



Early Edge
MONTANA

Building Prosperity

*The Business Case for Investing in High-Quality
Early Care and Education*

Dear Fellow Montanans:

The future prosperity of any society depends on its ability to foster the health and well-being of the next generation.

Research unequivocally shows that investing in our youngest citizens will provide a strong foundation, and give an early edge for a prosperous Montana.

Leading economists warn that unless the United States gets serious about investing in young children, we will be unable to compete in an increasingly sophisticated global economy. Already, the U.S. has fallen from first place to twelfth in the ranking of young adults with college degrees. We have trouble filling the 85 percent of U.S. jobs that require skilled workers. Currently, Montana is one of only eight states that does not invest in public Pre-K.

Research demonstrates that the solution starts with high-quality early education.

Investing early yields significant returns for every \$1 invested we save a minimum of \$7 down the road.

At-risk children who do not participate in a high-quality early education are:

- 25 percent more likely to drop out of school;
- 40 percent more likely to be a teen parent;
- 50 percent more likely to be placed in special education;
- 60 percent more likely to never attend college; and,
- 70 percent more likely to be arrested for a violent crime.

We are calling on business leaders to support and invest in high-quality early care and education for a stronger, more prosperous Montana.



Governor Steve Bullock



Phyllis J. Washington



The message is clear: invest early or pay later.

High-Quality Early Care and Education Inside you will find:

- Benefits to employers and communities
- Brain development— why early matters
- Impact on the achievement gap
- Benefits to children and families
- Timeline – benchmarks and milestones
- Investment and impact on MT economy
- Workplace policies that have impact
- What you can do as a business leader

What is High-Quality Early Care and Education?

Early care and education is an umbrella term used for programs such as:

- child care
- preschools
- informal care with family and friends
- Head Start and Early Head Start
- pre-k classrooms
- library programs for toddlers
- other early childhood programs



High-quality early care and education have the following characteristics:

- Well qualified/trained staff
- Low staff turnover
- High caregiver to child ratio
- Safe, healthy environments
- Classrooms and materials that stimulate children at different stages of learning
- Staff who build connections with and capacity of families by providing supports such as: parenting classes, trainings, coaching and information
- Wrap-around services

High-Quality Early Care and Education Benefit Employers and Communities

For the employer...

Current workforce

- Reduces absenteeism of working parents
- Increases employee retention
- Increases productivity

Future workforce

- Develops skilled workers with better problem-solving, critical thinking, communication, creativity, math, science, technology and literacy skills

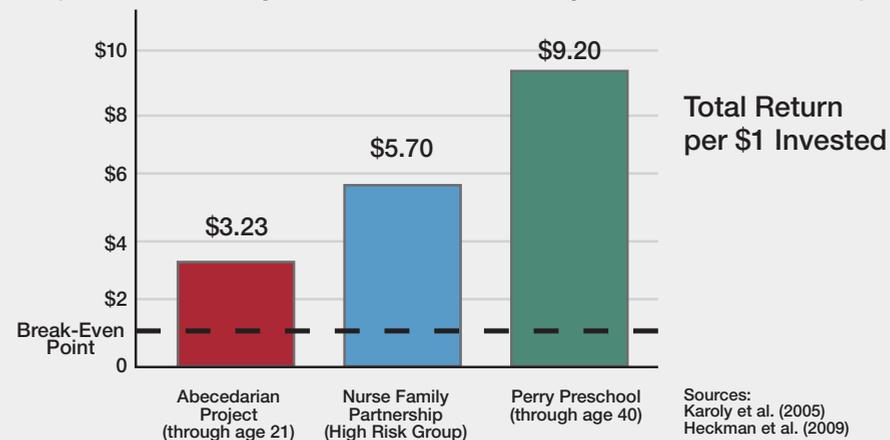
For the community...

