the CPP in 1988 to provide high-quality early childhood education and family support to at-risk 3- and 4-year old children. The statute (section 22-28-108 C.R.S.) defines a set of risk factors for children to qualify for CPP; 4-year olds must meet one of these risk factors to qualify and 3-year olds must meet three of the risk factors to qualify. The risk factors include income eligibility (at or below 185% of the Federal Poverty Level), foster care placement, homelessness, abusive adult in the household, parental substance abuse, parent without a high school degree, poor social skills, need for language development, and frequent mobility. CPP serves a highly diverse population of children, including more than half (53%) Hispanic or Latino, nearly a third White, and just over 8% Black or African American.

Recognizing decades of research that has found that the quality of preschool is essential to future outcomes among participating children, the CPP statute and rules require specific quality standards, including maximum group size; child-to-staff ratios; minimum teacher qualification requirements in early childhood development; multicultural education and parent partnerships; family involvement; comprehensive health and social services; and learning plans.

Problem or Opportunity:

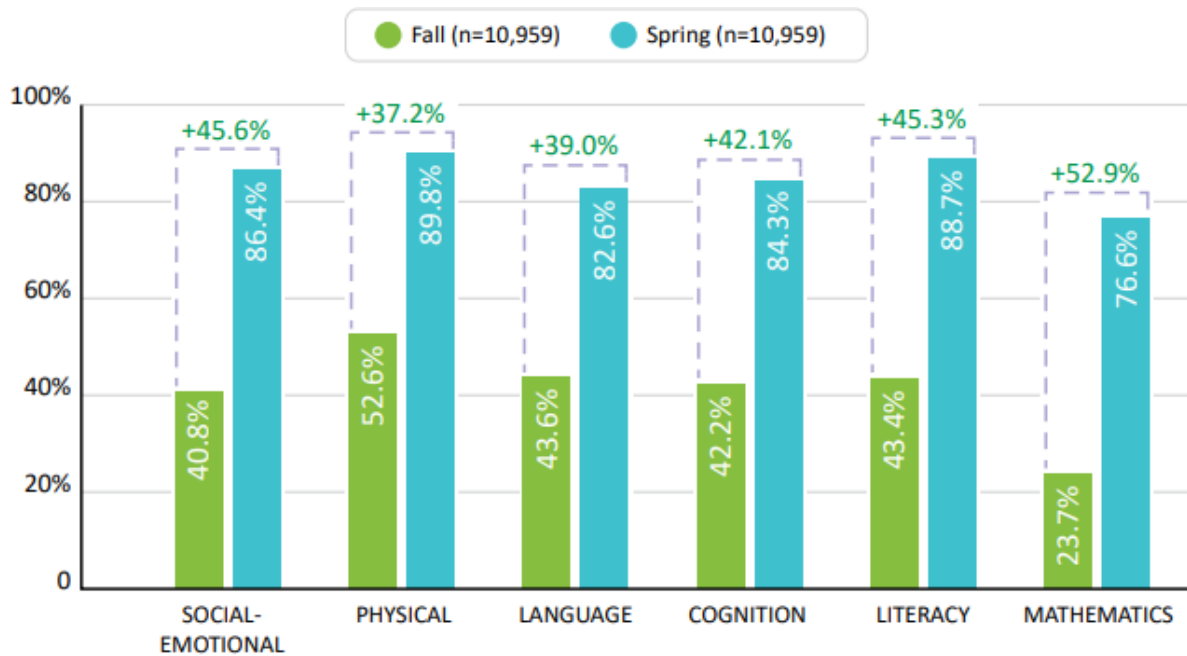
The General Assembly has provided regular increases to CPP over the past 30 years, totaling about \$122.5 million through FY 2019-20. In 2019, the passage of HB19-1262 State Funding for Full-Day Kindergarten freed-up 5,164 Early Childhood At-Risk Enhancement (ECARE) positions for districts to instead use for preschool. As a result, CPP currently serves approximately 27,530 children through a combination of half- and full-day positions across 175 school districts.

The ongoing unmet need in the CPP can be calculated through two approaches. First, the Department's current best estimate is that CPP only has funding to support 41% of all potential eligible children, leaving approximately 39,483 at-risk 3- and 4-year-old children without access to affordable, high-quality preschool. Second, there are 4,150 children on school district waiting lists for CPP. Not all districts keep waiting lists and data reporting is inconsistent. Thus, the 4,150 figure should be considered a subset of the total unmet population.

The CPP has produced positive outcomes for participating children in the short and long terms, with a strong return on investment. Last year, the Department reported that participants were less likely to be identified with a significant reading deficiency, less likely to be retained in the same grade level, and had higher on-time high school graduation rates than their peers who did not participate in the CPP. Previous CPP outcomes have included higher literacy assessment results, better college entrance exam results, and reduced special education placement. The state's observational child assessment tool, Results Matter, found substantial gains among participants from the beginning to the end of participating children's school year in the six measured outcome areas: social emotional, physical, language, cognition, literacy, and math. The graph, below, depicts the growth children enrolled in CPP made across each domain from the fall to the spring. In each area, children made significant overall gains in learning and development over the course of the school year.

