Big Gifts for Little Learners
Making the Case for Philanthropic Investment From Pregnancy Through Preschool
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Making the Case for Philanthropic Investment
From Pregnancy Through Preschool

Commissioned by
Silicon Valley Community Foundation

Produced by
Whiteboard Advisors

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I’m Investing in Early Care and Learning. Here’s Why.

DR. PRISCILLA CHAN
Co-founder and co-CEO, Chan Zuckerberg Initiative

Parents want their children to thrive in their relationships, in their careers and in their communities. As a pediatrician and mom, I’ve seen (and felt!) this firsthand.

I’m also fortunate enough to wear one other hat: philanthropist. So when I thought about the areas where philanthropic investment could drive meaningful change for Bay Area families, early care and learning was top of mind.

A child’s brain forms more than 1 million neural connections every second during their first five years. With the brain at its most flexible and adaptable, positive and negative experiences can produce lasting effects. As a result, high-quality early care and education programs can have a meaningful impact: Research shows that participants are more likely to enroll in college¹ and have better economic and educational outcomes.² Some programs have also shown positive health benefits, like lower adult blood pressure⁴ or a reduced likelihood of illegal drug use.

These factors combine to make early childhood a great investment. Spending on early care and learning — particularly on programs that begin at birth, not just preschool — has a 13% annual return on investment.⁵ By comparison, over the past 10 years the stock market has had a 9.2% annual return.⁶

Yet in California, where there are more than 2.8 million children ages birth to five, families struggle to navigate an early care and learning system challenged by chronic underinvestment from public, private and philanthropic sources.⁷ Finding care is hard: Only one in eight⁸ California families can find an open slot in a licensed center for their infant or toddler, and nearly half of our state’s families with children ages three to four couldn’t find a slot in a preschool.⁹

Even if they can find care, it’s often a financial hardship. Next to housing, child care often makes up the second biggest part of family budgets in the Bay Area. The Children’s Council of San Francisco estimates the cost of child care to be about $30,000 annually for center-based care (lower for children over two) and about $20,000 annually for home-based care.¹⁰ To put that into context, a single year of high-quality, center-based care for a child ages birth to two costs twice as much as in-state tuition at the University of California. In California,¹¹ a typical family with an infant spends 25% of its yearly income on center-based care, making it out of reach for many in the state.¹²
There are also wide gaps in the quality of these programs based on socioeconomic factors and ZIP code. The lower a family’s income, the more likely the family is to have a child enrolled in an unlicensed early childhood care or learning environment, according to research from Stanford University. And while unlicensed doesn’t necessarily mean low quality, regulating licensure is a common strategy to ensure developmentally appropriate environments and experiences for young children. And in California districts with high percentages of low-income children, there’s also a lower level of school readiness among children entering kindergarten — lower than levels found in similar districts in other states. Black and Latinx children and dual-language learners are less likely to attend preschool than white children as well. The Stanford researchers concluded that “California’s children are behind before they enter kindergarten.”

This should trouble all Californians. It troubles me. We’re failing the most vulnerable among us if we don’t give them resources to support mental and physical health, social-emotional learning and identity development, and their academic and cognitive needs. That connected web of supports is what we’ve worked to develop at The Primary School, an early care program I’ve invested in building alongside other early childhood and education champions.

I’ve seen firsthand the power of great teachers. I’m the daughter of Chinese/Vietnamese refugees who came to the U.S. not knowing the language. The amazing teachers and other caring adults in my life played a big role in getting me to college and then on to medical school. I want the same experience for our youngest learners.

Philanthropy plays a key role in making this happen. People and foundations can fill needs left unmet by government services and advocate for more systems-level change that will hopefully make long-term philanthropic support unnecessary. They can fund the research that will inform teaching and learning for our most vulnerable young learners. And they can support the development of a high-quality early care and learning system that enables us to scale what works to meet the needs of all students.

It won’t happen quickly and won’t be cheap. But committing to the whole child in their earliest years is an investment that will pay invaluable dividends for children, for families and for society in the future.

Dr. Priscilla Chan, a former pediatrician and teacher, is the co-founder and co-CEO of the Chan Zuckerberg Initiative.
About the Authors

Erica Price Burns is a Senior Vice President at Whiteboard Advisors where she leads a team that advises Fortune 500 companies, foundations and investors working at the intersection of policy, practice and innovation.

For more than a decade, Erica’s research and writing on the connections between education, equity and economic mobility has been featured in CNBC, Wired, TechCrunch, Forbes and the Stanford Social Innovation Review, among others.

Prior to joining Whiteboard Advisors, Erica worked for U.S. Senator and former Denver Public Schools Superintendent Michael Bennet and served in a variety of roles in Democratic politics and on Capitol Hill. Erica graduated magna cum laude from Washington University in St. Louis where she earned a degree in political science and economics.

Anna Hutchinson is a senior associate at Whiteboard Advisors where she focuses on K12 advocacy and state strategy. Anna holds a bachelor’s degree in Political Science from the George Washington University with a minor in International Affairs.

