

THE FINANCIAL IMPACT OF THE GREAT START READINESS PROGRAM ON PARTICIPATING MICHIGAN FAMILIES

Michigan invests \$456 million per year in its Great Start Readiness Program (GSRP) for at-risk four-year-olds. The goal is to promote children’s positive developmental outcomes. But participating families also gain secondary benefits. To find out how GSRP affects families’ economic well-being, the Michigan Department of Education (MDE) and Michigan State University (MSU) worked together to develop and administer the 2021-22 GSRP Family Financial Impact Survey.

Survey administration

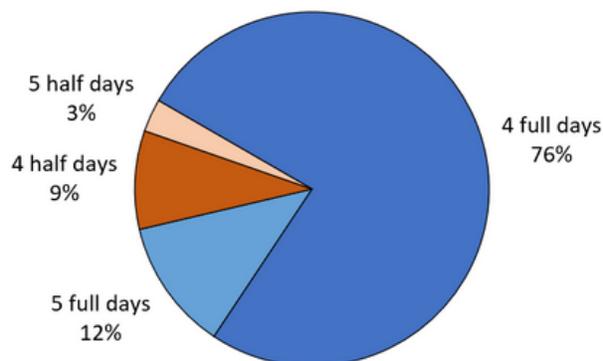


The survey was administered online in English, Spanish, and Arabic. The MSU team worked with the independent school districts (ISDs) that administer GSRP to identify GSRP lead teachers. It then worked through the teachers to deliver emails with instructions and classroom-specific survey links to families. This approach protected the privacy of children and families.

The survey was deployed in March 2022 and closed in April 2022. A total of 5,212 valid responses were received. Locations of responses were consistent with GSRP sites. Complete findings are in the GSRP annual report section: *Findings from the 2021-22 GSRP Family Financial Impact Survey*.

Findings

Figure 1. Surveyed Children's GSRP Schedule



GSRP State Evaluation
<https://bit.ly/3Ljn9tO>

Figure 1 outlines children's enrollment in different program offerings as reported by their families. An overwhelming majority (85%) of children attended a GSRP four days a week, while 12% attended only half days.

For many families, the time their children attend GSRP is also the time adults have for paid work. A large majority of survey respondents (87%) said that their child's participation in GSRP enabled them to work. Of the families whose children attended a four-day or half day program, 30% said they would work more if their children could attend GSRP longer than their current weekly schedule.

Only 9% of families, those with income above 250% of Federal Poverty Line (FPL), pay some tuition for GSRP, and even that is at a steeply discounted rate. For more than 90% of responding families, the program is free. Savings on childcare costs are, therefore, an important economic benefit to the participating families.

Based on the survey results, MDE statistics, and U.S. Bureau of Labor Statistics data, it is clear that GSRP has produced unintended economic benefits on top of its educational intents for low-income children.

	\$115.8 M	Family earnings as a result of GSRP¹
+	\$148.4 M	Family savings on childcare²
+	\$456.5 M	State investment in GSRP
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=	\$720.7 M	

The estimated GSRP economic contribution to Michigan economy is \$720.7 million.

1. Enrollment was estimated at 37,000 children/36,000 families in a typical year. The GSRP child spends 25.2 hours per week under GSRP supervision. Average childcare cost for preschool-aged children in Michigan was set at \$5.33/hour based on a 2021 survey of childcare providers by Public Policy Associate. Hours worked are assumed to be proportional to the ability indicated.

2. Number was calculated based on 30% of families who reported they would work more if their GSRP site offered more hours. This value was then multiplied by \$14.09 an hour, which is 20th percentile of hourly earnings.