



Using Needs Assessment Data to Estimate Costs

*Karen Manship
Irvine, California
November 8-9, 2006*





Determining Highest Need Areas- an Example from Sonoma County

Simple Unmet Need in Sonoma County

Estimated 4-year-old population in Sonoma County	Estimated Preschool Enrollment of 4-year-olds	"Simple Unmet Need"
5,644	- 3,167	= 2,477

Minimum Unmet Need in Sonoma County

Estimated 4-year-old population in Sonoma County	Overall Projected Participation Rate	Estimated demand based on 78% of 4-Year-olds	Estimated Current 4-Year-Old Enrollment	Minimum Unmet Need
5,644	x 78.49% ⁴	= 4,430	-3,167	=1,263








Uneven Access in Sonoma County


- Simple unmet need ranges: 0-409 (zip 95407)
- Only 31-35% enrollment in areas with highest API 1-3 attendance
- 83% enrollment in 5 of most populous zip codes with no low API schools (94928, 94931, 95405, 95409, & 95448)




 **Calculating Cost Estimate from your Needs Assessment Data- Basic Steps**



- Set quality standards
- Create before and after budgets
- Determine number of children who will participate
- Develop phase-in plan


 Regional Preschool Planning Workshops  4

 **1. Understand current budgets**


- Collect budgets from existing public programs
 - Head Start, State Preschool, General Child Care (Title V) and Migrant programs
- To inform budgets, collect additional data on:
 - current ratios
 - Other staffing patterns
 - Teacher qualifications
- **Create “before” budgets**





 Regional Preschool Planning Workshops  5

 **2. Determine teacher qualifications**

- Set desired qualifications for teaching staff
 - National Institute for Early Education Research (NIEER) recommends Bachelor’s degrees plus specialized training in ECE/CD.
 - CA State Preschool currently requires 16 units of general education plus 24 units of ECE



 Regional Preschool Planning Workshops  6



3. Determine teacher salaries

- Set teacher salaries by qualification
- Determine salaries by year phasing in to full implementation
 - counties often take at least 5 years to reach full quality implementation
- Many counties plan to pay beginning K-12 teacher salaries for BA level teachers
 - data available at <http://www.cde.ca.gov/ds/fd/cs/documents/j90summary0405.doc>





4. Determine staff:child ratios

- NIEER and NAEYC recommend a minimum ratio of 2:20
- Current Title V (General Child Care) regulations require 3:24 ratio
- Consider balance between qualifications and ratios (more highly-qualified teachers may teach more students)






5. Develop “after” budgets

- Create budgets that reflect the cost of a typical fully implemented county preschool initiative program.
 - Use quality standards you just set.
 - consider lessons learned from existing providers in your county, such as how many classes one director can reasonable oversee.
- Include personnel and non-personnel costs
- Create “after” budgets for upgrading Head Start, State Preschool, and other programs separately.





6. Calculate upgrade costs

- Calculate the difference between the “before” and “after” costs per child, by type of program 
 - Example:
 - Cost per child of a typical State Preschool program is currently: \$3,600
 - full cost per child at your quality standards: \$6,000
 - cost to upgrade each slot is \$2,400 per child.





7. Determine number of children to participate

- In Georgia and Oklahoma, participation rates have hovered around 70%.
- Some California counties have a goal of 80% participation in low API (deciles 1-3) school attendance areas or zip codes.





Participation (continued)

- Using needs assessment data, determine the # of four-year-olds in your county this year (by birth, or K enrollment)
- Take population growth into account if applicable.
 - For example: 198 births in 2006, 180 births in 2004, population growth of 10% over 2 years, or approximately 5% each year.
 - Consider kindergarten enrollment trends, too.





Participation (continued)

- Multiply your 4-year-old population by your projected participation rate.
 - Can be broken out by zip code or other area





8. Determine # of children already served

- Using your needs assessment data, determine # of children already served by public programs in your county.



- To provide these children with high quality preschool, the county will only have to provide an upgrade amount to raise these programs to the standards you've set.
 - Upgrades cost 1/3 to 1/2 of a new space.





9. Calculate cost of full implementation

- **Multiply** # of children already served by existing programs by their respective per child upgrade amounts
 - Upgrades calculated in your “before” and “after” budgets for each program
- **Subtract** # of children already served from your projected total number of children participating
- Multiply remaining needed slots by the cost per child of a new slot
 - Total full cost usually based on State Preschool “after” budget
- **Sum** of these is your total operating cost at full implementation.





10. Develop a feasible phase-in plan

- Determine time frame
- Determine strategy
 - Some options:
 - Low API attendance areas first
 - Focus on improving quality first
 - Gradually ramp up across the county
 - Pros and cons of each?





Example phase-in plan from Sonoma County

- **Scenario 1: Roseland and Bellevue school districts within five years**
- Preschool participation increases from 31% to 80% in neighborhoods where:
 - 100% of children attend API decile 1-3 schools
 - 80% are eligible for free & reduced price lunch
 - 63-80% are English language learners
- Would serve 418 4-year-olds by 5th year
- Cost ranges from \$415K in 1st year to \$1.9 million at full implementation





Phase-in Scenario 1

Year	New & Newly Supported Slots	Upgraded	Total New & Enhanced Slots	Total Cost
Year 1	80	67	147	\$415,243
Year 2	120	67	187	\$640,202
Year 3	180	67	247	\$1,023,209
Year 4	240	107	418	\$1,455,011
Year 5	311	107	418	\$1,913,230





Example phase-in plan from Sonoma County

- **Scenario 2: All API decile 1-3 school attendance areas within 5 years**
- Assumes 80% participation rate in API 1-3 school neighborhoods
- Would serve 952 4-year-olds by 5th year
- Cost ranges from \$717K in 1st year to \$4.7 million at full implementation





Phase-in Scenario 2

Year	New & Newly Supported Slots	Upgraded	Total New & Enhanced Slots	Total Cost
Year 1	160	40	200	\$717,300
Year 2	320	80	400	\$1,579,880
Year 3	480	80	560	\$3,627,300
Year 4	640	120	760	\$4,697,360
Year 5	792	160	952	\$4,697,360





Another example phase-in plan from Sonoma County

- **Scenario 3: All API 1-5 attendance areas within 5 years, county-wide within 10 years**
- 80% participation rate in API 1-5 attendance areas
- 70% participation rate in *publicly funded* preschool in remainder of county
- \$23.5 million at full implementation