

City of Alexandria, Virginia

MEMORANDUM

DATE: MARCH 21, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: BUDGET MEMO #17: RESOURCES NECESSARY TO FUND THE PRESCHOOL WAITING LIST

This memorandum is a response to Councilman Krupicka's request for information about the number of 4-year-olds currently on waiting lists for preschool services supported by the City or Alexandria City Public Schools (ACPS), and the cost to ensure all 4-year-olds currently on a wait list have access to quality preschool opportunities. The number of unduplicated 4-year-olds on waiting lists for preschool as of February 2012 is 92. However, staff estimates that the maximum number of eligible 4-year-olds not currently placed in a City or School program is 132. The City and Schools cost to provide preschool services for 132 children would range from \$0.9 million to \$1.0 million depending on where the program is located and how it is funded.

Joint Preschool Report

Working together, staff from the City and ACPS have created a joint report on the number of 4-year-olds enrolled in City and ACPS supported preschool programs, and the number of eligible 4-year-olds on waiting lists for preschool services (Attachment 1, *Joint Preschool Report*). The Joint Report focuses only on those 4-year-olds within Alexandria that are eligible to enroll in a City or ACPS preschool program.¹ There are additional 4-year-olds in Alexandria that do not meet the eligibility requirements but who still receive preschool services through other means.

The most recent report shows that as of February 27, 2012 there were 734 four year olds enrolled in City or ACPS preschool programs (Table 1A, *Joint Preschool Report*). The report also notes that 92 four year olds (95 less 3 duplicate children) are currently on waiting lists for preschool services (Table 2A, *Joint Preschool Report*). The current waitlist of 92 unduplicated 4-year-olds represents a snapshot in time that can fluctuate on a daily basis due to children entering or leaving Alexandria, or parents deciding to find alternative preschool options for their children. Because of this, it is very difficult for staff to maintain a live waitlist that reflects the daily number of 4-year-olds that are not placed in City or ACPS supported preschool programs.

¹ The definition of an eligible 4-year-old would be one from a family with an income at or below 250% of poverty, a child who qualifies for placement in an ACPS special education preschool class or a child with other risk factors that present challenges to achieving school success.

Instead, staff recommends using the total number of eligible 4-year-olds that are not enrolled in a City or ACPS supported preschool program to estimate current gaps in services. To determine this, staff compared the number of eligible 4-year-olds residing in Alexandria as identified by the State (866) to the number of eligible 4-year-olds currently enrolled in a City or ACPS preschool program (734). This comparison estimates that 132 four year olds in Alexandria are eligible to enroll in a City or ACPS supported preschool program but are not currently placed in a program.

Staff believes using population and enrollment data provides a more accurate maximum count of the number of known 4-year-olds who are eligible for, but not placed in a City or ACPS preschool program. Additionally, the population-to-enrollment comparison provides a more stable estimate for projecting the gap in preschool services, unlike the numbers of children on wait lists which are more subject to regular change. It is also important to note that the actual number of eligible 4-year-olds whose parents want them to have a preschool experience may be less than 132 as parents may choose not to participate in a City or ACPS supported preschool program, as families move or their eligibility changes, or new families move in to take their place. That is why we are using the estimate based on population and social economic status, not an actual wait list count.

Additional Resources

In the FY 2012 budget City Council appropriated an additional \$450,000 to provide 64 four year olds with a preschool experience. Of the total appropriation, \$196,992 was provided to the Schools to serve 32 children in two new classrooms. With the remaining funds, the Department of Community and Human Services (DCHS) provided scholarships to an additional 32 children. The FY 2013 proposed budget continues the funding for the preschool classes that were added by City Council in FY 2012.

To provide additional preschool opportunities in FY 2013 to those eligible 4-year-olds not currently served by the City or ACPS requires additional funding resources. Table 3A of the Joint Preschool Report, shown below, provides the FY 2013 program cost per child if enrolled in an ACPS based program or in a privately operated center supported by the City. This cost is comprised of the General Fund cost (shaded column), State funds through the Virginia Preschool Initiative (VPI), and for ACPS classes the in-kind support provided by the school division.

Table 3A**Cost per Child for Preschool Services (Academic Year: September - June)**

	# of Children Served	General Fund Cost	In-Kind Support**	VPI Drawdown*	Total Program Cost
Schools (cost using existing class space)	1	\$6,879	\$2,321	\$3,000	\$12,201
Schools (cost using <u>new</u> class space)	1	\$7,817	\$2,321	\$3,000	\$13,138
City	1	\$7,600	-	\$3,000	\$10,600

*For preschool programs supported by the City, Virginia Preschool Initiative (VPI) dollars are used to pay for wrap-around services and program quality improvements.

**The total program cost for preschool classes supported by ACPS include the cost for facilities and maintenance, food services, and support staff which are provided as in-kind support by the school division.

