

**Numbers negative for funding of pre-k
Georgia Lottery can't keep up with the costs of stellar state program.
By Nancy Badertscher**

Note: This story originally appeared in the Atlanta Journal-Constitution's Sunday January 29 edition.

Sixteen years ago, Georgia created an innovative educational program unlike any in the nation: Using money from the new lottery, the state would offer free "pre-kindergarten" to 4-year-olds, regardless of family income.

The program was hailed nationwide as groundbreaking and forward-looking, not words usually associated with education in Georgia. And the research is nearly beyond dispute. Pre-k helps kids do better in school.

But the success of 1995 has run headlong into the reality of 2011. A growing state lottery enabled pre-k and the companion HOPE scholarship programs to flourish, adding children year after year. But now the lottery doesn't provide enough money to keep up with the rising costs of the programs.

Gov. Nathan Deal is proposing to cut nearly \$20 million from the pre-k program this year, and Georgia taxpayers face a difficult question: Can they afford free pre-k for every kid in the state?

Rick Dent, a political strategist who was at then-Gov. Zell Miller's side when plans for Georgia's pre-k program were being formulated, says it's decision-making time.

"We've dropped from pioneer and national leader to average, so Georgians must decide: Do we invest more money in providing top-quality universal pre-k or do we only provide top-quality pre-k to those students who need it most? Anything in between fails every 4-year-old."

Lawmakers are mulling several potential options for ensuring the long-term viability, not only of pre-k, but also the arguably more popular HOPE scholarship program that the lottery also funds. Making it even more challenging, they know votes are likely won or lost with each scholarship that's awarded or cut and each pre-kindergarten slot that opens up or is eliminated.

The governor was specific in his edict: cut the program budget by \$19.7 million, but none of the 84,000 pre-k slots that 4-year-olds fill in public schools and private day care centers across the state.

Deal spokesman Brian Robinson said the governor cut pre-k's \$355 million budget as little as possible because he considers it a "very important program" and a "core responsibility of state government."

"Will this require some new policies, some innovative thinking to do as much with less? Yes," Robinson said. "But we're trying to make sure that the loss is as little as possible in this case."

Universal pre-k

The pre-k program, which is voluntary and free to any 4-year-old in the state, is said to be "universal," although only about 53 percent of 4-year-olds attend. Another 10,000 are on waiting lists --- the lottery funding doesn't reach far enough to accommodate them. Still other children are in private programs or don't attend pre-k at all.

Using lottery funds to pay for pre-k and for college scholarships risks pitting early education against higher education, particularly in lean times such as these.

The specific problem: Although Georgia's lottery is considered one of the country's most successful, its revenues aren't keeping up with the growth in costs of HOPE or pre-k. More students each year are qualifying for HOPE, which covers tuition and some other costs for students with a B average or better, and colleges have raised tuition annually, often to make up for cuts in state funding for schools.

Child and education advocates say that pre-k funding shouldn't be cut.

"We will be risking the quality of the program and reducing the readiness of our kids for schools," said Pat Willis, executive director of the advocacy group Voices for Georgia's Children.

"We will see it in our elementary grades when kids are not reading by third grade, and we will see it, frankly, 12 to 13 years down the road in high school graduation rates."

What parents say

Parents of current and former students say the state pre-k program really helps children and should be preserved for others at the same high quality.

Atlantan Eboni Martez said her 4-year-old son, Cameron, is in kindergarten this year, but reading and doing math at a first-grade level because of the good start pre-k provided.

"I see a major difference in the children who were exposed to the pre-k program and those who were not," she said.

In those pre-k classrooms, 4-year-olds aren't just coloring and napping. They are learning life skills, such as sharing and hygiene, as well as academic basics, such as numbers, letters and how to write their names, said Kevin Schnell, a 10-year teacher at the Sheltering Arms pre-k program in Norcross.

"This is not glorified baby-sitting, " said Schnell, who on a recent morning was sitting on the floor with his students, reading to them about why it's bad to interrupt others when they are talking.

A few minutes later, he was at a pint-size table, calling a bingo game, but allowing the student players to read off the numbers.

The options

At Bright From the Start, the state agency that runs Georgia Pre-K, officials are "still exploring various options" for absorbing the \$19.7 million budget cut, said spokeswoman Stacey Moore.

Advocates say they expect all or most of the cuts to be made to the per-pupil allotment that is paid to private day care centers and public schools that operate the pre-k programs. They say the allocation needs to be increased, not decreased.

One school district, coastal Camden County, announced last week that pre-k registration for next year was being pushed back from February, possibly to April, to give officials time to see how the proposed cuts will play out. "We are waiting on pins and needles, " said Becky Gillette, the school system's director of elementary instruction.

The county is already pitching in \$40,000 to cover pre-k expenses that the state's allotment doesn't cover, Gillette said.