Christine Thorsteinson serves as SVCF’s director of early childhood development, working to ensure that all young children in Silicon Valley have access to the care, education and resources they need to grow and flourish. Christine joined SVCF in 2016, and her earlier work included efforts to bridge the gaps between preschool and TK-12 education systems and develop early learning leadership competencies. Christine graduated from Queen’s University in Kingston, Canada, with a Bachelor of Arts in English and psychology and a Bachelor of education, with a specialization in secondary English and mathematics.

About Silicon Valley Community Foundation

Silicon Valley Community Foundation is a regional catalyst, connector and collaborator. We bring together the resources and skills of donors, businesses, government and community to solve some of our region’s toughest challenges. We promote philanthropy in our region and support philanthropists to invest with impact. Through advocacy, research, policy and grant-making, we seek systemic solutions to drive enduring community change.

SVCF begins discussions about early care and learning with the belief that every child deserves the best possible start in life. That means supporting approaches to early childhood development that are affordable, available and economically viable. Our early childhood development initiatives include The Big Lift, which offers high-quality preschool; summer learning programs and support for ongoing family engagement and school attendance; and Choose Children, which works to ensure elected officials are champions of young children.

About Whiteboard Advisors

For more than 20 years, Whiteboard Advisors has collaborated with the most transformative organizations, individuals and investors in education. Our diverse team of educators, wonks and storytellers brings in-depth understanding of policy, technology and practice to bear on cutting-edge research, powerful writing, and the design of communications and advocacy campaigns that challenge the status quo. Whether we’re working with startups or the most established organizations in education, we’re passionate about taking breakthrough ideas to scale.
Meeting the needs of young children and their families has been a priority of Silicon Valley Community Foundation for decades. Our focus on early care and learning has taken many forms, from supporting the creation of collective action initiatives like The Big Lift to recently establishing Early Childhood Development as one of our three institutional strategic initiatives.

We’ve had the fortune to work hand in hand with exceptional peers — including organizations doing work on the ground, partners in local government, and other funders and donors. And for a problem as profoundly complex and challenging as early care and learning, we need to continue broadening the tent and build a groundswell of support to ensure that the issue receives the attention and the financial resources it deserves.

Covering everything from prenatal care to teacher training, early care and learning is a big sandbox — and we need to convince more donors to play in it. The following report intends to do just that. It provides a baseline for where we are now in terms of how early care and learning is perceived by funders relative to other areas of philanthropic investment, and it gauges the relative interest in funding programmatic work, advocacy efforts, or transformation and innovation efforts.

All families and their children deserve equitable access to high-quality programs that will foster healthy development and happiness. It is our hope that this report spurs a bigger discussion among donors and the broader public alike and catalyzes more funding and support for early care and learning.

Nicole Taylor  
President & CEO  
Silicon Valley Community Foundation
The San Francisco Bay Area is home to some of the wealthiest counties and most generous donors in the country. But how do those individuals choose where to spend their philanthropic dollars?

In our 2021 survey of Bay Area donors, which included both affluent individuals and foundations, 40% of respondents said that when considering causes or groups to give to, demonstrated impact would lead them to choose one cause or group over others.

In some ways it is surprising, then, that only 15% of donors said they give to early care and learning — an area with robust research demonstrating positive impact on the children supported (including permanent increases in children’s IQ and better health outcomes\(^\text{18}\)) as well as on their families and the broader community (e.g., gains in maternal workforce participation\(^\text{19}\)).

When donors were given a description of the sector, however, the numbers shifted significantly. After they...
were shown a definition of early care and learning that included health, wellness, care and learning (e.g., early numeracy and literacy), more than 70% reported that they had given to early care and learning.

Creating an environment where babies’ brains are able to flourish requires caring adults talking, playing and connecting with them and homes and schools that are safe and healthy places to learn and explore. And while the recently passed funding to support universal pre-K in California is a great step in that direction, there is more to be done.

Ensuring that all Bay Area families have access to the resources they need and that the early care sector itself has the resources to provide high-quality care is a social and economic imperative. And it’s a goal that philanthropy has a unique role in advancing.

Increasing the awareness of early care and learning may be the key to unlocking more philanthropic dollars for the sector. Increased awareness may help donors understand how they can amplify the work they’re already doing by supporting other organizations in the space.

This report aims to build this awareness by demystifying this sector, with a goal of driving more philanthropic capital to this important sector. With that in mind, we offer:

**THREE IMPACTS:**
Research showing the value of early care and learning to improve outcomes for babies and toddlers, drive social mobility for families and develop the future workforce we all need

**THREE CATEGORIES TO DEFINE THE SECTOR:**
A rough taxonomy to support better understanding of early care and learning, showing the breadth of work and how all the pieces come together in support of babies, preschoolers and families

**THREE WAYS TO ENGAGE:**
Approaches to help would-be funders understand the landscape and demonstrating how programmatic donations, advocacy support, and innovation and transformation efforts all play crucial roles in supporting the early care and learning sector
The even better news is that philanthropic giving isn’t a zero-sum game, particularly in the Bay Area. Over half (52%) of all the donors in our survey reported that they plan to give more to charity over the next three years, relative to prior giving. And of those who reported giving to early care and learning, a similar number (55%) said they plan to increase giving, with 25% saying they plan to increase their contributions significantly.

That means early care and learning investment can increase without requiring decreases in other areas.