- Attracts better employees and new businesses to communities
- Results in short and long-term savings due to a decreased spending on social programs
- Builds a stronger future workforce



- Increases earnings and tax revenues
- Lowers crime rates for juveniles and adults
- Leads to a greater degree of home ownership
- Builds greater participation in civic activities

Cost/Benefit Analyses Show Positive Returns Early Childhood Programs Demonstrate Range of Benefits to Society



Center on the Developing Child HARVARD UNIVERSITY

Economists have shown that investing in high-quality early care and education programs brings impressive returns on investment to the public.

Three of the most rigorous long-term studies found a range of returns between \$3 and \$9* for every dollar invested in high-quality early learning programs.

Sources: Masse, L. and Barnett, W.S., A Benefit Cost analysis of the Abecedarian Early Childhood Intervention (2002); Karoly et. al., Early Childhood Interventions: Proven Results, Future Promise (2005); Heckman et al., the Effect of the Perry Preschool Program on the Cognitive and Non-Cognitive Skill of its Participants (2009)

* Rates of return vary by program and population

The Science of Brain Development— Why Early Matters.



What Develops in a Child's Early Years? Brain Architecture.

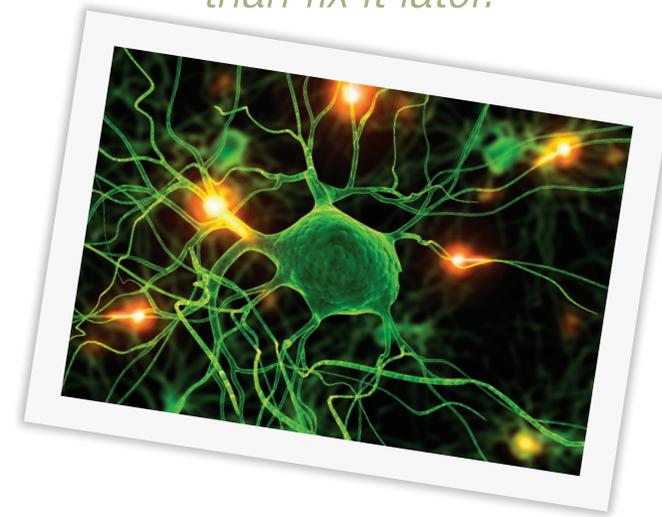
The early years are crucial. Early experiences affect the developing architecture of the brain and how it is built. A strong foundation will result in fewer problems down the road. Some key concepts in early brain development:

- **Serve and Return.** Consistent, positive, responsive interactions with caring adults build neural connections.
- **Brain Circuitry.** Early experiences determine which neural connections are made stronger through use and which are pruned through lack of use.

- **Flexibility Decreases.** As the brain develops and refines its “circuitry,” it loses some of its flexibility. The ability to “rewire” or change the brain and behavior decreases over time.

*During the first few years of life, a young child's brain develops **700** synapses (neural connections) every second.*

*When it comes to
brain architecture,
it's better to get it
right the first time
than fix it later.*

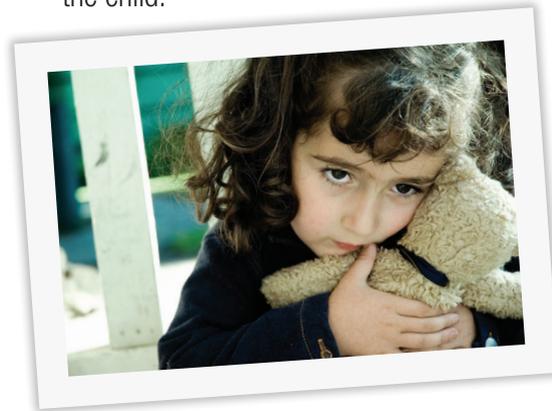


How Can Brain Development be Disrupted? *Toxic Stress.*

Growing up in environments that have severe, ongoing stressors such as poverty, violence, death of a family member, or substance abuse, are examples of risk factors that can be toxic for the developing brain. Toxic stress activates the body's alarm system impairing the development and "wiring" of the brain with lifelong consequences.