Percentage of CPP Four-Year-Olds Meeting or Exceeding Widely Held Expectations

Source: *CPP Legislative Report 2019*



Proposed Solution:

The Governor's Office requests a General Fund increase of \$27,627,017 to expand half- and full-day preschool access to nearly 6,000 at-risk 3- and 4-year-olds across the state, increasing the percent of eligible children served to about 50%. This would eliminate the district-reported waitlists of 4,150 children and offer more at-risk Colorado children the opportunity to benefit from the positive learning and social outcomes that the 30-year history of this program has demonstrated.

The Governor's Office, in partnership with the Colorado Department of Education, will continue to work to identify the appropriate legislative route to increase the number of State funded CPP positions from 29,360 to 35,875, which would serve an additional 5,977 3- and 4-year-old children through a combination of full- and half-day CPP positions.

The Department will distribute these additional CPP positions through an application process that considers unmet need, district capacity and readiness for expansion, consideration of districts furthest below the state average in the proportion of the eligible population served, and the quality of the application. It is anticipated that local school districts will adjust their staffing and facility needs, as applicable, and will further strengthen potential partnerships with community-based early childhood care and education programs to increase the supply of high-quality services to additional children.

Anticipated Outcomes:

High-quality early childhood education has demonstrated positive outcomes across numerous indicators for both children and families in the short and long term. The early childhood period (birth to age 5) is a time of rapid brain development, with one million new connections forming every second. Early experiences play a large role in determining how brain connections are formed and in the “wiring” that becomes the foundation upon which all later learning is built. The learning gap between at-risk children and their peers can exist as early as 9 months of age, and at-risk children can start kindergarten as much as 18 months behind their peers. Many of these children never catch up, and are at an increased risk of dropping out of high school.

A recent national analysis of high-quality experimental and quasi-experimental studies of the impact of early childhood education conducted between 1960 and 2016 found that, on average, participation in early childhood education leads to statistically significant reductions in special education placement (-8.1 percentage points), grade retention (-8.3 percentage points), and increases in high school graduation rates (+11.4 percentage points).³ Separate economic analyses based on longitudinal studies of preschool programs similar to CPP have demonstrated that the benefits of early childhood education outweigh the costs of providing early educational opportunities, with seven to twelve dollars saved for every dollar invested.⁴

The Department will continue to measure the program outcomes on an annual basis and document the findings in the annual CPP report to the General Assembly. This report will also continue to include pre- and post-participation metrics, which historically included:

- Kindergarten readiness
- Likelihood of a reading deficiency
- Test scores
- Grade repetition
- High school graduation rates

Assumptions and Calculations:

The State estimates that there are a total of 76,410 CPP-eligible 3- and 4-year-olds in Colorado; of these, 9,397 children receive preschool through Head Start, resulting in a total of 67,013 estimated CPP eligible children. An estimated 27,530 children are served through CPP, resulting in CPP coverage of approximately 41% of CPP-eligible children. Of the approximately 39,483 remaining unserved CPP-eligible children, school districts have reported a waitlist of 4,150 children.⁵ Based on existing data, it is estimated that the average funding in FY 2020-21 for half-day CPP positions will be \$4,241 or \$8,482 for children that stack two positions to make a full-day. Assuming a mix of full- and half-day of care, an increase of \$19,182,218 would eliminate the district-reported waitlist of 4,150 children. However, since not all districts maintain waitlists, the Governor’s Office requests an increase of \$27,627,017, which would expand preschool access to nearly 6,000 at-risk 3- and 4-year-olds across the state and increase the percent of eligible children served from 41% to 50%.

³ McCoy, D. C., Yoshikawa, H., Ziol-Guest, K. M., Duncan, G. J., Schindler, H. S., Magnuson, K., ... Shonkoff, J. P. (2017). Impacts of Early Childhood Education on Medium- and Long-Term Educational Outcomes. *Educational Researcher*, 46(8), 474–487. <https://doi.org/10.3102/0013189X17737739>

⁴ High Scope Perry Preschool Project. <https://highscope.org/perry-preschool-project/>

⁵ CDE CPP Legislative Report. 2019. <https://www.cde.state.co.us/cpplegreport>

<i>Reference Data:</i>	<i>FY 2020-21</i>
Average CPP Cost per Half-Day (FY 2020-21)	\$4,240.57
Average CPP Cost per Full-Day (FY 2020-21)	\$8,481.14

<i>Request Calculations:</i>	<i>Current State</i>	<i>Eliminate Waitlist of 4,150</i>	<i>Increase Coverage to 50% Eligible</i>
Total CPP Eligible Children (<i>excludes Head Start</i>)	67,013	67,013	67,013
Total Children Served in CPP	27,530	31,680	33,507
Additional CPP Children in FY 2020-21	0	4,150	5,977
Percent Served in CPP	41%	47%	50%
Additional Funds Needed	-	\$19,182,218	\$27,627,017