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Program Review



January 2002

Report No. 02-07

School Readiness Program's Potential Not Realized With Critical Issues Unresolved

at a glance

The Legislature created Florida's school readiness program in 1999. The program provides "developmentally appropriate" educational services for pre-kindergarten children at risk of future academic failure. The Florida Partnership for School Readiness and local readiness coalitions implement the program. Our review found that

- the program has not been fully implemented;
- the partnership cannot document effectiveness until it implements the assessment system;
- local readiness coalitions have made limited progress in integrating delivery systems and some are deliberately postponing changes to preserve the *status quo*; and
- several critical issues could jeopardize future program success including disagreements over authority and potential loss of school districts as providers.

Purpose

The School Readiness Act requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) to review the school readiness program.¹ The law directed OPPAGA to assess the implementation, efficiency, and outcomes of the program.

Background

Florida's school readiness program has been in a state of transition since its creation in 1999. It provides developmentally appropriate educational services to children from birth to kindergarten to ensure readiness for school and reduce academic failure.

Prior to 1999, responsibility for school readiness programs in Florida was divided among the state Departments of Education and Children and Families and the federal Head Start program.

- The Department of Education (DOE) administered and funded school-based readiness programs such as the Prekindergarten Early Intervention Program (Pre-K), Prekindergarten Program for Children with Disabilities, Florida First Start, and Migrant Prekindergarten.
- The Department of Children and Families (DCF) administered the subsidized child care program, which provided child care services to at-risk and economically disadvantaged children since 1978.

¹ Section 411.01(11), *F.S.*

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- The federal Head Start program also provided readiness services in local communities through funding provided directly to individual grantees.

Except for various interagency coordination efforts required by law, these programs functioned independently. As identified in our previous reports on school readiness, these interagency coordination efforts had generally not succeeded in integrating local services.²

In 1999, the Legislature enacted the School Readiness Act to create a more cohesive, efficient, and integrated school readiness system and increase children's chances of achieving future educational success and becoming productive members of society.³ The legislation created three major components:

- a state level governing board known as the Florida Partnership for School Readiness (partnership), with responsibility for coordinating statewide efforts;
- local school readiness coalitions to oversee services;⁴ and
- an estimating conference for school readiness programs.

For the first time, Florida's school readiness programs were to come under the guidance and direction of a single entity at both the state and local level.

Legislative changes after 1999. The 2001 Legislature transferred the partnership from the Executive Office of the Governor to the Agency for Workforce Innovation (AWI). The AWI assumed direct responsibility for certain administrative aspects such as budget development and allocation.

The 2001 Legislature also repealed the statutory authority (effective January 1, 2002) for the

individual school-based readiness programs included in the original legislation, thereby creating a single readiness program under the direction of the partnership and local coalitions. At the local level, school readiness coalitions were given direct authority. Although local school boards are no longer directly involved in administering the program, they can still provide program services and support through contractual arrangements with readiness coalitions.

Florida Partnership for School Readiness. The partnership is responsible for overall leadership and for coordinating programmatic, administrative, and fiscal policies and standards. The partnership is charged with safeguarding the effective use of public and private resources and providing technical assistance to local coalitions. It also must annually review and approve local readiness coalition plans, and assess gaps in services. The state governing board has 20 members, which include specific elected and appointed officials, and membership from specific public and private sectors. (See Exhibit 1 for the partnership's membership.)

The partnership has 53.5 total full-time equivalent (FTE) employees who conduct research, provide guidance and technical assistance to local coalitions, establish and manage funding contracts, and perform other administrative functions. This total includes 17 FTE from the AWI who provide administrative support to the partnership through an interagency agreement. Also included are 16 regional contract managers located throughout the state who provide a variety of services to coalitions. (See Appendix A.)

² See *Follow-Up Review of Early Education and Child Care Programs*, OPPAGA [Report No. 98-38](#), January 1999 and *Review of Early Education and Child Care Programs: A Fourteen-County Perspective*, OPPAGA [Report No. 94-27](#), January 1995.

³ Chapter 99-357, *Laws of Florida*.

⁴ Each local Head Start director participates on the readiness coalition. However, the coalition does not control Head Start funding, which flows directly from the federal government to the local Head Start grantee.

Exhibit 1

The Partnership for School Readiness and Local School Readiness Coalitions Statutorily Require Members from Both the Public and Private Sectors

Partnership for School Readiness ¹	Local School Readiness Coalitions ³
Lieutenant Governor	A Department of Children and Families district administrator
Commissioner of Education	A district superintendent of schools
Secretary of Children and Families	A regional workforce development board chair or director, where applicable.
Secretary of Health	A county health department director
Chair of the Child Care Executive Partnership Board	A children's services council or juvenile welfare board chair or executive director, if applicable
Chairperson of the Board of Directors of Workforce Florida, Inc.	A child care licensing agency head
14 members of the public who shall be business, community, and civic leaders in the state who are not elected to public office. ² Of these 14 members, 2 must be from the child care industry, and 2 must be from the business community.	One member appointed by a Department of Children and Families district administrator
	One member appointed by a board of county commissioners
	One member appointed by a district school board
	A central child care agency administrator
	A Head Start director
	A representative of private child care providers
	A representative of faith-based child care providers
	More than one-third of the coalition members must be from the private sector ⁴

¹ Total number of members for the state governing board is 20.

² These members and their families must not have a direct contract with any local coalition to provide school readiness services. The members must be geographically and demographically representative of the state.

³ Total number of members for local coalitions may vary from 18 to 25.

⁴ Neither they nor their families may earn an income from the early education and child care industry. To meet this requirement, a coalition must appoint additional members from a list of nominees presented to the coalition by a chamber of commerce or economic development council within the geographic area of the coalition.

Source: Section 411.01, *F.S.*

School readiness coalitions. Readiness coalitions are responsible for implementing the school readiness program at the local level.⁵ There are 57 coalitions; most serve individual counties but some serve multiple counties. (See Appendix B for a map of the coalitions.) The coalitions are to develop an implementation plan to coordinate local school readiness services that must be approved by the partnership. If a coalition does not have an approved plan, the program remains the responsibility of the agencies that provided the services previously, the school district and the community child care coordinating agency. (See Exhibit 1 for a listing of coalition membership requirements.)

Coalitions must be either a legally established corporate entity or must contract with a fiscal agent for financial and administrative services.

Fiscal agents can include independent accounting firms, community child care coordinating agencies, school districts, or children's services councils.⁶ To minimize administrative costs and lessen duplication of administration, coalitions serving fewer than 400 birth-to-kindergarten age children must either join with another county to form a multi-county coalition, enter an agreement with a fiscal agent that serves more than one coalition, or demonstrate to the partnership its ability to effectively and efficiently implement its plan as a single-county coalition.

Once a coalition has selected a fiscal agent and has an approved plan, it is then eligible to receive program funding and assume responsibility for

⁵⁵ Section 411.01(5), *F.S.*

⁶ Established pursuant to s. 125.901, *F.S.*, a children's services council is an independent special district that with the approval of a majority of voters in a county voting on the question, is empowered to levy ad valorem taxes in order to provide funding for children's services throughout a that county.

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delivering program services. Coalitions can use 5% of the funding received for administrative costs. Coalitions may sub-contract with school districts and private, non-profit or faith-based child care centers to provide child care and educational services to eligible children.

In addition, coalitions can contract with community child care coordinating agencies for a variety of services. Historically, these agencies were a vital part of the subsidized child care program and performed client eligibility determinations, resource and referral services for families seeking subsidized child care, parent education, training for child care workers, and social services for parents. The agencies also provided developmental assessments of children receiving services, and purchased child care services through directly operated centers, subcontracted facilities, and voucher certificates.

In the past, community child care coordinating agencies could use up to 18% of their subsidized child care funding to pay for administration and direct enhancement services. The agencies may still receive funding for these services under the new school readiness program structure. However, instead of being directly funded through a contract with the state, these agencies receive their funding through contracts with local coalitions.

Estimating Conference. The state School Readiness Program Estimating Conference annually forecasts the number of children eligible for school readiness programs. The conference also determines an unduplicated count of the number of children enrolled in the program. The partnership gathers and provides information on needs and waiting lists for school readiness services requested by the conference or individual conference principals.

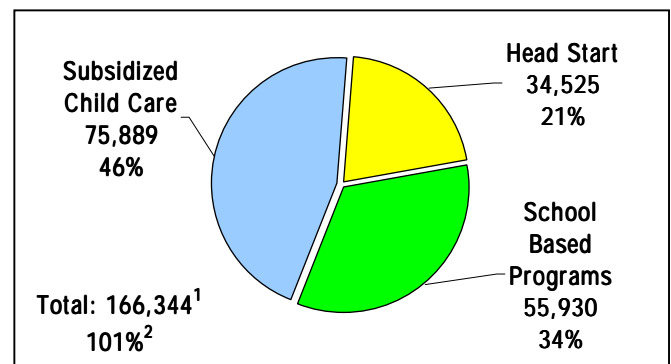
Program clients

The eligibility requirements for the school readiness program are provided for in law.⁷ In general, the program provides readiness services to economically disadvantaged children from birth to kindergarten who are at risk of future

academic failure. Priority is given to children who are at risk of abuse and neglect. Children of participants in welfare transition programs and migrant farm workers are also eligible for the program. Finally, the program provides services to three- and four-year-old children who may not be economically disadvantaged, but have disabilities.

The 2001 School Readiness Program Estimating Conference determined that as of October 2000 there were 166,344 children being served in some type of publicly funded school readiness program. As shown in Exhibit 2, subsidized child care was the largest single program, accounting for nearly half (46%) of the total children served.

Exhibit 2
Subsidized Child Care Accounts for Nearly Half of the Children Served by the Readiness Program



¹ As of October 2000; Includes children who are served by multiple programs.

² Does not equal 100% due to rounding.

Source: 2001 School Readiness Estimating Conference.

Program resources

Funding for the readiness program comes from a variety of sources. Approximately 72% of the funding comes from the federal government (see Exhibit 3), with most of the remaining funding provided by general revenue (\$186.9 million). Federal funding for the program is from two major sources awarded by the US Department of Health and Human Services: the Child Care and Development Fund, and Temporary Assistance for Needy Families Grants (TANF). The federal Head Start program also provides funding for school readiness services throughout Florida, although the funding goes directly to the Head

⁷ Sections 411.01(6), 445.023, 445.032, and 409.178 F.S.; 45 CFR, Parts 98-99, 260-265.