Children's social-emotional, cognitive and physical growth develops in an intertwined, braided manner and cannot be separated. If a child is affected by fears or worries, then the child's development will be affected.

- The more toxic stress children have in the early years, the more likely they will have problems with learning, behavior and physical and mental health later on.
- Supporting and building the capabilities of the adults in a child's life can help mitigate the impacts of toxic stress on the child.



Early Childhood Parent Coaching

Evidence-based models such as Nurse Family Partnership and Parents as Teachers pair at-risk families with professionals who provide vital information and support, just as a coach would. These models have proven short and long term benefits.

Communities throughout Montana offer this type of quality voluntary home visiting to eligible families who are expecting or have young children.

<http://www.dphhs.mt.gov/publichealth/homevisiting>



*Children with 6 or more risk factors have a **90-100%** likelihood of delays in their cognitive, language or emotional development.*

Responsive Relationships

With Caring Adults Buffer the Impacts of Toxic Stress.



“What I think is important on the road to success is learning to deal with failure, to manage adversity. That’s a skill that parents can certainly help their children develop—but so can teachers and coaches and mentors and neighbors and lots of other people.”

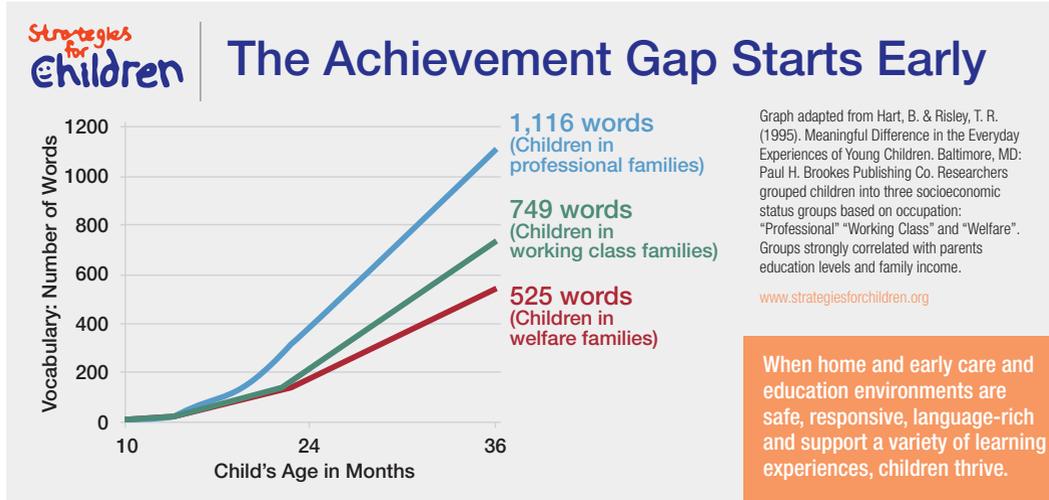
Paul Tough

School Success Starts Early.



Differences in the size of children’s vocabulary first appear at about **18 Months.**

High-Quality Early Care and Education Matter



Disparities in children's cognitive, social, behavioral and health outcomes are evident at nine months and even larger at 24 months.

Children thrive in an environment of relationships which includes parents,

family members, early care providers and educators.

Building the capabilities of the adults in a young child's life is proven to be effective in supporting the child's optimal development.

High-Quality Early Care and Education Benefit Children and Families

Both research and experience tell us that **high-quality early care and education make a difference**. Children in high-quality early care and education settings fare better in school, and develop stronger language and social skills. All families benefit from high-quality early care and education; **low-income and at-risk families benefit most**.

High-quality early care and education have benefits:

Children are...