The report also offers:

**Fifteen percent of respondents said they give to early care and learning.** Eleven percent of all respondents put early care and learning as one of their top three areas of giving. That suggests that there is a relatively low rate of giving, but that those who do donate prioritize early care and learning relative to other areas.

**INITIAL GOALS:**
Bolstering investment by increasing the number of people who consider themselves to be early childhood donors, increasing the percent of donors who put early care and learning in their top three priorities, and increasing the percent of donors who say they give to the areas under the early care and learning umbrella.

**INITIAL BENCHMARKING:**
Putting a stake in the ground to understand where early care and learning currently sits among donor priorities provides a starting point for improving on these numbers moving forward.

**THREE MOTIVATIONS:**
Deepen understanding among nonprofits and grant seekers of ways to encourage early care and learning investment, including: 1) demonstrating the return on investment (ROI) of their work, 2) making it easy to give and 3) connecting early care and learning to other areas.
THE CHALLENGE

Early care and learning legislation is often written without the input or perspectives of those most impacted — the early care educators and the parents of students in their care. Even the most well-intentioned legislator may not understand how components of a bill create hardships for the families and workers it intends to help. The family fees (co-payments for families receiving subsidized care) are one example; while significantly less than the cost of care, they nevertheless can be a burden for families truly at the margin. Without bringing impacted communities to the table as new legislation is crafted, policymakers struggle to develop effective policies.

THE SOLUTION

Parent Voices is a grassroots organizing initiative that brings parent perspectives into the legislative process in California and advocates for accessible and affordable high-quality child care. Through advocacy, community organizing and leadership development, it connects the consumers of child care (parents) and the providers of child care to policymakers in Sacramento, as well as more locally and nationally.

THE RESULTS

Parent Voices has successfully partnered with California legislators to pass legislation expanding paid family leave, sponsored legislation to end child care fees for families using subsidized care and secured over $1 billion in child care and development programs through the state budget.

Beyond the legislative accomplishments, Parent Voices has led the way in creating a culture shift among those developing and administering programs. Instead of being fraud detectors, Parent Voices encourages policymakers and administrators to trust families and in particular women of color. This culture shift moves away from a compliance-based, administration-heavy approach that may keep some families from accessing the services and moves toward a system with families at the center.
Time-travel movies often share a common trope: the idea that changing even something minor in the past can completely alter the world as the protagonist knows it.

But absent time travel, that's still a concept rooted in truth: What we do today, even in relatively small ways, can have a profound impact on the future. Luckily, that doesn't manifest in real life the way it does in film — it would be exhausting to worry about the long-term consequences of every minor decision. But there's one area where it may be particularly valid: investment in early care and learning.

The development that happens in a baby’s and toddler’s first five years is so immense that the magnitude is hard to fully grasp. With over 1 million neural connections made every second during the first years of life, babies and toddlers are undergoing remarkable changes every day.
Creating an environment where babies’ brains can develop to meet their innate potential requires caring adults who are talking, playing and connecting with the infants and young children, as well as homes and schools that are safe and healthy places to learn and explore.

For some families, providing those resources and opportunities is relatively simple. But for many others, including many here in the Bay Area, it’s not easy.

Food or housing insecurity, insufficient and inequitable health and education resources, and limited access to high-quality child care mean that it is much harder than it should be to ensure that the youngest among us receive the healthy starts they deserve. In 2021, only 25% of children in working families had access to licensed child care, and just 64% of children from birth to age 5 were read to by an adult every day.22

But while Bay Area families face those very real challenges, a strong bench of foundations and affluent individuals are eager to make a difference in our community.

“So much of a person’s life outcomes are determined at a point in time when you yourself have no power — where environmental factors and life's lottery put you,” notes Shannon Hunt-Scott of the Scott Foundation, a long-time funder of the space. “That’s one of the reasons we’ve invested in early care and learning. Most people don’t understand the discrepancies in opportunity that exist: If your kids have access to a great early education, you may not spend a lot of time thinking about what families in San Jose living at poverty’s edge are going through just to make sure their kids have basic supervision.”
Of course, the scale of this challenge is too big for philanthropy alone. The factors embedded in early care and learning — health care during and after pregnancy for both mother and baby; support for parents, who are their children’s first teachers; academic resources and early intervention services; and, of course, access to affordable, high-quality care and education — are far too big, costly and complex for any one sector to solve independently.

But philanthropy can play an important role. Philanthropists can fund programs that meet urgent needs for families, underwrite advocacy efforts that lead to greater public sector funding or new policies that allow programs to scale, and invest in the research and innovation that enable and inform systems change.

To better understand the status of philanthropic investment in early care and learning, Silicon Valley Community Foundation commissioned a survey of affluent individuals and foundations in the Bay Area, asking about respondents’ priorities in giving, perspectives on early care and learning, and perspectives on what would lead donors to begin giving to early care and learning if they don’t already.

The survey included responses from over 150 foundations and affluent individuals (defined as individuals earning $200,000 or more annually and/or with a net worth greater than $1 million, consistent with the criteria for other surveys of high-net-worth individuals). It was limited to foundations and individuals based in the Bay Area — defined broadly as the 11 counties from Sonoma to San Benito (Alameda, Contra Costa, Marin, Napa, San Benito, San Francisco, San Mateo, Santa Clara, Santa Cruz, Solano and Sonoma counties).