Start grantee at the local level and is not part of the state's budgeting process. As seen in Exhibit 3, total program funding has increased from \$569.22 million to \$686.38 million since Fiscal Year 1999-2000.

Exhibit 3 School Readiness Program Funding Has Increased Over the Last Three Years

Fund Type	Fiscal Year		
	1999-00	2000-01	2001-02
General Revenue	\$ 73,664,659	\$ 95,174,211	\$186,925,095
Educational Enhancement Trust Fund	103,338,000	103,338,000	
Temporary Assistance for Needy Families Grants	132,496,924	158,758,055	157,969,708
Child Care and Development Trust Fund	249,562,028	273,418,014	321,598,774
Other Funding	10,165,733	15,376,712	19,889,038
TOTAL	\$569,227,344	\$646,064,992	\$686,382,615

Source: The Florida Partnership for School Readiness.

Findings

Program implementation has been slow; still not complete

After two and one half years of effort by the partnership and local readiness coalitions, the seamless, integrated school readiness system created by the Legislature in 1999 has not yet been fully implemented. Although the partnership has implemented many of the required elements of the school readiness program by the timelines specified in law, it has not finished implementing several key components such as the assessment system and the single point of entry. Until the partnership and the Department of Education complete the assessment system, it is unable to determine and report on the overall effectiveness and performance of the program.

In addition, very little progress was made in unifying program policies and services under the

authority of coalitions at the local level during the first 24 months of implementation. Many coalitions have not moved beyond the organizing and planning stage of the process, with limited progress in changing their delivery systems to better integrate and improve program services. Some have deliberately postponed changes to preserve the *status quo*.

The partnership has not finished implementing several key program elements

The partnership has implemented many of the basic program requirements provided for in law and has established the state-level governing system created by the School Readiness Act. For example, the partnership formed and held regular board meetings, conducted technical assistance conference calls with coalitions, and developed instructions for submission of coalition plans. It has also reviewed and approved coalition plans, developed and submitted the Child Care Development Fund State Plan, prepared legislative budget requests, and performed numerous other functions associated with a state-level governing board.

However, the partnership has not fully implemented several key program components. As shown in Exhibit 4, the partnership had not finished implementing five critical elements as of December 1, 2001. It had implemented some key components. Notably, it had established local coalitions to represent all 67 counties, implemented a sliding fee scale for all program providers, and adopted performance standards. It also had developed a plan for the required program assessment system. However, the partnership had not yet centralized program funding and authority for all coalitions, adopted rules to facilitate program implementation, established approved plans for all coalitions, established a single point of entry system statewide, or implemented the assessment system. Until the partnership fully implements these elements, the Legislature's vision for a fully integrated, cohesive, and accountable system will not be realized.

Exhibit 4

The Partnership Has Not Finished Implementing Five Key Program Elements

Key Readiness Program Element	Status	Comment
Establish local readiness coalitions	Complete	Fifty-seven coalitions have been established, with all 67 counties represented.
Implement a sliding fee scale for all program providers including school-based programs (minimum standard for coalition plans)	Complete	The subsidized child care program has always included a parent co-payment. Historically, school-based programs such as Pre-kindergarten Early Intervention program did not. The partnership made it a condition of coalition plan approval that the fee schedule be applied to school-based programs. Each of the 57 coalitions has implemented a parent co-payment for school-based programs.
Develop and adopt performance standards and outcomes for the program	Complete	The partnership adopted performance standards at its May 30, 2000, meeting, thus meeting the statutory deadline of June 1, 2000.
Adopt an assessment system for the school readiness program, which should include objective data, a uniform screening for students entering kindergarten, and a longitudinal evaluation	Complete	A workgroup established by the partnership presented its recommendations for the assessment system at the partnership's June 27, 2000, meeting. The partnership approved the recommendations and later presented them to the Florida Board of Education.
Development and approval of coalition plans	Not Complete	Coalitions first submitted plans to the partnership for approval in May 2000. As of December 1, 2001, plans from 52 coalitions have been fully approved, but plans from five coalitions are not yet fully approved. A coalition is not eligible to receive program funding until it has an approved plan.
Centralize program funding and services under the authority of coalitions	Not Complete	The partnership is using a contracting process as a way of providing approved coalitions (on a case-by-case basis) with a centralized funding source. As of December 1, 2001, only 39 of the 57 coalitions have signed a contract with the partnership for all readiness program funding and services. Without centralized funding, coalitions are unable to control the program.
Establish a single point of entry and unified waiting list for readiness programs	Not Complete	In the past, with multiple agencies involved, parents would have to "shop around" to get the readiness services they need and in the process, receive differing or inconsistent information from different agencies. The single point of entry is intended to eliminate this problem by providing one system that parents have to deal with in order to enroll their child in a school readiness program. Some coalitions have implemented their own single point of entry system. However, other coalitions are waiting for system software that the partnership is developing. The partnership did not receive approval of a budget amendment to provide funding for this project until July 2001. This software system should be completed by July 2002.
Implementation of the assessment system, in particular the uniform screening for kindergarten students	Not Complete	The 2001 Legislature specified a timeline for implementing the uniform kindergarten screening and clarified that the DOE is responsible for piloting it based on the recommendations of the partnership. The law states that the screening should be piloted during the 2001-02 school year, with full implementation required during the 2002-03 school year. ¹ The department is planning to pilot the screening during the spring. The partnership cannot provide data on program outcomes until the assessment is complete.
Adopt rules necessary to administer and implement the program	Not Complete	Although the partnership has begun the rule development process, no rules had been adopted as of December 1, 2001. The partnership has the authority to adopt rules for program implementation and administration, including coalition plan approval, awarding incentives to coalitions, and issuing waivers. ² Rules could help ensure that various aspects of the program are implemented consistently across coalitions.

¹ Section 411.01(10), *F.S.*

² Section 411.01(4)(k), *F.S.*

Source: OPPAGA analysis.

Program effectiveness cannot be determined until the assessment system is complete. Due to the program's failure to implement the assessment system, program results are still unknown. In creating the school readiness program, the Legislature placed an emphasis on program accountability by statutorily describing the requirements for a comprehensive assessment system.

The partnership met the statutory deadlines for adopting the assessment system, including the development of performance standards and a plan for conducting the longitudinal evaluation. However, the partnership and the Department of Education have not finished implementing the assessment system. Notably, the uniform kindergarten screening has not been implemented. This screening will measure the readiness levels of students entering kindergarten (the outcome measure for the program). It is thus key to assessing whether the program is meeting its goals of preparing at-risk students for school success.

The original legislation did not specify a timeline for implementing the uniform kindergarten screening.⁸ Partnership staff indicated that they originally planned to pilot a screening instrument during the 2000-01 school year, but were unable to obtain approval of a budget amendment that would have provided funding for the project. The 2001 Legislature clarified that the Department of Education (DOE) is responsible for piloting the uniform screening and provided an implementation timeline.⁹ The law requires the department to pilot the screening during the 2001-02 school year. As of November 1, 2001, the department had issued a Request-For-Proposals (RFP) to select the screening instrument to be used and to provide training for administering the selected instrument. The instrument should be selected by early 2002, and the department plans to pilot or field-test the instrument during the spring. The pilot will focus on procedural issues such as length of time needed to administer the instrument to a child. The uniform screening

must be fully implemented by the beginning of the 2002-03 school year.

Until this system is complete, there is no consistent way to assess whether children served by the program are in fact ready to enter school. The partnership will not be able to provide baseline data for accountability purposes until the 2003 legislative session, which is nearly four years after the program began. Over this time period, approximately \$2 billion will have been spent for which no consistent performance data and outcomes are being reported.

Local coalitions have made limited progress in changing their delivery systems to better integrate and improve program services

Local coalitions have made limited progress in creating the fully integrated and cohesive school readiness system as envisioned by the Legislature. In general, during the first two years, individual program providers such as the school district and the community child care coordinating agencies continued to deliver services in the manner that they were provided prior to the creation of the program. Although overall progress has been slow and limited, some important program changes are beginning to occur at the local level.

To determine changes at the local level, we reviewed each of the 57 coalition plans, visited nine coalitions, and surveyed coalition members.¹⁰ During field examinations, we conducted a focus group with both coalition members and providers. We also interviewed school district officials, community child care coordinating agency representatives, Head Start workers, and Department of Children and Families district personnel. We used the survey of coalition members to determine if issues identified during our site visits were prevalent in other coalitions across the state.¹¹

⁸ Chapter 99-357, *Laws of Florida*.

⁹ Section 411.01(10), *F.S.*

¹⁰ The nine coalitions visited were Baker-Bradford, Broward, Clay-Nassau, Charlotte, Escambia, Hillsborough, Monroe, Sarasota, and Walton.

¹¹ Fifty percent of the 1,030 coalition members surveyed responded to our survey in October 2001. We received responses from every coalition. For two-thirds of the coalitions, 40% or more of coalition members responded.

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Very little progress was made in unifying program policies and services under the authority of coalitions during the first two years. Although the 1999 Legislature envisioned a new model for integrating school readiness services, this new model has not been fully realized. During the first two years of the program (i.e., through June 1, 2001), only seven coalitions actually signed contracts with the partnership and assumed responsibility for funding and services. Thus during this period, funding for the 50 remaining coalitions went directly to the school districts and community child care coordinating agencies, and the local coalitions did not assume control of the program.

Fortunately, there has been improvement recently. As of December 1, 2001, 32 additional local coalitions have signed contracts and assumed responsibility for funding and services. However, 18 local coalitions have not assumed control of the program in their counties.

Our survey of coalition members also confirmed a lack of progress in implementing the new integration model, as many respondents reported that they were unable to perform their role as the centralized decision-making body (governing board) for readiness services in their communities. Only 32% of coalition members responding to our survey reported that their coalitions had functioned as the local governing body for readiness programs by making funding decisions, setting program policies and standards, and holding providers accountable.