- More likely to be ready for kindergarten
- Less likely to need extra help or be referred to special education
- More likely to graduate high school and attend college
- More likely to form lasting relationships

*Children from low-income families who attend high-quality early education programs are **30% more likely to graduate high school**.*

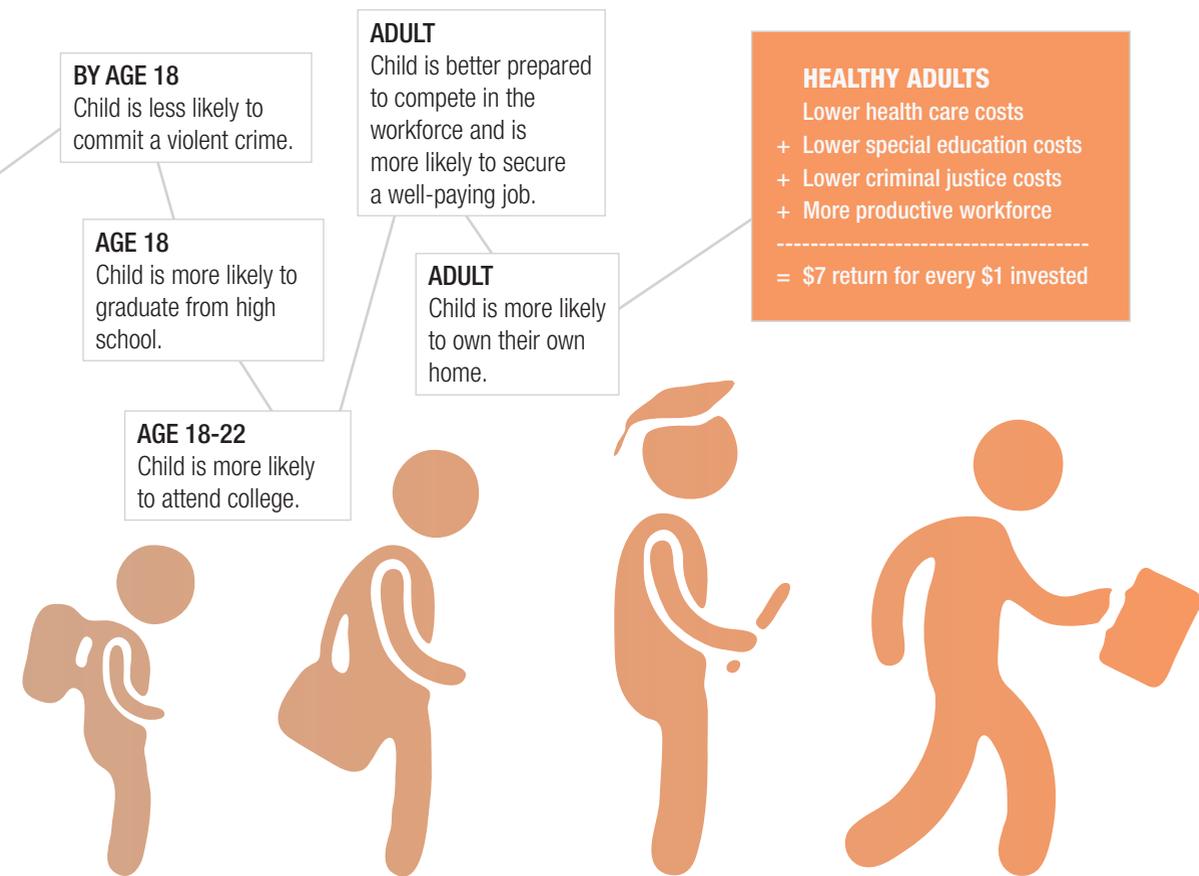
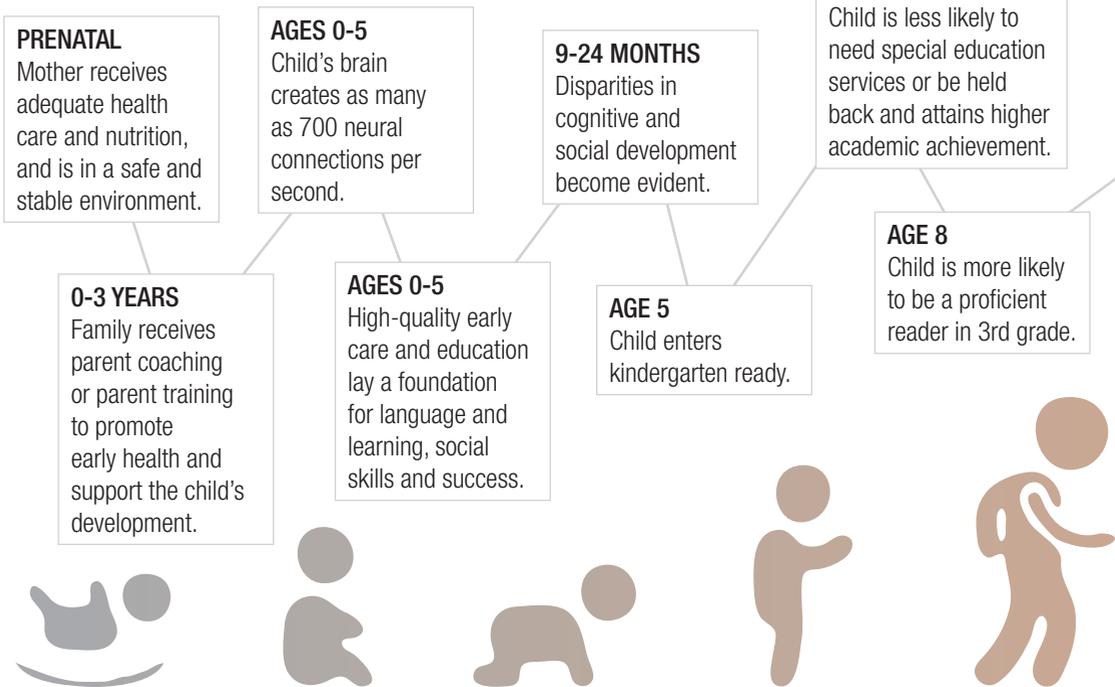
- Less likely to depend on welfare or be incarcerated as an adult
- More likely to be employed full-time and purchase a home as an adult