Georgia ranks 23rd among 38 states providing pre-k in dollars spent per child, 17th when just state dollars are considered, the latest report from the National Institute for Early Education Research shows. In the same report, Georgia scored 8 out of a possible 10 on benchmarks of program quality.

In the 2010-2011 school year, Georgia is spending \$4,226 per child, or \$90 a year more than in 1995, when pre-k opened to any 4-year-old and had an enrollment of about 44,000. With adjustments for inflation, those 1995 per-child costs of \$4,136 equate to \$5,917 in today's dollars.

That doesn't approach the \$7,882 per-student funding that a study, commissioned by Bright From the Start and conducted by the University of North Carolina at Chapel Hill in 2009, says is needed for the program to be of high quality.

"These cuts [that Deal has proposed], if not restored, will have a big impact on providers who are already hurting and underfunded by this program, " said Carolyn Salvador, executive director of the Georgia Child Care Association.

Fundraising and fees

Child care provider Elaine Draeger estimates her pre-k costs are exceeding the state's allotment by \$1,000 per child. Fundraising and fees from other services are making up the difference, she said.

Draeger was part of a pilot pre-k in 1993 and is president and chief executive officer of the private Sheltering Arms Early Education and Family Centers, which runs pre-k classes from 17 locations, including Norcross, for 940 children.

Additional cuts to the per child allotment, she said, may force her to increase the fees for after-school care and summer camps.

There could be other ramifications as well, Draeger said.

"Teacher quality and experience are the biggest predictor of good educational outcomes for children in early education programs," she said. "But finding and keeping those high-quality workers can be difficult, if full funding for their salaries, benefits and professional development is in jeopardy every year."

Other options?

State Rep. Brooks Coleman, R-Duluth, chair of the House Education Committee, said lawmakers will find the answer.

"Something will be done because both programs are fantastic and very necessary and the public wants them," he said.

Researchers at Georgia State University's Andrew Young School of Policy Studies issued a report in October that included potential ways to bring in more money for pre-k. The most obvious, they said, would be to tap into the state's general fund, as 37 of the 40 states with pre-k programs already do, although they acknowledge that would be tough given the current economy.

Coleman said he can't see that happening.

"Right now the general fund is hurting so bad just to fund k-12," he said.

Other options include adding pre-k to the regular school funding formula; canceling plans to phase out the state's 0.25-mill property tax and instead redirect the \$85 million in proceeds to pre-k; and charging tuition, perhaps on a sliding scale.

House Education Committee member Margaret Kaiser, D-Atlanta, said she would like to see a "real conversation" about a sliding scale.

"With a sliding scale, everybody's paying into it, but the folks who can afford to pay a little more would," she said.

Outside Georgia, a few states pay for pre-k through public-private partnerships. One uses a tobacco tax, and another its tobacco settlement funds.

Sen. Fran Millar, R-Dunwoody, chair of the Senate Education and Youth Committee, said: "If I could, I would put two-thirds of the money from the lottery into pre-k and one third into the HOPE scholarship. But I don't think that's going to happen. I am convinced that, for us to turn education around we've got to start early and we've got to start with these kids. But I don't have a magic wand."

The benefits of pre-k

Pre-k had its early detractors --- including those who called it overpriced baby-sitting and others who said it was anti-family because it took children away from home earlier than traditional public school.

Research through the years has affirmed the academic benefits of high-quality pre-k, especially among low-income students. With pre-k, those children are less likely to repeat a grade, be placed in special education and drop out of high school, said Marci Young, project director of Pre-K Now, a campaign of the Pew Center on the States in Washington.

Alicia Balmer's daughter, Seanna, is one of Kevin Schnell's students at Sheltering Arms in Norcross. Seanna's sister, Soteria, was in the program nine years ago. She finished her elementary school among the top in her class.

Balmer attributes Soteria's academic success to pre-k and says she has been amazed by Seanna's progress.

"She's becoming a good listener and learning how to express herself. She can fix her own plate, " Balmer said. "It's just astronomical. To take that away or to charge a fee in this economy, [Deal] would be running a risk."

South Fulton County resident Nikki Belizaire said the state pre-k left her two children with a firm foundation and prospects for a bright future.

"Because of the caliber of program and the teachers associated with it, my children will succeed in this game we call life, " she said. "Every child should have the opportunity that mine have had."

The problem

Projections for fiscal year 2011, ending June 30:

Lottery to take in

\$883,878,000

Lottery to pay out

\$1,127,652,261

Shortfall to be

\$243,774,261

Projections for fiscal 2012, ending June 30, 2012:

Lottery will take in

\$883,878,000

(same as 2011)

Lottery will pay out

\$1,200,773,804

Shortfall to be

\$316,895,804

Note: Lottery revenues may actually be worse for the current fiscal year. For the first two quarters of this fiscal year, lottery deposits to the state treasury are down \$18.7 million, or 4.34 percent, compared to the same period last year.

Source: Georgia Student Finance Commission