Until coalitions gain control of local funding, they are basically advisory or coordinating bodies, which is exactly the situation that existed in the past and what the school readiness legislation intended to eliminate. The coalitions may be able identify strategies to improve program integration and services, but will be unable to implement these strategies without control over local funding.

Coalition plans are generally deficient in identifying clear strategies to improve service integration and efficiency. Coalition plans vary in quality and content and generally need to be improved. We reviewed each of the 57 coalition plans to determine if they identified concrete

strategies for improving program integration, efficiency and services. Since the plans are the mechanism for implementing the school readiness program at the local level, it is critical for the plans to provide a clear blueprint of actions coalitions should take to improve efficiency, integration of services, and to achieve the outcomes envisioned by the Legislature. The law specifies the program expectations and elements that should be addressed in coalition plans.¹² In accordance with these expectations, the partnership developed a plan application framework to be used by coalitions when developing their plans.

However, coalition plans are generally deficient or vague in describing strategies to better integrate services and improve efficiency. For example, many plans include a history of the various processes and agencies that were involved in providing readiness services (i.e., school districts, central agencies), but do not provide a clear statement of what the coalition itself will do to improve program services and readiness outcomes. Only 12 of the 57 plans detail clear strategies consistently across all required program and plan elements.

The plans also vary greatly in the strategies identified for coordinating staff training among agencies. The law requires that coalition plans provide opportunities for coordinated staff development among program providers. In one of the better plans, the Clay/Nassau Coalition plan details a highly coordinated system that includes developing a core curriculum and teacher evaluation instrument to be used by all school readiness program providers. Its plan also includes establishing a coordinated "career ladder" and professional development plan for all providers, which is linked to the common core curriculum.

However in contrast to the Clay/Nassau Coalition plan, other plans simply describe the training that agencies such as the school district and central agencies provide to their own staff, with no analysis of how these training activities would be coordinated among the agencies. For example, one plan listed all the entities that were available

¹² Section 411.01(5), *F.S.*

in their communities to provide training such as community colleges, and then stated that different readiness providers would “share” these training opportunities. However, the plan did not describe how the providers would share the training. In our opinion, plans with these deficiencies should not have been approved by the partnership because they clearly did not meet the program expectation for coordinated staff development.

To correct these concerns, the partnership should establish administrative rules that provide for an annual re-approval of plans as a condition of continued funding for coalitions. Specifically, the partnership should develop criteria for initial plan approval and subsequent re-approval annually that clarifies the level of content and quality that is expected for each area of the plan. Coalition plans should be required to meet the criteria established by administrative rules. This will help ensure that coalitions are developing their programs to meet legislative goals. In addition, as part of these rules, the partnership should require coalitions to identify actions taken to correct previous plan deficiencies and to identify which of their plan strategies they have successfully implemented (a plan implementation status report). For strategies not implemented, coalitions should be required to provide explanations and submit a schedule for implementation. Plans should not be re-approved, and funding to the coalition not continued unless these conditions are met. When a coalition’s plan does not meet the criteria for re-approval, the partnership should consider alternatives for funding local services which may include contracting directly with providers in the affected county.

Coalitions have made limited progress in implementing specific strategies to improve program integration, efficiency, and quality. If coalitions do not examine their programs and delivery systems to establish concrete steps to improve readiness services, the Legislature’s intent to fully integrate school readiness programs may not be achieved as envisioned. However, the coalitions we visited typically indicated that they had not implemented specific actions to improve program integration, efficiency, or quality.

Some coalitions are deliberately postponing changes to preserve the *status quo*. In fact, several coalitions we visited said that they made a deliberate decision to postpone changes and preserve the status quo with regard to readiness program service delivery. Some local coalition members expressed an uncertainty about the future of the process and did not want to create a potential for disruption of services. Two areas of uncertainty cited by coalitions were the effect of the Legislature’s elimination of individual program standards (effective January 1, 2002), and the funding of the program through coalitions as opposed to the individual agencies. Other coalitions reported that they had focused on planning and organizing up to this point and had not begun to implement strategies to improve program integration and services.

Coalition members responding to our survey also reported that the reluctance of different entities or agencies to move beyond the status quo was a problem in implementing the program. Specifically, 71% of respondents indicated that the preservation of the status quo by established entities or agencies was a barrier to implementing the school readiness program. This response was pervasive across coalitions.¹³

In addition, coalitions have taken few apparent steps to improve efficiency by reducing administrative duplication among providers. We identified this problem as a particular weakness in our earlier reports. Only one of the coalitions we visited indicated that they had directly addressed this issue. Also, only 25% of the coalition members responding to our survey reported that their coalitions have taken steps to reduce duplicative administrative functions across service providers.¹⁴

Further, some coalitions we visited have not yet implemented a single point of entry.

¹³ In analyzing responses by coalition, we elected to define pervasiveness as follows: a response is defined as pervasive when (1) a two-thirds majority of respondents from a particular coalition reported a similar response to a question, and (2) the percentage of the 57 coalitions is similar to the overall percentage of the two-thirds majority of members reporting the same response.

¹⁴ In examining this response by coalition, only 2 of the 57 coalitions had a two-thirds majority of the respondents indicate that their coalition had reduced duplicative administrative functions.

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Implementing a single entry point, by which families seeking to access any school readiness service are directed to a central entity for information and eligibility determination, is critical to streamlining administrative processes and improving program integration and efficiency. Our earlier reports cited multiple, often uncoordinated eligibility determination processes as a key program problem.

However, four of the nine coalitions we visited have not implemented an integrated single point of entry system. Two of these coalitions indicated that they were waiting for the partnership to develop a single point of entry system that they could use. Local program staff in various counties cited this same reason (waiting for the state) three years ago during our prior review as the reason that they had not taken this step.

Some coalitions are beginning to take steps towards establishing highly integrated readiness systems. While progress has been slow and limited during the first two years, some important changes are beginning to occur at the local level, illustrating the program's potential to improve readiness services. Several coalitions we visited have made considerable progress in implementing an integrated and seamless readiness program as envisioned by the Legislature. In general, coalitions that assumed control of funding earlier in the implementation process are much further along in integrating services. Once they assumed control of funding, these coalitions could decide how to best use the monies to meet the service needs of their communities.

For example, the Monroe Coalition assumed control of funding in May 2001. Instead of preserving the *status quo* by simply allocating the monies to the various agencies based on past funding levels, the coalition contracted out its readiness program for this fiscal year on a "slot-by-slot" basis, with funding linked to the level of service provided and/or needed by the child (i.e., staff-to-child ratios, staffing credentials). The coalition identified the children it needed to serve and then, through a formal request for proposal process, asked for bids to serve them from the entire early education community in their area.

This approach eliminates the categorization of funding streams that once existed and prevented the county from approaching the delivery of readiness program services from a unified perspective. And most importantly, readiness-funding decisions are now based on the needs of children and their families rather than the needs of a specific program or agency. Children should be better served as a result. The Sarasota County Coalition has implemented a similar approach.

In another example, the Clay/Nassau and Baker/Bradford coalitions have established a core curriculum for all program providers. As stated in our earlier reports, the programs and agencies included in readiness have historically served different purposes and had varying levels of quality. Establishing a core curriculum will help ensure that all providers are teaching the same content and desired learning outcomes. Thus, families and children should have access to the same instructional content regardless of the program provider they choose. Ultimately, this should help reduce the varying levels of quality that existed among program providers in past years.

Other readiness coalitions we visited are beginning to make important decisions about readiness services in their local communities that very likely would not have been made prior to their existence. For example, the Broward County Coalition plans to hire an independent auditor to review the expenses of the community child care-coordinating agency for subsidized child care. This coalition is trying to determine what the agency has been doing with the money it receives to ensure that it is providing the level of services desired by the coalition. The review should be completed in early 2002. Ultimately, this effort could help identify areas to reduce administrative costs and improve program efficiency.

Lack of centralized funding and ineffective guidance slowed progress

Two primary barriers slowed progress during the first two years of program implementation. The

program lacked a centralized funding source during the first 20 months of existence, which meant that coalitions could not assume control of the program. Also, the partnership was ineffective in providing clear and consistent direction to readiness coalitions. In addition to these two primary barriers, the composition of local coalition membership may have contributed to the delayed implementation of the program.

Lack of centralized funding slowed progress

The lack of a centralized funding source during the first 20 months of the program's existence slowed progress and created a major barrier to program implementation at the local level. Centralized funding is one of the major elements of the school readiness program and enables coalitions to unify planning and local control of readiness programs. However, because funding was not centralized until this year, coalitions have been unable to assume control of the program because the funding still went to the agencies that provided the services prior to creation of the school readiness program.

The original school readiness legislation required the partnership to present to the Legislature, by February 1, 2000, a plan for combining the different funding streams into a School Readiness Trust Fund. The partnership submitted its proposal to the Legislature in January 2000. However, the Trust Fund was never established partly due to concerns regarding the legality of combining multiple federal grant programs into one source at the state level. As a result, the different funding sources were not combined and placed under the control of the Partnership. Budget authority for the Pre-K program and the subsidized child care program remained with the DOE and the DCF, respectively, during the program's first two years.

The partnership did develop a way to centralize the funding for coalitions with approved plans. During Fiscal Year 2000-01, the partnership began working with the DOE and DCF to develop a method for combining the funding at the local level. The result of these interagency efforts was a complicated contracting process, which

transferred the funds from the two agencies to approved coalitions. The partnership developed a standardized contract that coalitions with approved plans could sign to begin receiving program funding. In March 2001, the Sarasota and the Clay/Nassau school readiness coalitions became the first two Florida coalitions to sign contracts with the Partnership. As of December 1, 2001, 39 of the 57 coalitions have signed contracts with the partnership. It expects to have all coalitions under contract by July 2002.

The 2001 Legislature took steps to further correct this problem by eliminating the individual readiness programs that existed previously and by giving the Agency for Workforce Innovation (AWI) the authority to administer all school readiness funds pursuant to a contract with the partnership. Programmatic and budgetary authority for the program is now combined into a single administrative entity, which was not the case during the previous two years.