Perhaps unsurprising, given the financial and geographic targeting, the respondents were 75% white. Fifty-one percent self-identified as male, and 48% self-identified as female. Respondents were gathered by having community foundations contact their members, as well as by using a targeted panel from Qualtrics, a survey platform.

The survey shed light on the level of interest and investment in early childhood care and learning and provided some lessons for those eager to catalyze additional investment in this important space.

What Is Early Care and Learning, and Why Does It Matter?

For many, the terms “early education” or “early care and learning” are synonymous with preschool or day care. In a state like California, where child care is the biggest expense in a family’s budget in most counties, it’s understandable that improving access to affordable, high-quality care would be top of mind.

But early care and learning actually covers a much broader age range and set of solutions. It supports babies, toddlers and preschoolers — and the caring adults in their lives — with a range of supports in health, well-being, care and development.
Nearly every economic pressure (e.g., low wages, high cost of living) and social determinant of health (e.g., living in a food or child care “desert,” poorly maintained housing that causes asthma or lead exposure, etc.) has an impact on early care and learning. That’s why the March of Dimes,25 in support of its work to improve birth outcomes (particularly maternal mortality) for women of color, calls for “advancing work to change social and economic conditions (poverty, employment, low wages, housing, education, etc.) underlying health inequities.”26

With that broad lens, it can be hard to know where early care and learning starts and stops. That also makes it challenging to define what is and isn’t considered an investment in early care and learning.

Philanthropic funders’ responses in our survey demonstrated this tension: When given a list of areas of philanthropic giving (ranging from animals and international issues to religion), just 15% of respondents said they give to early care and learning. But when given a broader definition (e.g., supporting education through early literacy, math and kindergarten readiness; offering care through high-quality supervision; and supporting well-being through nurse-home partnerships, disabilities screenings, etc.), 72% of donors reported that they already give some amount to nonprofits supporting those efforts.

**Philanthropic funders’ responses** in our survey demonstrated this tension: When given a list of areas of philanthropic giving, just 15% of respondents said they give to **early care and learning**. But when given a broader definition, 72% of donors reported that they already give some amount to nonprofits supporting those efforts.
THE CHALLENGE

Early care and learning begins before birth, with access to high-quality prenatal care and support for both mothers and babies during childbirth and immediately postpartum. It continues into infancy and toddlerhood—times when parent interactions are vital to speech and language development, among other areas. Many public and private early childhood donors dismiss these important stages, focusing their giving on services for 3- to 5-year-olds.

THE SOLUTION

Tipping Point Community, a nonprofit in the San Francisco Bay area that advances poverty-fighting solutions, is funding two programs to support the very youngest learners. It pays particular attention to early childhood care and learning programs in Alameda, Contra Costa and Santa Clara counties, where there are the highest levels of poverty and the least amount of services available among young children. The nonprofit also prioritizes organizations led by people of color, recognizing that philanthropy has historically underinvested in Black-, Latinx-, Indigenous- and Asian American and Pacific Islander-led organizations.

Tipping Point Community’s current investments include:

- **ParentChild+**, a home visiting program that supports parents from low-income communities in their efforts to boost their child’s early language and social-emotional development. The program serves family, friend and neighbor caregivers for children aged 16 months to 4 years old in Santa Clara and San Mateo counties.

- **Expecting Justice**, an initiative that uses a racial equity approach to decreasing birth outcomes disparities in San Francisco, launched the Abundant Birth Project, which offers unrestricted cash supplements to expecting Black and Pacific Islander mothers. These resources aim to help reduce the rates of preterm births and improve economic opportunities for families in the program.

For Tipping Point Community, philanthropic support has been able to fill a gap for typically underfunded and overlooked populations (including babies and toddlers), as well as emerging approaches or nonprofits.

As public support grows for high-quality early childhood education services, the discussion around equitable birth and infancy outcomes is just beginning. Silicon Valley Community Foundation’s research supports this. Of those surveyed, only 6 percent of individuals or organizations currently giving to early care and learning fund or plan to fund pre- or perinatal care initiatives. However, as Tipping Point Community demonstrates, philanthropic investment is critical to enabling innovative organizations to improve outcomes for the youngest children.

THE RESULTS

By June 2022, Tipping Point’s grantees intend to help nearly 4,000 children and families achieve key milestones such as increased parent knowledge and improved early language development. Its goal is to help children throughout the Bay Area build a strong foundation for positive outcomes later in life.
Our survey results demonstrated a disconnect between the perception of early care and learning among affluent individuals and philanthropists and the broader definition of the sector used by those operating in the space.

Defining the sector more broadly may widen the tent of donors interested in supporting early care and learning — and also highlight the interconnected nature of these components, demonstrating the value of supporting multiple areas within the sector.

To help potential funders better understand the wide range of areas that fall under the umbrella of early care and learning, we offer three categories as a rough framework to conceptualize the sector.