Parents and family experience...

- Reduced stress knowing their child is well-cared for
- Improved work performance
- Increased knowledge of early childhood development and parenting skills

Investing in High-Quality Early Care and Education: The Path to Prosperity

Milestones and Benchmarks



High-Quality Early Care and Education Make a Difference.



Quality Early Education Helps Children Thrive.

The positive nurturing relationships your kids have with their caregivers and teachers shape their learning now and throughout their lives.

High Rate of Return on Investment



\$1.00 Invested in early childhood yields a minimum of a **\$7.00 return**

Invest in High-Quality Early Care and Education: Boost Montana's Economy

By the Numbers.

\$11 million.

A 5 percent increase in male high school graduation rates is estimated to save Montana \$11 million in annual incarceration costs and crime-related expenditures.

\$9 million.

If that same 5 percent not only graduates but goes on to college at the same rate as typical male high school graduates, their average earnings would accrue an additional \$9 million annually.

\$800 million.

If just one year's high school dropouts could be converted to high school graduates, Montana households would have an additional \$800 million in accumulated wealth over the lifetime of the students' graduating class.

Human Capital

The skills, knowledge, and experience possessed by an individual or population, viewed in terms of their value or cost to an organization or country.

*Children from low-income families who attend high-quality early education programs are **twice** as likely to attend college.*

Invest in early childhood development: Reduce deficits, strengthen Montana's economy. James Heckman https://docs.google.com/viewer?url=www.heckmanequation.org/sites/default/files/052013_HeckmanDeficitPieceCUSTOM-Montana.pdf&chrome=true

What Workplace Policies Support Employees with Young Children?