The partnership's ineffectiveness in providing clear and consistent guidance made program implementation difficult for local coalitions

The partnership was not effective in providing clear, consistent guidance to coalitions, making it difficult to implement the program at the local level. All of the coalitions we visited reported that the partnership did a poor job of providing direction and technical assistance to local coalitions, which affected their ability to effectively administer the program at the local level. Coalition members responding to our survey reported similar concerns. (See Exhibit 5.) For example, 72% of the coalition members responding reported that the lack of clear and consistent guidance was a significant barrier to implementation. This response was pervasive across coalitions. Coalition members were particularly concerned about the partnership's lack of guidance on administrative and fiscal issues such as contracting and procedures for allocating program costs. This lack of clear direction contributed to the reluctance of coalitions to implement major changes to their program delivery systems because they were not

sure of the parameters (legal or programmatic) for implementing acceptable changes.

Exhibit 5 Coalition Members Reported That the Partnership Was Ineffective in Providing Guidance and Technical Assistance

- 72% of the coalition members responding to our survey reported that a significant barrier to implementation was the lack of clear and consistent guidance by the partnership.
- In rating the partnership's performance as good, fair, poor, or no opinion, 58% of the coalition members reported that the partnership had done a poor job of providing clear, consistent direction.
- 79% percent of the respondents indicated that a barrier to implementation was the lack of coordinated training for coalition members.
- 79% of the coalition members reported that the partnership had done a fair (35%) to poor (44%) job of providing technical assistance on fiscal and administrative issues.
- 75% of the coalition members surveyed reported that the partnership had done a fair (33%) to poor (42%) job of in providing information on innovative or best practices implemented by other coalitions.

Source: OPPAGA survey of coalition members.

Information on best practices could help coalitions improve services. The partnership should develop a systematic process for providing information on best practices among the 57 coalitions. Seventy-five percent of the coalition members surveyed reported that the partnership had done a fair (33%) to poor (42%) job of in providing information on innovative or best practices implemented by other coalitions. Information on best practices is important because it could help coalitions struggling to make progress improve by providing concrete examples of successful program integration efforts in other counties.

Organizational problems related to staffing may have affected the partnership's performance in providing guidance to local coalitions. Several issues related to partnership staffing arrangements caused organizational problems and contributed to its ineffectiveness in providing guidance during the first two years of the program. From the beginning, the partnership was charged with developing and implementing a new system for delivering school readiness

services to local communities. This required readiness coalitions to be formed and begin operating, the partnership board had to meet and be supported, a completely new and comprehensive assessment system needed be established, and coalition plans had to be developed and approved in a manner consistent with required program elements in law.

However, during the program's first year (Fiscal Year 1999-2000), while many of these important components were being developed and implemented, the partnership had three authorized FTE staff, with two additional staff hired as other personnel services (OPS) positions. Since that time, staffing increased to 53.5 FTE positions primarily through transfers from the DOE and DCF. However, the agencies encountered difficulty in agreeing on the positions that should be included in transfers, which resulted in delays. Finally, the partnership has had four different executive directors (two permanent and two interim) over the last two years, which affected organizational continuity and consistency as well.

The partnership has provided inconsistent directives and has failed to adopt rules.¹⁵ Coalition members also complained that directions from the partnership have changed frequently, particularly regarding the contracting process, and that they received different answers depending on which partnership staff they spoke with. This lack of consistent guidance has been compounded because the partnership has not yet adopted any rules or formalized policies and procedures to help facilitate the implementation of the program at the local level. Such rules and formal guidelines could provide more uniform guidelines and help local coalitions implement the program. Partnership officials responded that they realize that the lack of rules is a problem, and they have begun to develop rules for various program elements; however, as discussed later, their rule development process has been delayed.

Composition of local coalition membership may have contributed to the delayed

¹⁵ Section 411.01(4)(k), *F.S.*, gives the partnership the authority to adopt rules necessary to administer the program.

implementation of the school readiness program

As stated earlier, several coalitions we visited indicated the members were deliberately postponing program changes authorized by the 1999 legislation. We believe that the statutorily authorized composition of local coalitions can interfere with the implementation of changes envisioned by the Legislature.

The authorized composition of local coalitions includes members who are employed in the field of school readiness as providers or program administrators. Although the knowledge and expertise of these individuals is valuable to the process, their inclusion as voting members may affect the ability of coalitions to act as change agents for implementing the new readiness system.

The members of coalitions who are employed in the field of school readiness can have a vested interest in maintaining the current delivery system and continuing the funding that they receive as a program provider. Thus, their presence as voting members can contribute to the delay in implementing program changes.

To encourage changes and timely implementation, the Legislature may want to reconsider the statutory composition of members on local coalitions to include language similar to s. 411.01(4)(c)2., *Florida Statutes*. This provision prohibits the state-level partnership board from including members who have direct contracts with local coalitions to provide school readiness services.

Four critical issues could jeopardize future program success

Four critical issues could jeopardize program success in the future.

- **School districts may opt out of providing readiness services in their local communities.**

- **Coalitions are having difficulty retaining private sector members.**
- **Disagreements over the scope of partnership authority in relation to readiness coalitions.**
- **The current administrative funding structure is problematic for smaller coalitions.**

School districts may not continue providing school readiness services

School districts may discontinue their roles as providers as the implementation of the program continues, which could reduce service availability and hurt the program's long-term success. During our site visits, some school district officials with whom we spoke indicated they were considering opting completely out of providing school readiness services. To date, five school districts statewide have made a decision to discontinue providing services.¹⁶ The remaining districts that are considering eliminating readiness programs have not done so yet because they have a vested interest in assuring children arrive ready for kindergarten. However, with budget constraints looming and school districts cutting their budgets, the school readiness program could be eliminated in more districts.

School districts can choose to be a program provider or not. Prior to the School Readiness Act, school districts providing school-based readiness services such as the Pre-K program received their funding directly from the DOE or the state. Under the current readiness program, school districts choosing to provide readiness services will receive funding through a contract with their local readiness coalition, provided that the coalition has signed a contract with the partnership. It is the intent of the Legislature that the school readiness program coordinate and operate in conjunction with the district school systems. However, the school districts are not required to contract with the coalitions, and they could choose to discontinue providing readiness services in their local communities. If this happens, the coalition could contract out the slots

¹⁶ These districts are Highlands, Jefferson, Lafayette, Orange, and Sarasota.

not served by the school district to the other child care providers in the community.

According to school district finance personnel, the annual state appropriation for the Pre-K program did not historically cover the entire cost of the program and caused Pre-K to be subsidized by the school district. For example, Pre-K funds covered the costs of the teachers and most direct classroom supplies. However, Pre-K funds did not cover the cost of the facility, a principal, transportation, guidance counselors and other support staff, art, physical education and music teachers, cafeteria and any payroll, finance and other district level employees. These other services were funded out of the school district's overall educational budget. The Pre-K program, if removed completely from the school district, could not be replicated at its current funding level.

If school districts opt out of the program, a valuable resource would be lost. If school readiness programs are eliminated from public school settings, many of the services provided by the school districts on an in-kind basis will be lost. Funding for services such as the leadership of a trained principal, transportation, the availability of guidance counselors and other support staff will not be available for coalitions to use when contracting out the slots that were previously served by the school district. Essentially, a reduction in overall funding and services could occur, as it is not likely that the school district's support infrastructure could be replicated by private child care providers. Ultimately, this loss could hurt program quality and school readiness outcomes in the future. Another, potentially more serious loss could occur in some smaller counties where the school district provides the majority of school readiness services available. If the school district opts out of the program, these counties could be left without an entity to provide readiness services in their communities.

School districts administrators have cited two primary reasons for discontinuing their role as a provider.

- Under the new system, coalitions control program funding and may offer (through a

contract) school districts less money per child to operate the program than they had received in prior years. Some districts also report that the law requires coalitions to reimburse all program providers (including school districts) at the same rate of pay per student, regardless of differences in program standards (i.e., teacher credentials, adult-to-child ratios).¹⁷ As a result, if the district wants to continue as a provider, officials report that they must hire less qualified teachers or increase staff-to-child ratios in order to serve the same number of children. Districts view these changes as reducing the quality of the program, and they do not want to continue as providers if the level of quality is reduced.

- According to school district officials, the new requirement for school-based programs to collect student fees has been problematic. From an administrative standpoint, school districts are not accustomed to assessing and collecting student fees for their readiness programs. In addition, parents question paying fees for instructional services provided by school districts. The Pre-K program was not required to collect student fees prior to 1999 and the program was free to eligible families. This change has caused some school district administrators to reconsider their role as a provider.

Coalitions are having difficulty retaining private sector members

Citizen representation on school readiness coalitions is critical, yet coalitions have encountered problems in maintaining their involvement in the process.¹⁸ The law requires that more than one-third of coalition members must be from the private sector and not earn their

¹⁷ Chapter 2001-170, *Laws of Florida*, provides that "Reimbursement rates shall not have the effect of limiting parental choice or creating standards or levels of service that have not been authorized by the Legislature."

¹⁸ Most (74%) of coalition members who responded to our survey said that the involvement of persons on coalitions who are not employed by child care or Pre-K organizations was a benefit of the school readiness legislation. This response was pervasive across the coalitions.

living in the school readiness field. Most (77%) of coalition members responding to our survey indicated it was difficult or moderately difficult to maintain the required composition of school readiness coalitions. This response was pervasive across coalitions. The coalitions we visited typically reported that private business sector representatives often left their coalitions. They cited this as the most difficult area to maintain representation and generally expressed concerns about these persons' continued participation in the process.

Two reasons cited for departure. Coalition members cited two reasons for the departure of business representatives from the local boards. First, coalition members indicated that people from the private sector who got involved in local coalitions did so to make a difference in the lives of children. Unfortunately, the first two years of the school readiness program focused on process, planning, and the actual formation and organization of the coalition itself. This was frustrating to many private sector members and was compounded by the fact that coalitions did not receive authority over the funding until spring of 2001 at the earliest, and some have not received it yet. As a result, private sector representatives could think that they were not making a difference, leading to their departure. Second, the school readiness program is highly complex and is not easily understood. This learning curve was a source of frustration and coupled with the lack of clear direction from the partnership caused some private sector coalition members to resign from coalitions.

The partnership's establishment of a centralized funding source during 2001 should help keep private sector representatives involved in the coalition process. For the first time since the program began, some local readiness coalitions were able to assume control of program funding and services. The lack of control and change was one of the things that frustrated private sector coalition members the most.