**Well-being:**

- **Prenatal and postnatal:** Ensuring that expectant mothers have access to health care and that mothers, babies and families have the support they need shortly after birth, including nurse-home visiting programs
- **Birth equity:** Supporting better outcomes for women of color, who, as a result of limited community resources or biases among providers, often receive suboptimal care
- **Health, vision, dental and more:** Ensuring that children have the physical and mental health supports they need to thrive

**Other social determinants of health:** Mitigating food and housing insecurity, chronic stress or other environmental factors that impact child development

**Care:**

- **Access:** Ensuring that child care (including infant care) is affordable and available
- **Quality:** Supporting a highly trained early childhood workforce and high-quality care settings

**Learning:**

- **Parental support:** Giving parents the tools to be their child’s first teacher; half of parents⁷⁷ think their influence on a child’s development begins at six months, when in fact it begins before birth
- **Preschool and school readiness programs:** Supporting families, providers and practitioners in ensuring young learners have equitable access to high-quality early education
- **Educational resources:** Developing curriculum, toys or other tools to support emerging academic skills and to foster creativity and curiosity; supporting early intervention services (e.g., occupational or physical therapy or applied behavior analysis)

**Birth Equity:**

Maternal mortality rates are 500% higher²⁸ in the U.S. than in other developed countries like Norway or New Zealand,²⁹ and Black women in the U.S. are three times³⁰ more likely than white women to die from pregnancy-related causes.³¹ Racial and gender biases, both explicit and implicit, lead to suboptimal prenatal and postnatal care for women and put particularly Black women, Indigenous women and other women of color at risk. Birth equity initiatives aim to disrupt these biases, reform systems and improve outcomes for moms and babies.
When babies and young children are supported with the resources to thrive, they have better educational and economic outcomes — and they pass those advantages on to their own children.

Research shows that preschool attendance increases the likelihood of students taking the SAT college admissions exam, reduces suspensions in high school and increases on-time college enrollment in both two- and four-year colleges. Other research demonstrates that high-quality early care decreases special education enrollments, increases high school completion and leads to higher incomes (and lowers the need for means-tested safety net programs). Overall, the multigenerational impacts of high-quality early care and learning lead to $14 of benefit for every $1 invested.

But those are just the benefits to the children (and their future families). The overall impact is even greater. As the pandemic demonstrated, access to safe, high-quality child care is a workforce imperative. Without it, parents can’t work — a challenge that has particularly fallen on mothers. And investing in the education of the early childhood workforce (made up largely of women) not only improves care for today’s youngest learners, it also creates meaningful economic opportunity for those childcare workers and their families.

As a result, investment in early care and learning leads to three lasting impacts:

**Supporting Children**

Giving our youngest learners the start they need to learn, grow and develop — and setting them up for academic and economic success

**Supporting Caregivers**

Supporting economic mobility for those within the early care workforce (and their children and families)

**Supporting Local Economies**

Bolstering economic and community development, both by supporting employed parents and by seeding the next generation of workforce talent
Three Impacts of Early Care and Learning Investment

“We use a two-generation strategy to support families — where access to child care enables parents to go to school or work, and the resulting increase in parental economic stability helps improve outcomes for their children,” notes Kara Dukakis from Tipping Point Community, a leading Bay Area philanthropic organization focused on the sector. “We felt like we could have the greatest impact as philanthropists in the prenatal-to-three space. We do work to promote early brain development and early literacy and numeracy. But we also recognize the importance of focusing on parents and caregivers, which is why we also invest in programs that support maternal mental health, reducing parent stress, and birth equity.”

Philanthropy in Early Care and Learning

Although getting a firm number on the level of total philanthropic investment in early care and learning is hard, there’s ample data to suggest these programs are underfunded — both in absolute terms and relative to other philanthropic priorities.

Early care and learning occur during one-quarter of a child’s youth. Yet, early childhood care and learning receives significantly less philanthropic funding than other youth-focused areas, particularly K-12 education.

According to Grantmakers for Education, philanthropists give about $5 billion annually to K-12 education. Early childhood education, on the other
hand, saw a total of $6 billion in investment from foundations over 10 years, according to an analysis by the Early Childhood Funders Collaborative.

If the $5 billion spent by foundations on K-12 education was distributed proportionally by age from 0 to 18, there would be an additional $1 billion invested in early care and learning every year. And because those numbers reflect only foundation giving, the amount would likely be significantly larger if it included giving from individual donors as well.

An investment of $1 billion in systems to support early education would lead to between $5.5 billion and $11 billion in economic benefits for those students and their families, according to estimates from the Bridgespan Group. An ROI model developed by Professor James Heckman, Nobel Prize-winning professor of economics at the University of Chicago and an expert in the economics of human development, would put the estimate a bit higher: $9 billion to $14 billion.

Those high values are driven, in part, by the impact early care and learning has on other areas, many of which are giving priorities for donors.

When asked what education-related goals they focused on, “ensuring all students graduate high school ready for college or career” was the top education priority among donors in our survey, with nearly half of those who give to education (44%) citing that reason for giving. Only 21% prioritized kindergarten readiness. Thirty-five percent of education donors said that ensuring that all families have safe, affordable, high-quality early care and learning opportunities is a priority for their giving.

But what if the most promising and most cost-efficient way to improve graduation rates and college and career readiness is to invest in early care and learning?

An analysis of student academic growth in California (based on state assessments) found that in nearly 70% of school districts, students average a year of student growth or more every year between grades three and eight. That means that in 7 out of 10 districts, students who are at grade level in third grade are likely to stay on track to graduate — and may even graduate better prepared than peers in other states.

