

Evaluation of the Pre-Kindergarten Allowances Project

What is the Pre-K Allowances Project?

- Legislation passed during Minnesota's 2007 legislative session established the Pre-Kindergarten Allowances Project.
- The purpose of the project is to promote school readiness for children from low-income families by providing funds to parents to pay for high-quality early care and education (ECE) programs.
- Funds could be used for parent charges or fees, increasing duration, providing more spaces, and improving ECE program quality.

What are the evaluation questions?

- What are the characteristics of children and families receiving the allowances?
- What types of ECE programs do families receiving allowances select, and does receiving an allowance change the type of program families select?
- How do selected ECE programs use allowances funds to increase access to and/or quality of their program?
- Are children who receive allowances using them to access high-quality ECE programs?

What are the findings?

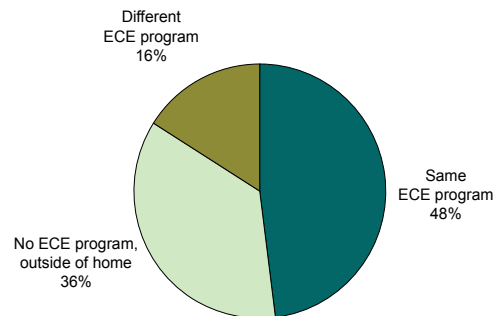
Over \$4.6 million in funds were distributed for 1,147 children in three pilot areas to increase children's access to high-quality ECE programs¹ and improve ECE program quality.

- This included 174 children (\$719,863) whose allowances funds were combined with scholarship funds in Saint Paul.
- For the remaining 973 children:
 - Nearly half (48%) attended center-based ECE programs (for-profit or nonprofit).
 - About one-fourth (28%) attended Head Start.
 - One-fifth (20%) attended pre-K classrooms in school districts.
 - 4% of the children used their allowances at family child care programs.

¹ Allowances were required to be used in high-quality ECE programs.

For a significant percentage of children (36%), allowances funds allowed them to go from no child care setting (i.e., children were not receiving care outside the home) to a high-quality ECE program.

Percentage of Children Who Were in Same ECE Program, Different Program, or No Program Prior to Participating in the Pre-K Allowances Project (N = 390)



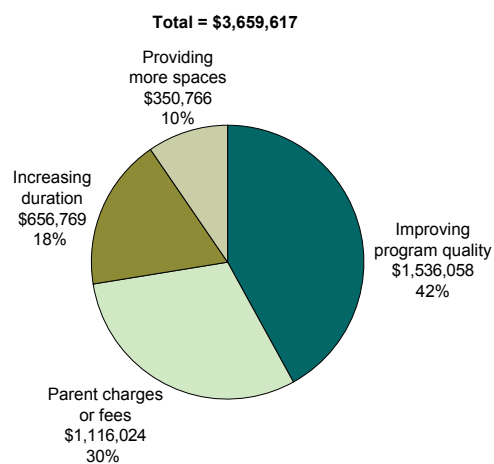
The allowances project served a diverse group of low-income children and families.

- About half of the children (56%) were on average 4 to 5 years old when they started using their allowances funds at an ECE program, about one-fourth (29%) were less than four years old, and 15% were more than 5 years old.
- Children served by the allowances project came from diverse backgrounds, with 40% of the children reported to be African-American, 14% White, 13% Asian, and 9% Latino.
- Three-fourths of the families (75%) had very low incomes (i.e., less than \$30,000 per year).
- Over one-fourth of parents (28%) had less than a high school education.
- Many participating families reported that they were receiving a variety of other services, benefits, and public assistance to support their families and their children's health and development.



- The majority of parents reported that they were satisfied with the process of completing the application for the project and enrolling their child into an ECE program.
- Allowances funds were used for both payments for children's fees or charges and for ECE program quality improvement.
 - More than half of the funds (58%) were spent to pay for children's care, either for the parent charges or fees associated with child's care (30%), for the child to attend the ECE program for additional hours (18%), or to pay for additional spaces in the ECE program that the child was attending (10%).
 - The remaining 42% of funds were spent for ECE program quality improvement uses (with only 2% of all allowances used exclusively for quality improvement).

Total Allowances Funds Spent, by Use²



- Funds used for quality improvement were used to upgrade the learning environments by purchasing learning materials, curricula, and assessment tools and to train staff on curricula and assessment tools. These investments benefited *all* children in those programs, and will benefit future cohorts of children who attend them.

² 14% of programs did not return the end-of-project summary form. This figure also does not include the \$719,863 of funds that was combined with scholarship funds in Saint Paul.

- Allowances funds were often combined or blended with other sources of funding.
 - About one-third (34%) of the children had allowances funds as their only source of funding.
 - About two-thirds of the children (66%) had their allowances funds combined with one or more other funding sources, most commonly with Head Start or CCAP funds.

What are the implications of findings and future directions?

- Interviews with key individuals from the grantees, DHS, and MDE provided information on the successes and challenges of implementing the allowances project.
- Both state and grantee staff reported that the allowances project contributed to progress in promoting the early learning experiences of young children from low-income families by supporting ECE program access and improving program quality.
- The findings presented in the report and information from the interim and final interviews raise questions for Minnesota's policymakers to consider in future early childhood efforts, including:
 - While ECE funding to improve access and program quality are both important, would it be more effective and efficient to separate the two types of uses into separate funding streams?
 - How can future efforts develop more streamlined and coordinated mechanisms for determining eligibility, making and tracking payments to ECE programs, and coordinating funds with other sources of funds (e.g., CCAP)?
 - How can funding levels be increased to support a larger group of families, especially those with low incomes but who do not meet eligibility for other existing funding (e.g., Head Start, CCAP)?
 - In future expansions of the allowances program, how can the lessons learned from this pilot project be examined and exploited for more effective and efficient implementation?