Ongoing disagreements over the partnership's authority disrupt the implementation process

Florida's school readiness program is the first in the nation to combine all funding for school readiness programs into one system. Since it is the first system of its kind, there is not an existing model to follow. One important aspect of this new system is the balance between the partnership's responsibility to coordinate the system and a coalition's responsibility to design and implement the program based on the needs of its local communities. In a locally controlled program such as this one, it is important to have a clear understanding of how these different responsibilities are balanced to create one cohesive system. However, there have been ongoing disagreements over the scope of the partnership's authority in relation to local readiness coalitions. These disagreements have caused disruptions in the implementation process, and in some instances, hindered progress.

Florida's school readiness program is designed as a shared governance system. The law gives the partnership the overall responsibility for administering the program and for ensuring accountability. At the same time, the law gives readiness coalitions the responsibility to develop and implement a plan to provide services to eligible families in their communities. Coalitions are the governing boards for school readiness services at the local level. By designing a plan that meets the requirements of the law and is tailored to the needs of their individual communities, coalitions can ensure that the readiness program is provided in the most effective and efficient manner.

As the process of shared governance continues to evolve, an appropriate balance of responsibility between these two levels is also evolving. Two key areas that have been a source of disagreement are the partnership's contracting process and its recent attempts to develop rules.

The contracting process is a source of disagreement. Although the partnership's contracting process has been generally viewed by coalitions as over-prescriptive or over-regulatory, it was needed during the first two years to

Program Review

provide a centralized funding source for coalitions and to ensure fiscal accountability. However, the contract may not be needed in the long term if the partnership's plan review process incorporates some of the fiscal accountability elements included in the contract.

The partnership's contract with coalitions is detailed and comprehensive. It consists of a core contract that must be signed by the coalition chair and several different attachments covering services and programs provided. The core contract includes stipulations for state and federal law requirements, audits and records retention, evaluation by the partnership, assignments and subcontracts, patents and royalties, civil rights requirements, termination procedures, data security obligations, and insurance requirements. The attachments provide more detail on contract deliverables, services provided, coalition responsibilities, methods and amounts of payments, performance specifications, and a certification regarding lobbying.

Coalitions we visited believe that the partnership is being too prescriptive with its contracting process, and the partnership has been rule-making through e-mails and contracts rather than the process described in law. Coalitions have been reluctant to assume control of the program because of concerns about the contracting process. This contracting issue has been an ongoing source of friction between the partnership and coalitions. Coalition members reported that the provisions of the contract were counter to the notion of locally controlled programs.

The partnership, however, believes that it has a responsibility to ensure accountability for the millions of dollars spent through the program, particularly since the majority of the funding comes from federal grants. Although cumbersome and at times prescriptive, the contract was the only legally binding means of providing basic levels of fiscal and programmatic accountability since there were no formal rules or policies and procedures. In addition, during the first two years, the contracting process was the only means for centralizing program funding for coalitions because the budgetary and

programmatic authority remained with the DCF and the DOE.

The overriding issue for the contracting process is whether the contract is actually needed to distribute the funding to coalitions. Based on information provided by the Comptroller's Office, it does not appear that the partnership is required to contract with coalitions in order to provide them funding. According to the Comptroller's Office, there are two basic reasons for requiring contracts: the entity involved is a private sector entity; and funding is appropriated as a line item as opposed to grant and aid category. Although there has not been an official ruling from the Attorney General or other entity, it is not likely that coalitions would be considered a private sector entity. In addition, the funding for the program is appropriated as a grants and aids category. As such, it does not appear that the contracting process is required. Ultimately, the partnership should request an official opinion from the Comptroller and/or Attorney General on this issue.

Contracting process can help assure fiscal accountability. However, another reason for requiring a contract is to assure fiscal accountability and responsiveness to federal grant requirements. Since the partnership has not developed any rules or completed its assessment system, the use of the contract was a reasonable method for holding coalitions accountable for the millions of dollars they received. Whether specific elements of the contract are needed is a matter of debate, but under the circumstances, the use of the contracting process as an accountability tool seems prudent.

Ultimately, as the partnership promulgates rules and completes the assessment system, the contracting process may not be needed. In addition, in the interim, the partnership could consider revising its coalition plan application framework to include some of the fiscal accountability elements contained in the contract. For example, the contract requires coalitions to submit compliance audits to the partnership. Instead of requiring this in the contract, the partnership could require a coalition's plan to demonstrate how it will assure fiscal

accountability, with an independently conducted financial compliance audit being one of the acceptable methods. The contract could then be reduced to a statement of intent.

The scope of the partnership's rule-making authority is not clear. There has been continuing discussion about the scope of the partnership's rule-making authority. The law clearly gives the partnership authority to develop rules regarding implementation of the program; however, rules addressing standards for program expectations may be interpreted as coming under the prerogative of local coalitions.¹⁹

To date, the partnership has not yet issued formal rules. As stated earlier, the development of rules or a formal set of guidelines would have improved the consistency of the guidance given to local coalitions. These rules could have addressed procedural issues such as the plan submittal review process and the process for requesting waivers to rule or law, which are unlikely to be viewed as being outside the partnership's authority.

Although the partnership has general rule-making authority, it is not clear how much authority it has to define and establish specific standards (in rule or as part of its plan approval process) for the required program expectations.²⁰ For example, the law requires programs to include a developmentally appropriate curriculum and an appropriate staff-to-child ratio, but it is not clear whether the partnership or the coalition has the authority to determine what constitutes "appropriateness". The partnership's rule development process is likely to be delayed until this issue is resolved.

Administrative funding structure is problematic for small coalitions

Under the new school readiness system, the administrative structure for readiness programs has undergone a significant transformation, moving from a primarily regionalized structure in prior years to a more community-oriented delivery system involving 57 coalitions. This shift

allows coalitions the ability to tailor the program to the needs of their particular local communities. However, the shift has also been problematic, as some smaller coalitions are finding it difficult to meet their basic administrative needs under the new funding process.

Under the previous delivery system, subsidized child care funding was allocated to the 15 DCF districts across the state, which was then contracted with the 25 community child care coordinating agencies to administer the program. Subsidized child care accounts for approximately 80% of the total readiness program funding. This regionalized structure provided some economies of scale and gave the DCF districts and child care coordinating agencies flexibility to move funding among the counties in their service areas to best meet the needs of clients. Under the new school readiness program, the regionalized structure has been replaced with a system based on the establishment of 57 different coalitions, providing a more community-oriented delivery system. Once they receive program funding, each coalition will contract directly with the central agency and other providers for the provision of services.

Concerns have been raised about the efficiency of the new system and loss of the economies of scale that existed under the previous delivery system. Specifically, the program's restriction on administrative costs, which is intended to ensure that most funds are spent on direct services, is causing difficulties to local coalitions, particularly smaller ones. The law restricts coalition administrative expenditures to 5% of available

¹⁹ Section 411.01(4)(k), F.S.

²⁰ Section 411.01(5), F.S.

funds.²¹ These monies must cover the costs of contracting with a fiscal agent, supporting the central child care coordinating agencies, and a coalition's own administrative costs. (For a list of coalition administrative duties related to the partnership's contract, see Appendix C.)

Under the current funding structure, smaller coalitions may have to function without any full-time staff support. While some coalitions have negotiated for lower cost child care coordinating agency administration and fiscal agent services, many are generally left with approximately 1% to cover their own administrative functions. For example, the Flagler School Readiness Coalition had \$7,350 (less than 1%) to pay for coalition administration during Fiscal Year 2000-01. (See Exhibit 6.) As a result, the coalition has to operate without any full-time staff to support it and must rely on volunteers to handle the basic operations of the coalition. Coalition members reported that it would be difficult for a governing board such as a coalition to function without its own staff. In addition, the coalition has to fund other administrative responsibilities such as a compliance audit out of the funding that is left. In contrast, a large coalition had approximately \$300,000 to spend on coalition administration, which included the hiring of executive director and administrative assistant.

Exhibit 6

After Deducting Central Agency and Fiscal Agent Funding, the Flagler Coalition Has \$7,350 Available for Coalition Administration

Fiscal Year 2000-01	
Total Budget Allocation	\$1.1 Million
5% Allowance for Administration	55,000
Central Agency Services	- 44,000
Fiscal Agent Service Fees	- 3,650
Total Coalition Administrative Funding	\$ 7,350

Source: Flagler School Readiness Coalition.

For coalitions with larger budgets, 1% of their allocation is sufficient to cover administrative

costs such as hiring an executive director or other staff. However, small coalitions are having difficulty covering their basic administrative costs (i.e., office space rental, phone service, copying, preparing meeting minutes). Based on 1% of their allocation, 18 of the 57 coalitions have less than \$30,000 to pay for functions associated with coalition administration. Sixty-six percent of coalition members who responded to our survey said that funding local level administration with 5% of the total program allocation was either difficult or moderately difficult.

There are several potential solutions to this problem. The partnership could require or encourage coalitions under a certain level of funding to consolidate administrative functions such as fiscal agent services. This already happens to some extent. For example, as of December 1, 2001, there are 34 fiscal agents serving the 57 coalitions statewide. Only 24 of the coalitions have their own (exclusive) fiscal agent. The other coalitions share the various fiscal agents.

Another way to resolve the issue would be to redistribute the total amount of administrative funding available statewide using a funding formula rather than a simple fixed overhead cap. The funding formula could provide for a base level of funding for each coalition, recognizing that there is a fixed cost associated with administering the program. As an example, the total amount of funding allocated to local coalitions is approximately \$600 million. Five percent of the total amount is \$30 million, which is the amount available statewide for local administration. Each of the 57 coalitions could be awarded a \$50,000 base amount of administrative funding out the \$30 million total available (\$2.8 million for all coalitions). From the remaining portion (\$27.2 million), each coalition would then receive a variable amount tied to their pro-rata share of the total program allocation. Using this approach, the total amount of funding spent on administration statewide would still not exceed the 5% maximum, and the administrative funding available could be allocated more equitably among coalitions.

²¹ Section 4.11.01(9)(d) states, "As part of plan approval and periodic plan review, the partnership shall require that all administrative costs be kept to the minimum necessary for efficient and effective administration of the plan, but total administrative expenditures shall not exceed 5 percent unless specifically waived by the partnership."