But consider a young child who enters school not meeting kindergarten readiness measures and who is a year or more behind by the time the child reaches third grade. Only 12% of California districts average 1.2 years of student growth or more annually, which would be the growth level required for that child to be at or above grade level before reaching high school.
To put it another way: Only about 1 in 10 districts would, on average, get this child to grade level by high school, compared to 7 out of 10 districts that would do the same if the child from the beginning had received the early childhood resources to be on grade level.

More broadly, the correlation between high-quality early care and learning and high school completion has been well documented. That isn’t to diminish the importance of later interventions, which play an important role in sustaining the benefits of earlier investments. There is solid evidence that programs targeting older children and adults can also generate positive returns. But for donors focused on graduation rates and college or career readiness, supporting our youngest learners and setting them up to thrive in kindergarten is an important piece of the puzzle.

But the even better news is that philanthropic giving isn’t a zero-sum game, particularly in the Bay Area. Over half (52%) of all the donors in our survey reported that they plan to give more to charity over the next three years, relative to prior giving. And of those who reported giving to early care and learning, a similar number (55%) said they plan to increase giving, with 25% saying they plan to increase their contributions significantly.

Three Impacts of Early Care and Learning Investment

**Donor Priorities in Education**

AMONG SURVEY RESPONDENTS WHO GAVE TO EDUCATION (EARLY CARE AND LEARNING, K-12 OR HIGHER EDUCATION), THE TOP AREAS OF GIVING WERE:

- **46%**
  Supporting an alma mater or other institution important to them

- **44%**
  Ensuring that students graduate from high school ready for college or a career

- **35%**
  Ensuring that all families have safe, affordable, high-quality early childhood care and learning

- **33%**
  Supporting college affordability and completion

- **30%**
  Supporting teacher and program quality

To put it another way: Only about 1 in 10 districts would, on average, get this child to grade level by high school, compared to 7 out of 10 districts that would do the same if the child from the beginning had received the early childhood resources to be on grade level.

More broadly, the correlation between high-quality early care and learning and high school completion has been well documented. That isn’t to diminish the importance of later interventions, which play an important role in sustaining the benefits of earlier investments. There is solid evidence that programs targeting older children and adults can also generate positive returns. But for donors focused on graduation rates and college or career readiness, supporting our youngest learners and setting them up to thrive in kindergarten is an important piece of the puzzle.

But the even better news is that philanthropic giving isn’t a zero-sum game, particularly in the Bay Area. Over half (52%) of all the donors in our survey reported that they plan to give more to charity over the next three years, relative to prior giving. And of those who reported giving to early care and learning, a similar number (55%) said they plan to increase giving, with 25% saying they plan to increase their contributions significantly.

That means early care and learning investment can increase without requiring decreases in other areas.
**THE CHALLENGE**

Creating the conditions for early childhood education and development often means looking beyond the classroom. Access to appropriate medical, dental or behavioral resources, as well as supports for parents, are all integral to giving children the opportunity to meet their own individual potential.

Unfortunately, most early childhood care and learning programs in California don’t have the resources or reach to provide access to all of these services. In addition, the public systems themselves are siloed, making it especially challenging to address the complex needs of children and families.

**THE SOLUTION**

The Primary School in East Palo Alto and Hayward, California is guided by three principles: start early, integrate services and partner with parents. That means partnering with families long before their children are old enough to enroll in kindergarten.

Working with children as young as 18 months old, the staff of The Primary School identifies and addresses areas of need through comprehensive services — health care, behavioral services, parent wellness coaching and more. School becomes a center of support for families who, particularly in communities of color and economically disinvested communities, may not have had equitable and reliable access to these services previously.

The Primary School’s whole-child programming is made possible through an ongoing grant from the Chan Zuckerberg Initiative as well as a growing coalition of community donors. Philanthropic funding enabled the East Palo Alto campus to open as a private school with the flexibility to design new programs and invest in often underfunded areas of the public education system. As The Primary School expands, the East Palo Alto campus will function as a lab school and remain private, funded almost entirely through philanthropic contributions. The Hayward campus, as well as any future sites, is committed to being a part of the public school system and bringing East Palo Alto’s innovative practices to scale in a replicable and publicly funded way.

**THE RESULTS**

The strategy has not only proven effective in preparing children for preschool and kindergarten, it has shown that with additional support in their homes and communities, children are more likely to thrive. Impacts of The Primary School include:

- **Health and wellness support**: All students were screened for developmental delays, and 94% of parents followed up when referred to speciality services. Ninety-nine percent of students were up to date on their immunizations in 2020-21, with 94% of students having a well child visit and 85% having a preventative dental visit.

- **Parent engagement**: In 2020-21, 634 referrals were made to help parents access child care, diapers, mortgage and rent assistance, and other community resources. Despite the overwhelming challenges of COVID-19, 87% of parents completed a monthly parent coaching call and 80% of parents attended a virtual monthly peer parent group with other The Primary School families. It should be noted that this level of participation was uncharacteristically low for The Primary School; based on pre-pandemic data, it expects participation percentages to increase with the return of in-person meetings.