The City's cost per child is higher when compared to the Schools because it includes additional funding for overhead expenditures associated with providing preschool classes. These costs do not impact the cost for school-based programs because they are already covered by the school division; reflected as in-kind support. It costs the Schools slightly more to fund additional preschool classes in new classrooms rather than existing ones. Additionally, ACPS discusses any expansion of services in terms of new classrooms and not individual students. In contrast, the City budgets on a per child basis because children are provided individual slots in privately operated centers. Staff used the School's typical preschool classroom size of 16 students as a benchmark when determining the cost of adding new classes.

As shown in the Table 3B below, the estimated General Fund cost to provide a preschool experience through the City to 132 eligible 4-year olds is \$1.0 million. Providing scholarships to 132 children would result in a drawdown of approximately \$396,000 in Virginia Preschool Initiative (VPI) funds from the State (if there are enough slots in VPI participating programs), for a total program cost of approximately \$1.4 million. The table also shows options to fund 64 new slots (the equivalent to total number of new slots funded in FY 2012) or 32 slots which equals the number of new 4-year olds served in FY 2012 through DCHS. Ultimately, the number of new children served through the City in FY 2013 will depend on the level of funding provided by City Council (if Council decides to do so) and capacity in privately operated preschools.

Table 3B**Providing Additional Preschool Scholarships to Eligible 4 Year Olds**

	# of Children Served	General Fund Cost	VPI Drawdown	Total Program Cost
Current Estimated Gap	132	\$1,003,200	\$396,000	\$1,399,200
Total New Slots Funded in FY 2012	64	\$486,400	\$192,000	\$678,400
Total New DCHS Slots Funded in FY 2012	32	\$243,200	\$96,000	\$339,200

The estimated cost to fund one additional school-based preschool class serving 16 four year olds is approximately \$125,067, with a VPI drawdown of \$48,000. The school division estimates another \$37,143 of in-kind support would also be included in the total program cost. Due to increasing student enrollment throughout the division, ACPS is not projecting to have existing classroom space available for an additional preschool class. The added costs associated with establishing a new class (i.e., furniture and fixtures, supplies, etc.) has been factored into the estimate shown in Table 3C below. However, this estimate does not include the cost to construct new classroom space, which would need to be funded separately through an additional appropriation of funds.

Table 3C
Operating Cost to Provide 1 New ACPS Preschool Class

	# of Children Served	General Fund Cost	In-Kind Support	VPI Drawdown	Total Program Cost
Schools (cost using <u>new</u> class space)	16	\$125,067	\$37,143	\$48,000	\$210,209

Challenges and Considerations

There are several challenges that City Council should consider when deciding whether or not to provide additional preschool opportunities to eligible 4-year-olds in FY 2013. On the City side, the biggest challenge is the availability of slots in VPI centers and space to expand into areas of the City like the West End where the need is greatest. Staff surveyed VPI centers and determined that up to 32 additional slots might be available if the City were to aggressively market the scholarship fund before the summer as they did last year. This number includes 16 children that could be served in an unused classroom at the ALIVE! Child Development Center that would only have to be updated at a minimal cost before use.

If the number of slots in VPI participating programs is limited, the secondary option would be to place the children in programs that do not participate in VPI. The programs are licensed through the State but are not accredited through the National Association for the Education of Young Children nor have they earned a Star rating through the Virginia Star Quality Improvement system. If children are placed in non-VPI eligible centers the City will not draw down VPI dollars from the State. They would still receive a preschool experience in a licensed program; however the City would not have VPI dollars to pay for wrap-around services.²

The major challenge for ACPS continues to be the availability of classroom space. If City Council provided additional funding for school-based preschool programs within ACPS, additional funding for new classroom space would also be needed. Funding for additional preschool classroom space would need to be considered in the context of budget discussions related to the FY 2013-FY 2022 Capital Improvement Program.

² Wrap-around services include: parent involvement activities; early intervention assessment and referral for treatment services; social histories and service planning; health screenings; and groups that teach social skills, problem-solving and conflict resolution.

ATTACHMENTS:

Joint Preschool Report – City of Alexandria and Alexandria City Public Schools

STAFF:

Laura Triggs, Acting Chief Financial Officer

Debra Collins, Assistant City Manager

Morgan Routt, Acting Budget Director

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GwenCarol Holmes, Deputy Superintendent, ACPS