Summary and Recommendations

The seamless, integrated school readiness system envisioned by the Legislature when it created the program has not been fully implemented despite two and one-half years of effort by the partnership and local readiness coalitions. The program has not reached its potential because of implementation delays. Specifically, program outcomes are unknown because the partnership and the DOE have not completed the readiness assessment system. Thus, the partnership can provide little performance accountability for the millions of dollars being spent on the program. In addition, school readiness coalitions made limited progress in changing their delivery systems to better integrate and improve program services over the last two years.

Recent changes made by the 2001 Legislature and the partnership should help the program move forward, particular the establishment of a centralized funding system. The partnership is better organized and took steps to improve guidance to local coalitions by beginning the rule development process. Some coalitions are beginning to make progress in implementing a highly integrated school readiness program in their communities.

However, several barriers or challenges could jeopardize the program's long-term success. To address these challenges, we make the recommendations discussed below.

1. The partnership should strengthen its review of coalition plans to ensure that they include clear strategies for meeting program expectations. The partnership should ensure that coalition plans provide adequate and clear descriptions of how a coalition will improve services and meet statutorily required program expectations. To accomplish this, the partnership should develop rules or formalized guidelines for plan approval that make it clear what level of content and quality is expected for each area of the plan and require coalitions to meet these expectations. For example, the law requires coordinated opportunities for staff development. Plans that do not clearly describe strategies for coordinating staff development among agencies should not be approved. In addition, the annual review of the plan should include an implementation status report, which details the progress a coalition has made in implementing its plan.
2. The partnership, in consultation with the Agency for Workforce Innovation and the Legislature, should directly link a portion of program funding to a coalition's performance on selected outcome and efficiency measures. Linking a portion of program funding to performance would provide an incentive for coalitions to make program improvements and reward coalitions that have made significant progress. When the assessment system is complete, the partnership should award a minimum of 5% of total program funding to coalitions based on the number of children (pro-rata share) who score above a certain percentage on the uniform screening. Other measures could include program efficiency improvements such as an increase in the number of children served per expenditure and the implementation of innovative ideas to reduce administrative costs.
3. The partnership should develop and disseminate a list of coalition best practices, which highlight innovative ideas for integrating services, improving efficiency, reducing duplication, and improving program quality. To ensure that coalitions are aware of best practices in other communities, the partnership should dedicate a section of its website to a page where local coalition members can post their successes complete with contact names so other coalition members could contact them for more information. The partnership should also periodically compile and publish a comprehensive list of best practices that coalitions can use as a resource when making decisions. By doing this, the partnership

could help coalitions take additional steps to improve programs without having to prescribe what these steps are.

4. The partnership should consider proposing legislative changes to the process for funding local level administration. Many coalitions, particularly those serving smaller counties, have a difficult time sustaining administrative functions with their share of the 5% allowed by law for administrative costs. We recommend that one of the following options be implemented to ensure that all coalitions have the support necessary to effectively administer the program.
 - The partnership, as directed by the Legislature, could implement an administrative funding formula for the school readiness program that consists of three parts: (1) determine the amount of funding available for administration of the program (statewide) based on the 5% maximum requirement; (2) from the total amount available, provide a minimum base level of administrative funding for all coalitions determined by the partnership; and (3) from the remaining portion, allocate a relative amount of administrative funding based on a coalition's pro-rata share of the total program funding allocation. The minimum base level should provide funding for coalition staff (at least an executive director) and internal operations, and fiscal agent services. The total amount of funding spent on administration statewide would still meet the 5% requirement, a significant advantage of this option.
 - The Legislature could require coalitions receiving under a certain level of administrative funding based on the 5% requirement to consolidate with another

coalition or coalitions. This option would improve program efficiency by forcing economies of scale that are lost under the current structure, but could be opposed by coalitions because it would be viewed as moving away from a system of locally developed and implemented programs.

- The Legislature could increase the current 5% cap on administrative costs. If a local coalition then spends more than 5% for administration, they could be required to verify to the partnership that the higher administrative expenses have not reduced the number of children served or the quality of services delivered. Coalitions with excessive administrative costs could be required to have these costs approved by the partnership. Existing administrative cost limits in the federal Child Care and Development Fund and TANF, which are the largest funding sources for the program, would tend to limit local coalition administrative costs.
- The partnership should also explore opportunities to consolidate additional administrative functions at the regional level. Regional staff members already provide a variety of services to coalitions including contract management, audits of invoices, tracking project funding streams, general technical assistance, and coordinating training.

Agency Response

The executive director of the Partnership for School Readiness provided a written response to our preliminary and tentative findings and recommendations. (See Appendix D, page 24, for her response.)

OPPAGA provides objective, independent, professional analyses of state policies and services to assist the Florida Legislature in decision making, to ensure government accountability, and to recommend the best use of public resources. This project was conducted in accordance with applicable evaluation standards. Copies of this report in print or alternate accessible format may be obtained by telephone (850/488-0021 or 800/531-2477), by FAX (850/487-3804), in person, or by mail (OPPAGA Report Production, Claude Pepper Building, Room 312, 111 W. Madison St., Tallahassee, FL 32399-1475).

Florida Monitor: <http://www.oppaga.state.fl.us/>

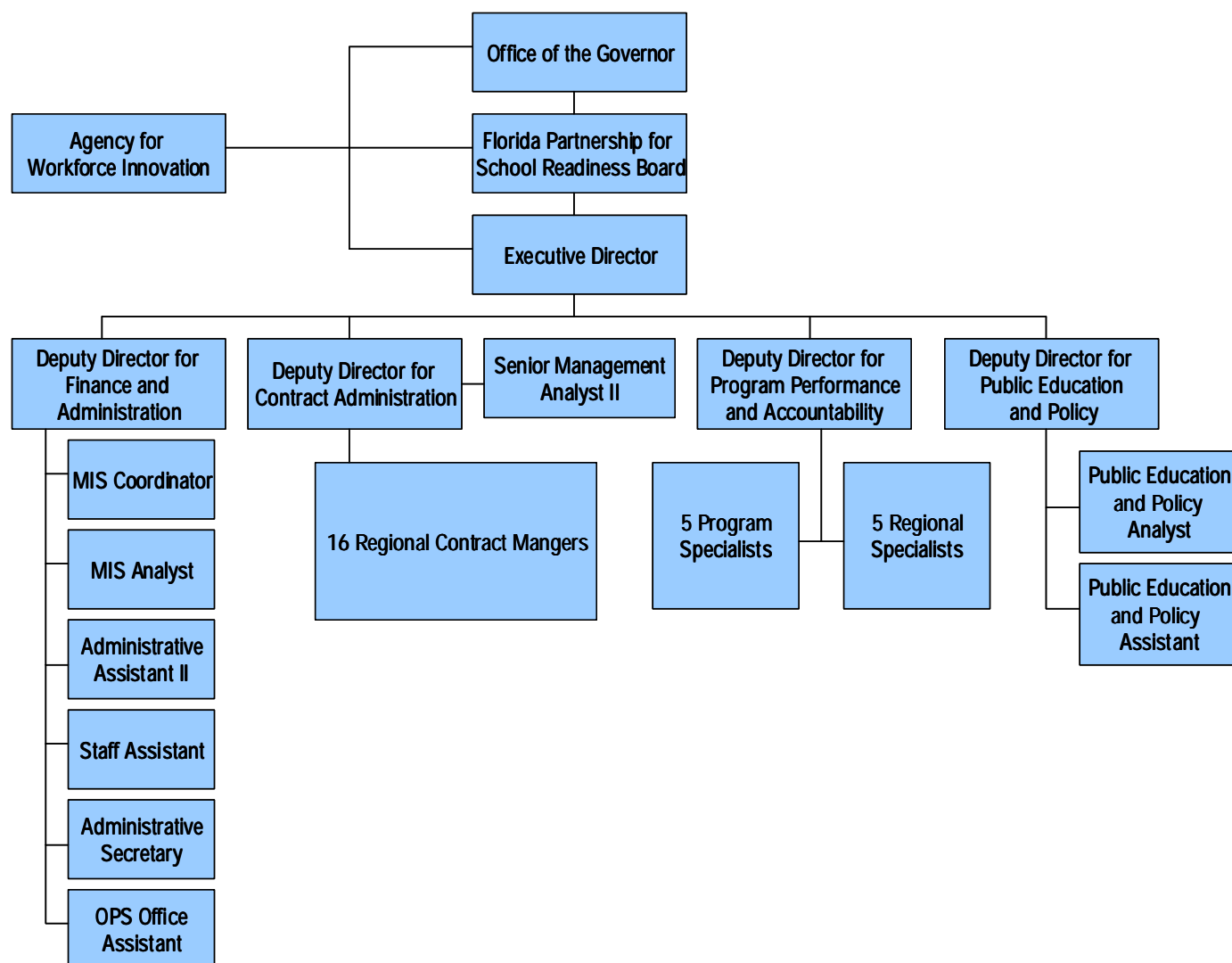
Project supervised by Jane Fletcher (850/487-9255)

Project conducted by Tim Elwell (850/487-3631), and Pamela Allen (850/487-9250)