- **Kindergarten preparation**: Ninety-eight percent of four-year-olds demonstrate age-appropriate skills for one-to-one counting; 96% at identifying uppercase letters; and 91% for letter sound identification and identifying lowercase letters; and 85% demonstrate age-appropriate mastery of rote counting. Seventy-nine percent of four-year-olds meet or exceed social-emotional benchmarks.

But the benefits of an integrated, whole-child model extend beyond the students’ cognitive and social-emotional development. Parents of children in these programs reported being more engaged in their child’s learning and overall well-being through their connection to The Primary School. The overwhelming majority also said it was easy to ask for help for their child, and two-thirds reported making progress on their own financial, educational, employment-related or health and wellness goals.
Philanthropic investment can change the lives of kids and families—and there's no single “right” way to give.

Broadly speaking, donors can support early care and learning through three approaches: programmatic work, advocacy/systems change and transformation. All are important, and each has a role to play in supporting early care and learning.

Our survey data show that those approaches, used outside of the early childhood context, aren’t new for many of our Bay Area donors.

A majority of donors in our survey reported funding programmatic work: giving to support direct service (57% of donors) or general operating funds (43% of donors). Advocacy was not far behind, with 42% of donors reporting that they fund advocacy efforts.

Fewer donors reported funding applied research (21%), and only 17% reported funding innovation, pilots/testing or transformation — the same amount that reported funding capacity building.

Within the early childhood field, all three of those areas have an important role to play in meeting the immediate needs of children and families, as well as creating new approaches that reimagine systems and incentives to create future opportunities.

Grants for direct service or operating funds, for example, are important for the continued work of The Primary School, as well as for many other community-based organizations doing amazing work on the ground with kids and families.

**PROGRAMMATIC WORK:**
Funding the community-based organizations or others doing on-the-ground work to support children and families through either support for direct service or general operations

**ADVOCACY/SYSTEMS CHANGE:**
Funding efforts to change policy, either to increase state or federal investments in early childhood or to change the policy or regulatory landscape to foster adoption of new models

**TRANSFORMATION:**
Funding innovation and research, including pilot testing and development of new models
But donations to support operating funds sometimes can’t go far enough. The cost of rent — and the overall lack of available space — for child care facilities in the Bay Area is one example. A 2016 report found that building enough spaces to meet the demand for child care would cost nearly half a billion dollars. Rather than try to solve that through direct donations alone, donors have worked to convene a cross-section of public and private sector leaders to tackle the challenge through an advocacy-based approach.

“Strategic and relatively small investments can help advance things like land use planning to more effectively address the facilities shortage,” notes September Jarrett of the Heising-Simons Foundation, another leader in early childhood philanthropy. “By influencing employers, promoting co-location of child care within affordable housing developments and tapping into dollars from other areas like community development or economic development, we can more effectively address the child care location shortage.”

Investments in transformation may come in the form of underwriting new technologies, or they may represent changes to systems. The Big Lift, for example, is a collective impact effort in San Mateo County focused on improving outcomes by providing two years of high-quality preschool, summer learning opportunities (from pre-K to third grade), and family engagement and attendance supports. None of those components individually represents a significant diversion from business as usual. But connecting 300-plus organizations as part of a cohesive umbrella of services does represent a transformative approach. The program took a phased approach, beginning with a pilot project in four communities and expanding to seven. And while philanthropic support was instrumental in getting the program off the ground, the program is now financially stable and supported primarily by the public sector.

Of course, programmatic support, advocacy and transformation can overlap, and donors can choose to fund one, two or all three of those areas, depending on their interests and desired outcomes. Some donors may be attracted to the idea of having a more immediate impact on families by funding a home visiting program or early literacy initiative. Others may be intrigued by the high potential return on investment of advocacy work or by the potential of technology to reimagine parts of the early care system (e.g., improving teacher training or outsourcing back-office support for small, in-home day cares).

Home Grown is one example of this kind of multi-faceted approach. Home Grown supports home-based child care providers — the collection of small businesses, family, friends and neighbors who, in aggregate, care for more children than center-based day cares do. A coalition of funders, Home Grown advocates for federal, state, and local policies that support home-based child care, helps build networks of providers who can learn from one another, and promotes practices and innovations that advance quality among home-based care providers. By connecting all three pillars of advocacy, on-the-ground support and transformation, Home Grown works to ensure that all families have access to quality, affordable child care.
THE CHALLENGE
Although California’s San Mateo County is one of the nation’s most affluent communities, the county still faces significant challenges in ensuring all children have the tools to realize their full potential. In San Mateo, 41% of third-graders don’t read at grade level — including a staggering 3 out of 5 Latinx, Black and Pacific Islander students.

THE SOLUTION
Enter The Big Lift, which unites more than 300 community organizations to boost reading proficiency to 80% among third-graders at the end of each school year. The program provides high-quality learning experiences for children from preschool to third grade, along with opportunities for student enrichment and family engagement.

The Big Lift operates under four key pillars to success:

- **High-quality preschool:** Its investment includes serving 1,900 3- to 5-year-olds at 35 sites. Coordinated classroom support for educators includes professional development, on-site technical assistance and coaching measured through state quality standards.

- **Inspiring summers:** The program, which aims to interrupt the summer slide for children from economically disadvantaged communities, boosts academic and social-emotional development among 1,500 students from those entering kindergarten to third grade.