Flexible and Supportive Work Arrangements Include:

- Flextime/compressed workweek
 - Telecommuting and remote work
 - Flexible scheduling that supports employee attendance at children's school/program events and activities
 - Part-time and job-sharing arrangements with a regular schedule
 - Voluntary reduced work time (V-time)
 - Family Medical leave— sick leave can be used to care for a sick child
 - Policies that encourage and support employee volunteering
- Materials are available for employees such as: child care resource and referral agency contacts; healthy child development; developmental milestones; and community resources for parents



Family Friendly Workplaces

- Employee assistance programs that also address family issues
- Flexible Spending Accounts and Dependent Care Assistance Plans (DCAP)
- Information that explains tax benefits
- Accommodations for breastfeeding mothers
- Provide child care scholarships
- Allow employees to bring their babies to work
- On-site child care facility
- Sponsor parent education classes



How can Montana Businesses Support and Invest in Early Care and Education?

- Become a business champion and talk with friends, family and other business leaders about the issue
- Work with local child care resource and referral agencies to ensure employees are aware of their services
- Support early care and education legislation
- Participate in community early childhood initiatives, such as the local Best Beginnings Council
- Incorporate early care and education into residential or commercial building development projects
- Donate time, money, expertise, goods and services to early care and education programs
- Build consortiums of businesses to work together on early childhood issues
- Supply space to the community for meetings
- Support the expansion of high-quality preschools, Head Starts, etc.
- Sign on to support Early Edge Montana www.earlyedgemt.com



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Early Childhood Resources

Help finding child care – Family Connections Montana. 406-770-3177, www.familyconnectionsmt.org

Help paying for child care – Services are available to low-income families through the Best Beginnings Child Care Scholarship Program. www.montanachildcare.org

Early childhood professional development – Montana Early Childhood Project has a statewide training calendar and other resources for early childhood professionals. 800-212-6310, www.mtecp.org

Head Start and Early Head Start – Early childhood education, parenting support and health screening for low-income-families is provided for young children by Early Head Start (prenatal-3), and Head Start (3-5). 406-443-4620, www.mtheadstart.org

Early intervention – Screening for young children who may have special needs is offered by regional programs throughout the state. 406-444-5647, www.dphhs.mt.gov

Special education services – All public schools offer early intervention services to help young children with special needs prepare for school. www.opi.mt.gov/Programs/SpecialEd

Health insurance for kids – Healthy Montana Kids is public health insurance for the children of low-income parents. www.dphhs.mt.gov/hmk/

Best practices for high-quality programs – Information about best practices and technical assistance.

- Zero to Three: www.zerotothree.org
- Build Initiative: www.buildinitiative.org
- Center on Enhancing Early Learning Outcomes www.ceelo.org
- National Association for the Education of Young Children www.naeyc.org
- Montana Association for the Education of Young Children (MtAEYC) www.mtaeyc.org
- National Institute for Early Education Research www.nieer.org

Ready Nation/America's Edge – Strengthening Businesses Through Proven Investment in Kids. www.americasedge.org

Early Edge MT – Support early childhood investments in Montana. www.earlyedgemt.com

Early child development videos, issue briefs and research – Center on the Developing Child at Harvard University. www.developingchild.harvard.edu

Professor James Heckman – www.heckmanequation.org



DENNIS & PHYLLIS
WASHINGTON
FOUNDATION

*“Investing early allows us to shape the future;
investing later chains us to fixing the missed
opportunities of the past.”*

James Heckman,
Economist and Nobel Laureate

*“If we want to have a workforce that can compete
for the jobs of tomorrow, we must invest in the
children of today.”*

Governor Steve Bullock

*“Our children are our most precious resource. We
have an obligation as a society to create a culture
and an environment where all children can realize
their dreams. Investing in early care and education
will accomplish that goal.”*

Phyllis J. Washington,
Chairman, The Dennis and Phyllis Washington Foundation

May 28, 2014

www.earlyedge.mt.gov