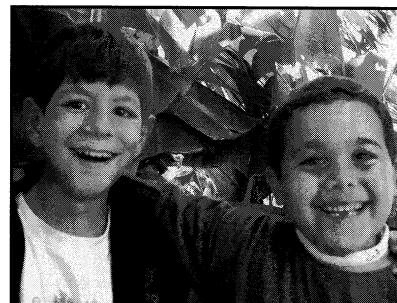


## A ROUNDTABLE POLICY BRIEF



# EARLY CARE & EDUCATION



**T**he Vermont Business Roundtable (Roundtable) has long heralded the inherent societal benefits that flow from investments early in the life of a child; results which lead to a better prepared student, a better educated citizenry, and a social system less burdened by truancy, violence, and crime. Each year, approximately 6,000 Vermont five-year-olds start school. The good news is that about two-thirds of them have had some kind of child care or preschool experience. The bad news is that, according to the latest statistics from the Agency of Human Services, barely half of those 6,000 entering kindergartners were considered ready for the 2003-2004 school year. The time has come to invest public resources in quality early care and education for our children.

To find out more about the Vermont Business Roundtable visit our website:  
[www.vtroundtable.org](http://www.vtroundtable.org) or call our office: (802) 865-0410

## Quality preschool is both sound social and economic policy and a prudent investment of public dollars.

When we look upstream far enough, there can be no mistake about it. The future realization of our children's full potential as contributing adults depends on how well we prepare them to learn as three and four-year-olds. The ability of the state to develop its workforce and reduce the burdens on its social welfare programs rests on the educational opportunities we make available to our preschoolers. In order for this to occur, the vital link between early education, social welfare, and economic prosperity in Vermont must be better understood by policymakers.

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*The vital link between early education, social welfare, and economic prosperity in Vermont must be better understood by policymakers.*

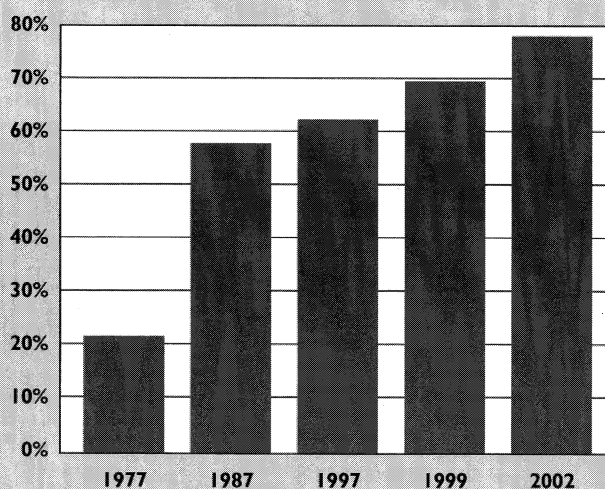
The Roundtable has long recognized that dollars invested in early childhood development programs yield extraordinary public returns in terms of a social system less burdened by truancy, violence, and crime, and an education system of productive students, ready to learn. Ultimately, efforts to both improve education and develop a world-class workforce will be hampered without directing resources to the three and four-year-old children first. So it was with this dynamic in mind that the Roundtable initiated the *Born to Read* project in 2000; the first of its kind in the nation to encourage parents and other caregivers to read and communicate with their children at a very young age.

Vermont's challenge today is troubling, according to the latest state kindergarten readiness survey (2003-04). The report, which annually assesses readiness on five domains (e.g. social and

emotional development, approaches to learning, communications, cognitive development and general knowledge, and physical health and well being), showed that barely half (52%) of Vermont's kindergartners are "ready for school." With more than 39,000 children under the age of six in Vermont, that readiness statistic should be alarming to everyone who cares about the future success of our children.

Not only will public investment in quality preschool programs improve school readiness measures, but they will also provide an important piece of economic infrastructure. Vermont's workforce has the nation's highest percentage of women with children under the age of six and has the nation's highest percentage of dual wage earners. For all Vermont's families, the availability of quality early care programs is also vital to their economic stability.

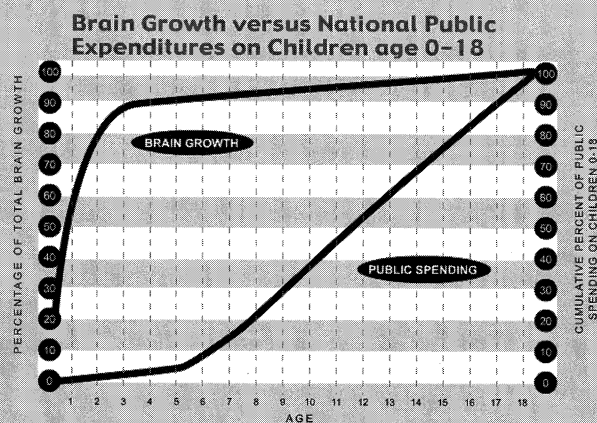
**Percentage of Women in Vermont's Workforce with Children Under the Age of Six**



Source: Child Care Services Division, Department of Social Rehabilitation Services, Agency of Human Services, The Vermont Child Care Advisory Board's 2004 Legislative Report.