- **Family engagement:** Support includes Raising a Reader — an award-winning, evidence-based early literacy and family engagement program — and family-parent cafes to promote leadership skills while strengthening family-school partnerships.

- **Attendance:** The Big Lift partners with EveryDay Labs to ensure consistent attendance is a high priority and ongoing habit. It also provides customized attendance messaging to preschool through second-grade students to prevent chronic absenteeism.

Philanthropic investment in The Big Lift was crucial to building the infrastructure of the initiative. Initial funding from the County of San Mateo, Silicon Valley Community Foundation and other donors allowed a phased implementation: The Big Lift grew from four communities in 2015 to a larger pilot in seven communities in 2016, with hopes to expand countywide in the future. Philanthropic funding also helped support independent research and evaluations of programming through RAND Corporation. As the initiative moves toward sustainable public funding streams, this evidence base was pivotal in maintaining community support and securing public funding.

THE RESULTS
The Big Lift is having a big impact on children across San Mateo County. According to evaluations by RAND Corporation, preschool children in the program were 22 percentage points more likely to be ready for kindergarten, compared to their peers who didn’t attend preschool at all. RAND also found that those students who attended both The Big Lift preschool and The Big Lift summer learning programs had additional, statistically significant gains.

Results extend beyond kindergarten readiness. RAND researchers followed the first cohort of The Big Lift participants from preschool to third grade. They found that English language reclassification rates (i.e., students demonstrating they are fluent in English and are no longer considered “English language learners”) were twice as high among children who had participated in The Big Lift preschools than those who did not attend preschool. Big Lift graduates also showed higher third-grade attendance rates than their peers who did not attend preschool.
While the survey of donors sheds light on some of the giving preferences and priorities of Bay Area donors, we also hope it offers a baseline from which to measure progress.

WHERE WE ARE NOW AND WHAT WE ASPIRE TO:

15%
Currently only 15% choose early care and learning from a list of other topics they give to, from animals to religion to arts and culture.

11%
Currently only 11% of respondents say early care and learning is one of their top three areas of giving.

47%
Currently, while 72% reported giving some amount to early care and learning, fewer than half (47%) said they donate more than $500, and just 27% reported gifts of $2,500 or greater.

Increase the number of individuals who self-identify as giving to early care and learning.

Increase the percent of individuals who list early care and learning as a top three priority.

Increase the percent of individuals who give to issue areas related to early care and learning — and in particular those who give more than $500.
Motivating Greater Investment

Making progress on these goals will require understanding the motivations of Bay Area donors.

According to the survey, Bay Area donors choose their areas for philanthropic investment based largely on personal values (64% of respondents) and research about the return on investment of the cause (60%). Those choices were twice as popular as other reasons, such as endorsements, pressure from members of their social circle or familiarity with a specific nonprofit.

But the survey also highlights some reasons why people fail to direct their dollars to early care and learning.

Nearly half say they are interested in early childhood care and learning but prioritize other issue areas. Others noted that it’s either not part of their strategic plan or mission or that they’ve never been asked to give to this issue area. Fewer than 20% said they don’t donate because they lack knowledge about the space or don’t understand why they should give. Notably, none of the respondents said early childhood care and learning isn’t worthy of donations.

Encouraging early care and learning investment may hinge on three things: demonstrating return on investment, making it easy to give and connecting early care and learning to other areas.

When asked what would motivate them to give more money to early childhood care and learning programs, respondents said they want organizations and programs to demonstrate the value of the investment. In fact, when asked what would persuade them to give, twice as many cited information on ROI as chose data on why early childhood care and learning matters.

Respondents also said they’d like to see information on high-quality organizations in the space, as well as have the option of connecting their gifts to another priority area under a collective impact model.
The goal of this report is to be a primer on the current state of philanthropic investment in early childhood among Bay Area donors. The report does not answer a number of questions:

**How do donors see the role of government funding?**

One significant remaining question is the extent to which donors feel that early care and learning is a public good that should be funded by the government.

If donors hold that belief, and also are aware of California’s recent statewide investment in universal pre-K – they may be less likely to channel their philanthropy to early care and learning.

K-12 education, while publicly funded, still receives significant amounts of philanthropic investment. What is the role for groups like Silicon Valley Community Foundation in making the case that, as in K-12, government investment is necessary but not sufficient? What arguments will donors find compelling to ensure public sector funding does not crowd out or disincentivize additional philanthropic dollars?

**To what extent are the time horizons involved in early care and learning a limiting factor?**

One of the reasons the ROI on early care and learning is so high is because it affects the rest of a child’s life. But that also means that it can take 50 years or more for all of the benefits to manifest. That presents a healthy tension — but one that is hard to resolve. How do we encourage ROI-oriented donors to give to organizations that may not be able to demonstrate outcomes for many years?

**What is the role of the media in shaping donor opinions?**

How does media coverage of issues — including the significant coverage of California’s recent multibillion-dollar investment in universal pre-K — impact donor sentiment? Does greater coverage increase awareness and the likelihood that donors will give, or does it create a sense that it is a crowded space that doesn’t need more investment?

These questions and many more are ripe for further study by philanthropists, public policy and advocacy groups, and others. Our hope is to continue to drive awareness and investment in this crucial issue while measuring against some of the initial benchmarks established with this report.
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