Gregory Hutchings, Director Pre-K-12 Programs, ACPS

Stacey Johnson, Interim Chief Financial Officer, ACPS

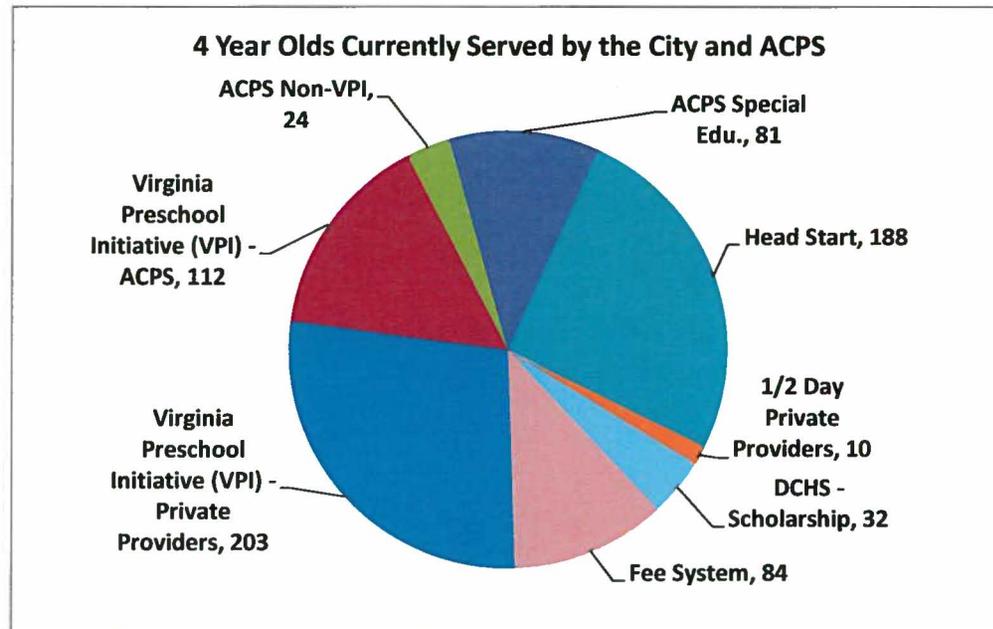
Carri Coggins Stoltz, Early Childhood Coordinator, ACPS

Joint Preschool Report - City of Alexandria and Alexandria City Public Schools (ACPS)

As of*: 2/27/2012

Table 1A. Current Enrollment Data

Program / Category	4 Year Olds Only (age 4 as of 9/30/11) # of Children Enrolled
Virginia Preschool Initiative (VPI) - Private Providers	203
Virginia Preschool Initiative (VPI) - ACPS	112
ACPS Non-VPI ¹	24
ACPS Special Edu. ²	81
Head Start	188
1/2 Day Private Providers ³	10
DCHS - Scholarship	32
Fee System	84
Total Enrolled	734



¹ Includes 4 year olds enrolled in the ACPS Preschool Learning Together Program

² Includes 4 year olds receiving school-based special education services

³ Students enrolled in 1/2 day private preschools who receive private scholarships.

Joint Preschool Report - City of Alexandria and Alexandria City Public Schools (ACPS)

As of*: 2/27/2012

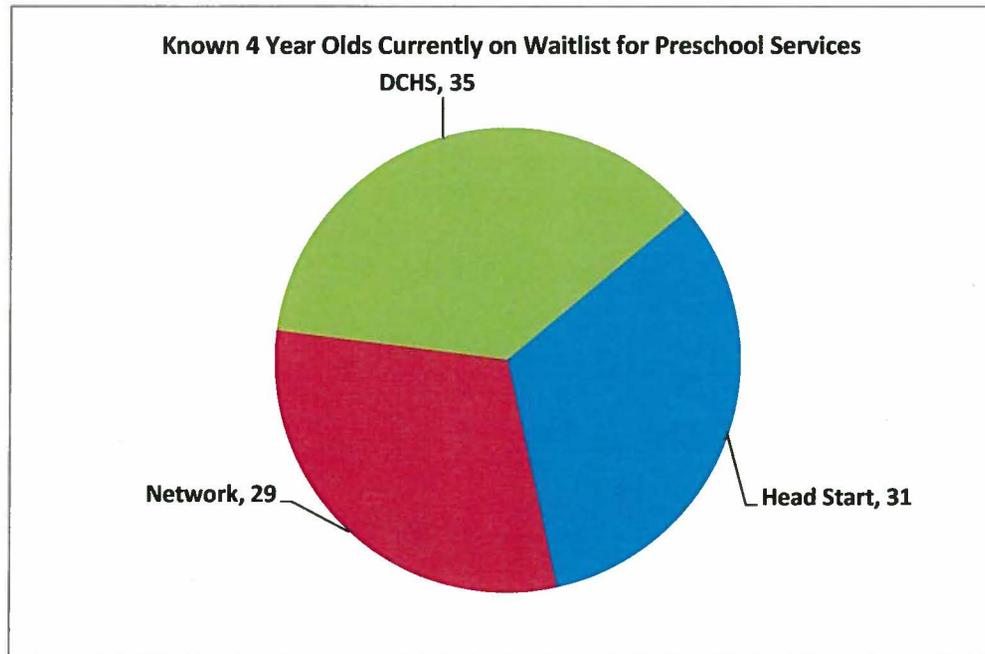
Table 2A. Current Waitlist Data

Program / Category	4 Year Olds Only (age 4 as of 9/30/11) # of Children on Waitlist
Head Start	31
Network	29
DCHS	35
Total Waitlist¹	95

¹ Of the 95 noted above, 3 children are duplicated counts.

**Table 2B
Approximate Number of Eligible 4 Year Olds Not Associated
with a City or ACPS Preschool Program**

Estimated # of 4 Year Olds in Alexandria <i>(Source: Commonwealth of Virginia)</i>	866
Number of 4 Year Olds Currently Enrolled (City & ACPS)	734
Estimated Number of 4 Year Olds Not Placed in a City/ACPS Program	132



*Note: Enrollment and waitlist figures can change significantly from month-to-month

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