

Resources and Costs for Full Implementation
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Costs are Rarely Measured

- Why?
- When Measured Not Linked to Specific Quality Dimensions.
- Outcomes Measured with Attempts at Precision—Costs are treated casually.

What is a quality preschool program?

- Length of sessions (per day, week, year)
- Personnel ratios
- Personnel qualifications.
- Range of services (e.g. psychological, health, nutrition, parent training)
- Facilities & materials
- Transportation
- Intensity of services
- Age range served.
- Enrollments at sites and economies or diseconomies of scale.

Measuring Cost

- Specify quality dimensions and services
- Identify resource requirements or ingredients
- Cost each ingredient by market or shadow pricing
- Aggregate for total and obtain average and marginal cost
- Allocate distribution of cost burden by government units, private support, and client costs

Specify Program and Quality Dimensions

- Services that will be provided
- Organization of services—size of units and enrollment and levels of decentralization

Resource Requirements or Ingredients

- Take from design requirements
- If extant, observe, interview, reports
- Set out according to personnel, facilities, materials, etc...
- Pay attention to quality requirements

Costing out Resources

- Market prices whenever available
- Shadow prices for ingredients not found in competitive markets
- Use economic criteria on opportunity costs (e.g. client or parent costs)

Aggregate and Average Costs

- Obtain total costs for enrollment goal
- Obtain average costs for comparison.
- Obtain marginal costs to assess capacity for growth
- Study scale sensitivity in aggregate and for sites

Sensitivity Analysis

- Set out confidence intervals based on a fortiori assumptions
- Vary quality dimensions. Where are the tradeoffs and cost implications?
- Explore cost feasibility with budget constraint
- Adjust quality dimensions to meet budget or enrollment constraints