John W. Turcotte, OPPAGA Director

Appendix A

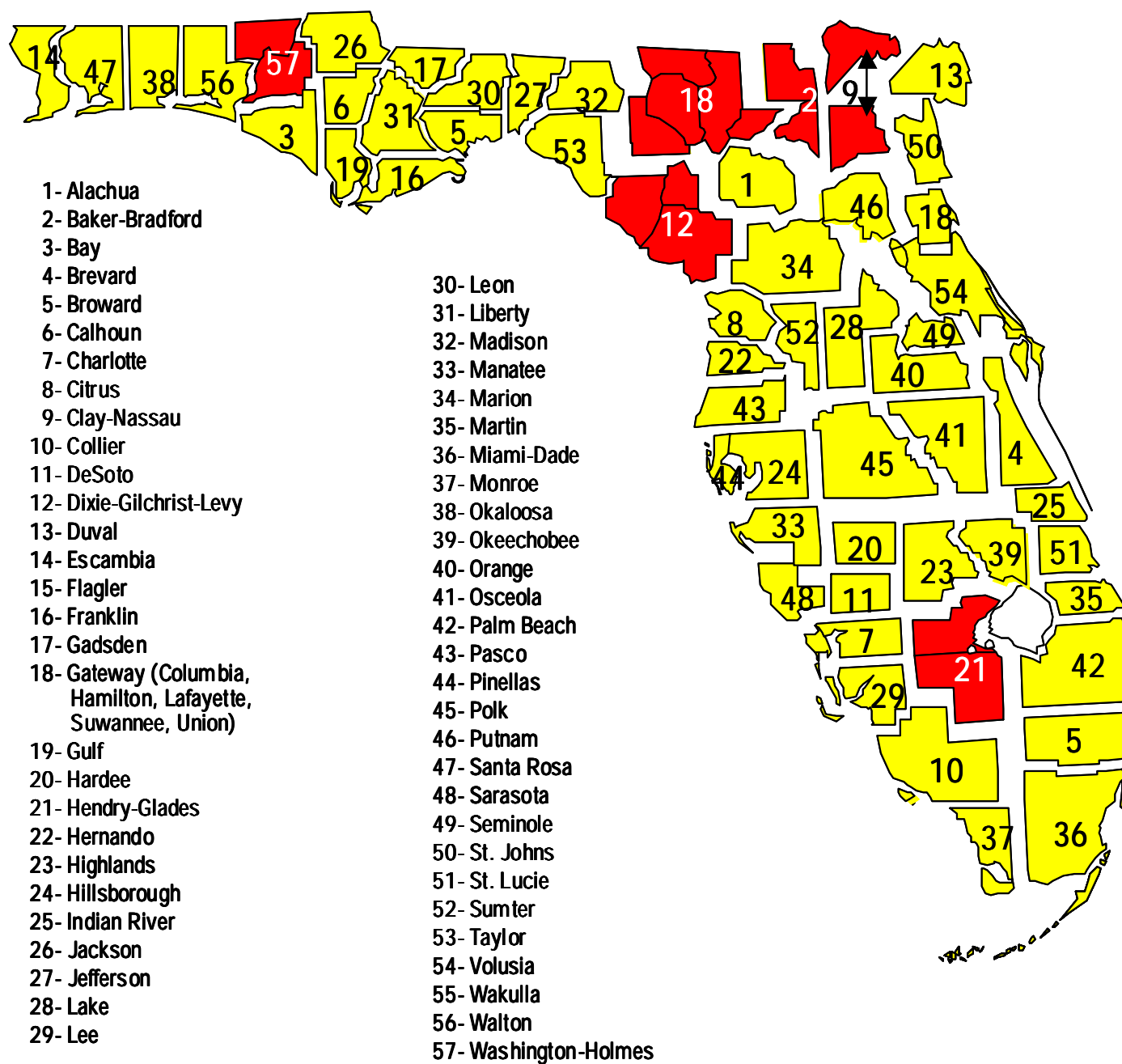
Organization Chart



Source: Florida Partnership for School Readiness.

Appendix B

Map of the 57 Coalitions



Source: OPPAGA analysis.

Appendix C

Readiness Coalitions Must Fulfill a Variety of Contract Requirements, Many of Which Are Administrative Functions Subject to the 5% Funding Limitation

In the list of contract requirements below, the shaded items represent functions that could require administrative funding.

Requirement of contract with the partnership ¹
Ensure a single point of entry and unified waiting list no later than June 30, 2002, or within 90 days after release of software by partnership
Increase the number of children in extended day/year by 1%.
Serve no fewer than XXX amount of children on a monthly basis.
100% of children at risk of abuse or neglect are served within 7 days after eligibility determination.
Provide Partnership with all four-year-old participants assessment results and prepare a report to give to the coalition members.
Inform providers of performance measures and take action toward implementation in the next year.
Negotiate a child care rate for special needs children.
Securing required local match funds.
Provide a quarterly report to the partnership's contract manager detailing money collections.
Coalition can inspect anything relevant to the contract and interview clients and staff.
Submit an amended plan to the partnership for approval.
Submit monthly management reports no later than 30 days after the service month. Report must include (1) number of children served, (2) category and level of service, (3) waiting list number, (4) parent fees collected, (5) enrollment, (6) local match money, (7) type/level of care
Develop, maintain and follow a written policy regarding client eligibility and service eligibility.
Have a written procedure to ensure providers give parents unlimited access to their children and caregivers during normal hours.
Maintain and utilize written procedure to resolve client complaints.
Submit a business contingency plan to the partnership in case of a disaster.
Coalition executive director is the first contact of dispute resolution concerning performance of the contract.
Coalition has 5 working days from receipt to inspect and approve invoices.
Provide adequate liability insurance during the existence of the contract.
Require the fiscal agent to conform with all data reporting requirements established by the partnership.
Report the percentage of parent fees collected during the contract year.
Report by May 31, 2002, a financial statement of revenue/expenditures by line item covering period of July 1, 2001, to March 31, 2002.
Submit a monthly-subsidized fee assessment and collection report.
Submit a federal local match report 15 days after each quarter.
Coalition and/or designee will approve each invoice prior to submission to the fiscal agent.
Prepare and submit all required financial reports to state or local level.
Provide an annual audit to the Partnership, AWI, Florida Auditor General, and Federal Audit Clearinghouse within nine months of contract end.

¹ Based on information from a coalition with an approved plan and contract with the Partnership.

Source: OPPAGA analysis.



January 18, 2002

Mr. John W. Turcotte
Office of Program Policy Analysis and Government Accountability
111 West Madison Street, Room 312
Tallahassee, Florida 32399-1475

Dear Mr. Turcotte:

This letter is the response of the Florida Partnership for School Readiness to the Office of Program Policy Analysis and Government Accountability's draft program review, entitled:

**School Readiness Program's Potential Not Realized
With Critical Issues Unresolved**

As the report correctly states, in 1999 the Florida Legislature passed the most comprehensive school readiness legislation in the nation. Since 1999, the School Readiness program budget has increased by over \$107 million, serving approximately 30,000 additional children. The Florida Partnership for School Readiness and local school readiness coalitions have made tremendous progress toward meeting the Legislature's goal of a seamless, integrated school readiness system.

We have identified the following factual/technical errors and omissions in the report:

OPPAGA Director's Comments: As part of our regular process for verifying the accuracy of our reports, OPPAGA provides an agency with a draft report of findings and requests that the agency recommend any changes based on updated information or its technical knowledge of the program. Normally, an agency provides this information to OPPAGA prior to submitting its formal response. This agency elected to comply with our request by including recommended changes in their written response to our draft report. We have examined the agency's response and, when appropriate, have made changes to this final report.

- **Background.** In addition to the stated role of the Department of Children and Families prior to 1999 (page 1), it is important to note that until October 1, 2000 DCF served as Lead Agency for the Child Care and Development Fund.
- **Legislative changes after 1999.** The report does not fully delineate the effects of the school readiness provisions of the 2001 legislation (Ch. 2001-170, L.O.F.) In addition to clarifying the Legislature's intent for an integrated school readiness

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system, the repeals which took effect January 1, 2002: eliminated "school-age child care" as a priority eligibility category; revised program eligibility requirements relating to family income; and eliminated tiered-reimbursement (the authority of coalitions to reimburse at higher rates for higher standards of care). This rapidly and vastly changing fiscal and policy environment has created distinctive challenges; however, assuring that services continue to vulnerable families has been of critical priority to the partnership and local school readiness coalitions.

- **Florida Partnership for School Readiness staff.** On page 12, the report states that during the program's first year "the Partnership employed only three FTE staff, with two additional staff hired as other personnel services (OPS) positions." This is somewhat misleading, as budget authority for FTE's is legislatively determined. The report should instead read: "the Partnership *was authorized to employ* only three FTE staff...." The report correctly identifies the number of staff positions (FTE's) currently assigned to the school readiness program, but does not point out that when these positions were transferred from DCF to the Partnership/AWI, the salary rate associated with the positions was at the level that existed in DCF, rather than the level required by the Partnership. This has impeded the employment of additional staff necessary to administer the program, which has contributed to the delay of its full implementation. In addition, the Partnership is responsible not only for establishing funding contracts, but for managing such contracts. Finally, the organizational chart included in the report (Appendix A) has been updated since the report's publication.
- **Florida Partnership for School Readiness Board.** The Partnership Board is required by statute to include 20 members, rather than 24 as identified by Exhibit 1 on page 3.
- **School readiness coalitions.** On page 3, the report mistakenly states that if a coalition does not have an approved plan, the Partnership has contracted with the school district and the Department of Children and Families. In these instances the Partnership has contracted with the local central agency.
- **Program clients.** Relating to school readiness program client eligibility, the report cites the eligibility requirements of section 411.01, Florida Statutes, but does not reference the additional eligibility provisions of sections 409.178, 445.023, 445.032, Florida Statutes, and the federal CCDF and TANF regulations ... nor does the report state that the school readiness program has historically served the school-age population. In addition, the figures included in Exhibit 2 are inconsistent with our 2001 School Readiness Estimating Conference data.
- **Program resources.** On pages 4 and 20, the report should reference the Child Care and Development Fund (which is the funding source), rather than the Child Care and Development Block Grant Trust Fund (which is the trust fund into which these monies are deposited). In addition, the CCDF funding amounts for fiscal years 1999-00 and 2000-01 (Exhibit 3) are transposed.
- **Findings regarding the assessment system.** The report cites "the program's" failure to implement the assessment system" (page 7) and states, "the partnership has not ... completed its assessment system" (page 16); however, the 2001

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Legislature clarified that responsibility for the assessment system is shared between the Partnership and the Department of Education. The development of the assessment system has included the following steps:

- 1) **Partnership recommendation of an assessment system to the State Board of Education.** On June 27, 2000, the Partnership Board met the legislative requirement to recommend an assessment system by July 1, 2000. The Board approved the report of the Standards and Measures Outcome Workgroup entitled "School Readiness in Florida: Strategies for Defining, Measuring and Advancing Children's School Success" which included recommendations for two instruments for the universal screening at kindergarten entry.
- 2) **Approval of school readiness performance standards for 3, 4, and 5-year olds.** On May 30, 2000, the Partnership Board approved Performance Standards for 5-year olds (cross-referenced to Sunshine State Standards for kindergarten and the 17 items in the statute) and on August 14, 2001, the Partnership Board approved Performance Standard for 3 & 4-year old children.