## The returns outweigh the investment.

RIGHT NOW, VERMONT SPENDS MONEY ON ITS CHILDREN IN THIS WAY:



WE SPEND VERY LITTLE IN THE EARLY YEARS, THE BRAIN DEVELOPMENT YEARS.  
OUR COMMUNITY OF VERMONT RANKS 47TH OUT OF THE 50 STATES  
IN EDUCATION SPENDING DURING THE PRESCHOOL YEARS.

Source: Child Care Fund of Vermont, *Story of a Child*, 2002.

In 2003, the Business Roundtable in Washington, D.C. issued "A Call to Action from the Business Community," stating, "In today's world, where education and skill levels determine future earnings, the economic and social costs to individuals, communities, and the nation, of not taking action on early childhood education, are far too great to ignore, especially when the benefits outweigh the costs. Estimates of the return on investment of high-quality programs for low-income children range from \$4 to \$7 for every \$1 spent."

*Vermont ranks 47th out of the 50 states in education spending during the formative preschool years.*

Other links between early childhood development programs and economic development have been well documented. According to the Federal Reserve Bank of Minneapolis, in its report entitled, "Early

Childhood Development (ECD): Economic Development with a High Public Return," "If properly funded and managed, investment in ECD yields an extraordinary return, far exceeding the return on most investments, private or public."

We Vermonters have an opportunity to revisit and reassign our priorities around education policy for our children. Based on current demographics, which show an 18% decline in high school graduates over the coming decade, the time to shift resources is now.

The Vermont Business Roundtable calls on the state to develop a strategy for the delivery of quality, voluntary, early education programs for all of Vermont's three and four-year-olds. Failure on our part to make these kinds of sound public investments will result in adverse effects to Vermont's children and families, and on the state's economy for generations to come.

# Vermont Business Roundtable

## Statement of Principles on Universal Preschool

The principles stated herein reflect the current thinking of the Vermont Business Roundtable members as it pertains to early care and education of Vermont's children.

### Statement of Principles

1. Quality preschool is both sound public policy and a prudent investment of our tax revenues. Dollars invested in early childhood development programs yield extraordinary public returns.
2. A child's quality of life, and the contributions that he/she makes to society as an adult, can be tracked back to the first few years of life. Research confirms that quality preschool programs ultimately reduce the cost of special education, reliance on state assistance, and utilization of the corrections system.
3. Access to quality preschool programs should be available to all interested Vermont children three and four years of age. Rather than mandate such programs, participation should be voluntary, depending on the needs and interests of each family. The Roundtable encourages the education community to identify the necessary resources to help increase readiness.
4. The education system (preschool to post-secondary levels) of a state, region, or town can present itself as either an economic development incentive or deterrent. In order for families to consider moving to a region or relocating, it is imperative that Vermont is able to offer quality levels of schooling for all its children.
5. School choice at the preschool level is vitally important to working families with young children, particularly if the parents must travel a distance from home to the workplace. All Vermont families should have the opportunity to choose the individual program that best suits the needs of their children without penalty.
6. The existing network and infrastructure of Vermont's public and private child care and education facilities is a natural foundation for this voluntary program. Incentives to strengthen and improve the quality of such facilities should be explored and developed.
7. Based on the current demographics (e.g., declining enrollments) for Vermont, policymakers should explore the feasibility for reallocating existing funds within the education system for universal pre-K education.
8. Early care and education programs within Vermont, whether public or private, should be designed to meet basic, minimal standards of excellence as articulated by the "Vermont Early Learning Standards: Guiding the Development and Learning of Children Entering Kindergarten," which is supported by Vermont's Department of Education and Agency of Human Services.

### **References:**

Child Care Fund of Vermont, "2003 Annual Report," December 2003.  
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Federal Reserve Bank of Minneapolis, "Early Childhood Development: Economic Development with a High Public Return," December 2003.  
The Business Roundtable, "Early Childhood Education: A Call to Action from the Business Community," May 2003.  
Vermont Business Roundtable, "Statement of Principles on Universal Preschool" May 2004.



Created in 1987 as a nonprofit, public interest organization, the Vermont Business Roundtable is composed of 120 CEOs of Vermont's top private and nonprofit employers dedicated to making Vermont the best place in America to do business, be educated, and live life through collaboration, research and analysis, and communication and advocacy. Member businesses employ over 47,000 employees and are represented in virtually every county across Vermont.

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