The 2001 legislation requires "the Department of Education [to] implement a school readiness uniform screening, including a pilot program during the 2001 - 2002 school year, to validate the system recommended by the Florida Partnership for School Readiness as part of a comprehensive evaluation design." (s. 411.01(10), F.S.) As the report correctly states, the Department is in the process of procuring the assessment instrument(s) and will implement the uniform screening beginning with the 2002-03 school year.

- **Findings relating to the program's implementation.** In the same paragraph that the report states "program outcomes are unknown because the Partnership and the DOE have not completed the readiness assessment system," OPPAGA asserts: "we do not believe that readiness outcomes for children entering kindergarten significantly improved during this period." If there is no means of measuring outcomes, on what basis does OPPAGA make the assertion?

OPPAGA Director's Comments: This statement was included in the draft report for two reasons. First, since the partnership and the DOE have not completed the statutorily mandated assessment system to provide outcome data for the program, we surveyed coalition members to obtain their assessment of program outcomes. The consensus of local coalition members was that students are not yet better prepared to enter Kindergarten as a result of changes made to implement the school readiness legislation. Second, OPPAGA's review found the implementation process was slow and that coalitions have made limited progress in implementing changes at the local level. For these two reasons, we concluded that school readiness outcomes have probably not improved significantly during this period.

- **Findings regarding administrative costs.** The report incorrectly states that TANF has a 5% limit on administrative costs. (The TANF administrative limit is 15%)

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OPPAGA Director's Comments: The agency's response is in error, and agency staff indicated that OPPAGA's draft report was correct.

At the time of the draft report's publication, the Partnership had already begun to address several of OPPAGA's recommendations. We would like to provide updated information on the following:

- **Revising and strengthening the coalition plan and review process and the funding agreement.** The Partnership has sponsored three Coalition Plan and Funding Agreement Workgroup meetings to review and revise the current documents and to develop recommendations regarding the review process: on November 6, 2001, in Jacksonville; on November 28, 2001, in Tampa; and on December 5, 2001, in Miami. It is the intent of the Partnership to develop a plan format that allows coalitions to effectively address the needs of their communities, while providing for compliance/status reviews to provide timely assistance those coalitions in need of guidance. A draft recommendation was presented to the **Partnership Board at the January 15, 2002, board meeting.**
- **Strengthening the system of training and technical assistance.** Staff of the Partnership is absolutely committed to responding to the customer service needs of our local partners. To that end, a survey to determine the technical assistance needs of all coalitions was conducted in October. The Partnership Board has implemented the following action plan:
 - 1) Technical assistance seminars will be conducted in conjunction with each board meeting and other statewide early childhood professional conferences (to date, topics have included: preparing contract documents, state migrant program management, school-based program management, Parents as Teachers (P.A.T.) training, "Managing Your Budget", cost allocation plan development and analysis, Heads Up! Reading! training, conflicts of interest, financial disclosures, and the Sunshine Law);
 - 2) In response to the technical assistance survey, three intensive technical assistance forums have also been scheduled for February 4-5, 2002, in Tampa; July 17, 2002, in Tampa; and an additional workshop in the fall of 2002;
 - 3) Workgroups have been established to develop Policy/Technical Assistance and Effective Practices Manuals.
- **Rules development.** On November 5, 2001, the Partnership received guidance from the House of Representatives and the Executive Office of the Governor regarding those areas of rule development that were interpreted to be within the Partnership's authority to proceed. On December 20, 2001, the Partnership Board established a Rule Development Workgroup that has been charged with developing rules in these technical and programmatic areas.
- **Coalition contract status.** One of the strengths of Florida's school readiness legislation is the model of shared governance. This significant shift in governance requires time for new roles to evolve and for capacities to develop, at both the state and local levels. As of this writing, 45 coalitions are under direct

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contract with the Partnership. The remaining twelve coalitions are scheduled to sign contracts effective July 1, 2002. (correction to page 11 of the draft report)

- **Developing policies to address allocation methodology/administrative cost concerns.** Within the current framework of the law, the Partnership is limited in those measures it can take to address the concerns raised by the report. Nonetheless, on November 6, 2001, a preliminary Administrative Cost Workgroup meeting was held to discuss potential options authorized under the current law. On November 30, 2001, a formal workgroup meeting was convened to develop a recommendation relating to administrative waivers. On December 20, 2001, the Partnership Board approved the following motion relating to the 5% administrative cost limit:

- 1) Coalitions having a county allocation of \$4 million or less may appeal to the board for a waiver;
- 2) Coalitions approved for administrative waiver may redirect up to \$50,000 to fund administrative costs. (Coalitions will not be provided additional budget to accommodate this waiver.)

Finally, the Partnership has formed an Allocation Methodology and Funding Formula Workgroup, which is scheduled to meet in January to address broader funding and performance issues.

We recognize that the earliest possible implementation of an assessment system is crucial and that the next fiscal year will be a critical time, during which we will be collecting baseline data on the status of children at kindergarten entry, operating with a unified funding stream for a full fiscal year for the first time since the program's inception, and establishing and implementing rules to clarify local and state roles, responsibilities, and requirements. The draft report is generally fair in identifying administrative and funding barriers that have prevented more rapid statewide progress. The Partnership affirms our continued commitment to the improvement of this program, which is critical for the future success of Florida's children, and we look forward to the exciting possibilities the future holds.

Sincerely,

/s/

David Lawrence Jr.
Chair, Florida Partnership for School Readiness

/s/

Katherine Kamiya
Executive Director, Florida Partnership for School Readiness

February 19, 2002

Mr. John W. Turcotte
Office of Program Policy Analysis and
Government Accountability
111 West Madison Street
Room 312
Tallahassee, Florida 32399-1475

RE: Response to OPPAGA Program Review Report No. 02-07

Dear Mr. Turcotte:

The Palm Beach County School Readiness Coalition, Inc. ("Coalition") desires to respond to the above referenced Review. Generally speaking, the Review accurately described the status of the School Readiness Program and the current challenges we face. From our perspective, OPPAGA did not adequately explain why the School Readiness Program has not been an overnight success. We will offer our view on why changes have not occurred more swiftly and what we believe are the future prospects of achieving success.

The School Readiness Act ("Act") was a gigantic step in the right direction to achieve its intended goals. Along with all the opportunities the Act presented, a few imperfections existed in the laws. Those imperfections included the following:

1. The funding for the Act initially provided insufficient money for the Coalition to have an adequate staff to implement revolutionary changes to the School Readiness delivery system. In fact as OPPAGA points out, some coalitions had no money to hire a staff. As a consequence, the Coalition had to rely very heavily on tremendous amount of volunteer time from the private sector as well as School Readiness professionals. It is unrealistic to expect that highly complex and technical changes can occur overnight with what was basically a volunteer effort on a local level, while those same people struggled with maintaining a delivery system through this change. Notwithstanding this lack of resources to accompany the responsibility and authority of making changes; our Coalition has developed the foundation for revolutionary changes to our system that will achieve the purposes and intents of the Act. We are in the process of implementing those revolutionary changes and are poised within the next year or two to have demonstrably made a positive impact on our delivery system.

2. As the OPPAGA Review correctly points out, the Partnership experienced growing pains in assuming its responsibilities. It was understaffed from the beginning. It could not realistically be expected to provide all of the technical assistance and guidance required by the coalitions. Our Coalition experienced numerous frustrations and delays in implementing changes due to a lack of clearly defined parameters within which we could act. For example,



we were prepared to implement a new streamlined simplified point of entry system, but were constantly delayed in doing so because of the Partnership's expectations that it would have a uniformed statewide system in place.

3. As all those familiar with School Readiness are aware, the Act did not comprehensively address all aspects of funding sources and laws relating to School Readiness. The transition of the entire delivery system was incomplete as evidenced by the first technical correction legislation in 2000 which addressed some of the holes in the original Act. A number of other technical corrections are still needed to allow the School Readiness system to be truly comprehensive and to achieve its purposes of allowing local flexibility to design and implement delivery systems with a blending of income streams. We believe that many have underestimated the complexity of changing all of the appropriate laws in this area to accomplish the Act's purposes. These statutory impediments have also contributed to the coalitions not being able to implement constructive change as efficiently as possible.

Notwithstanding the above, we are confident and committed to achieve the successes that will inure to the significant benefit of our youngest citizens. I believe everyone will agree that despite the challenges the Act has faced, it is producing already a far better delivery system than what previously existed. The future is bright in Palm Beach County for making change, subject to possible challenges. The first foreseeable challenge is funding. Unless and until all programs are fully funded to meet their mandated purposes, substantial wait lists will continue to exist and children will continue to be left behind to create future generational problems. With our current growing waiting list of 1,200 children, the talk about making our youngest children a statewide priority must be turned into action. Also, future refinements by amendment of the Act must not fall into the trap of containing many strings which would defeat the original purpose of the Act, which is to allow local coalitions to decide how best to allocate their resources to serve their children best.

Sincerely,

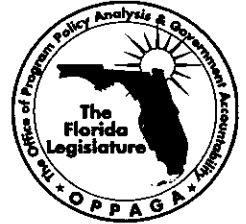
A handwritten signature in black ink, appearing to read 'William Moss', written in a cursive style.

William Moss
Chairman



The Florida Legislature

OFFICE OF PROGRAM POLICY ANALYSIS AND GOVERNMENT ACCOUNTABILITY



John W. Turcotte, Director

March 6, 2002

Mr. William Moss
Chairman
School Readiness Coalition, Inc.
Palm Beach County
1919 North Flagler Drive
West Palm Beach, Florida 33407

Dear Mr. Moss:

Thank you for your comments and concerns regarding OPPAGA's recently published school readiness report. We appreciate your views about additional factors that may have contributed to delayed implementation of the program. Your comments provide additional perspective and context under which the program operated during the first two years. As such, we intend to publish your response on our website as a link to the report.

Thank you again for your interest in OPPAGA's report.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Turcotte".

John W. Turcotte
Director

JWT/wd