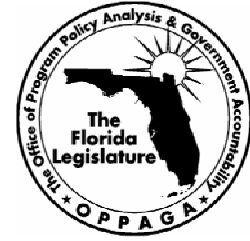




Overview Report

on Audits of the School Readiness Program



SCHOOL READINESS PROGRAM MAKES PROGRESS, BUT STRONGER PARTNERSHIP GUIDANCE AND INTERNAL CONTROLS ARE NEEDED

January 2004

Summary

The School Readiness Program's potential is beginning to be realized at the local level, but a lack of statewide guidance on policy and fiscal issues by the Florida Partnership for School Readiness (Partnership) is hindering this progress. The Partnership has made progress in some program areas, but has not clarified major policy issues, has not exerted sufficient control over the program's financial management, and needs to significantly improve its responsiveness in providing guidance to local School Readiness Coalitions.

If the Partnership resolves these policy and fiscal guidance issues, the School Readiness Program could provide an effective structure for implementing the Universal Pre-K Program recommended by the State Board of Education. In addition, several operational, financial, and organizational aspects of the program should be changed to improve its efficiency and effectiveness.

Scope and Purpose

This overview report summarizes the results of audits of the School Readiness Program conducted by the Office of Program Policy Analysis and Government Accountability (OPPAGA) and the Auditor General (AG).¹ These audits were conducted as directed by Ch. 2003-93, *Laws of Florida*. The two offices coordinated their field work in conducting the audits. To assist the reader in locating the detailed comments in the specific audit

reports, AG or OPPAGA (or both) are referenced after each summarized finding. These reports can be located on the applicable Web sites: <http://www.oppaga.state.fl.us/> and <http://www.state.fl.us/audgen>.

Background

The School Readiness Program is composed of a diverse group of state and local participants who are charged with bringing together various early education and child care programs into a unified School Readiness Program. The 1999 School Readiness Act consolidated early education programs 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. The legislation established a state-level governing board known as the Florida Partnership for School Readiness (the Partnership) to coordinate statewide program efforts and county-level School Readiness Coalitions to plan, implement and administer program services locally.

Although the School Readiness Act integrated individual programs into one School Readiness Program, the local structure for implementing the program through coalitions, private providers, and school districts is decentralized and driven by the needs of the local communities. The diverse nature of this program and its decentralized structure makes it critical that there is a strong state-level authority providing guidance to the local coalitions.

¹ This Overview Report is based on Office of Program Policy Analysis and Government Accountability [Report No. 03-75](#) and OPPAGA's main report to be published in January 2004 and Auditor General (AG) [Report No. 2004-085](#).

Summarized Findings

Program progress is being made but is hindered by inadequate Partnership guidance and operational and financial management weaknesses.

The School Readiness Program has made progress over the past two years but substantial issues remain. The Partnership has taken steps to address several key program issues and local coalitions are beginning to make meaningful progress implementing key program elements. Significant improvement is needed in the guidance provided by the Partnership and in the program's operational and financial management.

The Florida Partnership for School Readiness made progress in implementing the program, but improvements are needed. The Partnership has implemented several of the key program elements required by law and has taken steps to address problems identified in OPPAGA's 2002 report. However, improvements are still needed for some key program elements.

- The Partnership has improved its process for centralizing program funding and all local coalitions now administer program funding that enhances the coalitions' abilities to manage program activities. (OPPAGA)
- The Partnership has developed a new funding formula for coalitions that will provide an improved manner of distributing funding, if implemented. The new formula could be improved by taking into consideration the differences in cost of living among coalition service areas and recognizing the differing costs to serve the varying types and ages of children participating in the program. (AG and OPPAGA)
- The Partnership has adopted rules relating to program definitions, eligibility, and waiting list procedures; however, more rules are needed to provide guidance to local coalitions. (AG and OPPAGA)
- The Partnership has strengthened its process to review coalition plans, but the quality of some plans and the Partnership's procedures for tracking plan approval need to be improved. (AG and OPPAGA)
- The Partnership has taken steps to improve the administrative efficiency and viability of smaller coalitions through its Coalitions Coming Together initiative that has created incentives for coalitions to share services and/or form multi-county coalitions. (OPPAGA)
- The Partnership has implemented a simplified point of entry system that provides parents/legal guardians with a single Web site where they can obtain information on the School Readiness

Program and apply for this program and Head Start via the internet. However, these benefits are limited because some coalitions use their own systems and do not use the simplified point of entry system. (OPPAGA)

- The program's outcomes and effectiveness cannot yet be determined because the Partnership has not yet implemented a uniform system to assess children's school readiness. The Partnership has developed the School Readiness Uniform Screening System (SRUSS), but it is not being implemented uniformly across the state, does not address all readiness performance standards or statutory expectations, and does not provide a single score that assesses a child's readiness for school. (AG and OPPAGA)

The Partnership has not clarified major policy issues or provided adequate technical assistance or monitoring to local coalitions. Although the Partnership is responsible for statewide policy direction for the program, it has left some critical issues unresolved and its technical assistance services have not met local coalition needs. As a result, coalitions are unsure how to implement critical aspects of the program and have difficulty obtaining timely answers to questions regarding programmatic issues. This lack of statewide guidance has also contributed to the coalitions' noncompliance with voucher agreements, parent fee requirements, data collection and reporting mandates, and restrictions on program expenditures. (AG and OPPAGA)

A major problem is that the Partnership has not clarified policy regarding whether coalitions can require all program providers to use a developmentally appropriate curriculum. The Partnership's failure to clarify this issue raises the risk that coalitions may violate federal requirements governing parental choice of providers and hinders coalitions in their ability to work with providers to ensure that children receive appropriate School Readiness instruction. (AG and OPPAGA)

The Partnership needs to significantly improve its technical assistance services to local coalitions. Over half of the coalition members responding to OPPAGA's survey reported that the lack of clear and consistent guidance from the Partnership was a significant barrier to program implementation and 37% reported that it was the most troublesome barrier the coalitions faced. (OPPAGA)

Major financial management and operational issues need to be resolved to ensure that program resources are properly identified, acquired, safeguarded, and utilized. Weaknesses in the program's financial management have led to the inefficient use of resources as discussed below.

- The Partnership had not established adequate internal controls for reconciling the Statewide Reporting System to FLAIR, confirming proper eligibility determinations, and ensuring proper expenditure of federal and state funds. (AG)
 - During the 2001-02 fiscal year, the Partnership reverted \$21 million in federal matching funds awarded October 1, 2000, because it had not fully utilized General Revenue expenditures and expenditures of Child Care Executive Partnership Program donations and local cash donations for state matching requirements. (AG)
 - As of June 30, 2003, the Department of Children and Family Services (DCFS) still retained in excess of \$14 million within the Child Care Development Trust Fund although state law had transferred the fund from DCFS to AWI effective July 1, 2001. (AG)
 - A determination could not be made as to whether coalitions were operating within the 5% cap on administrative costs as these expenditures were not captured as administrative costs because of the central agency reporting structure and Partnership guidance for the 2002-03 fiscal year. (AG)
 - The Partnership's Child Care Management System contained inaccurate data due to decentralized and inconsistent procedures and ineligible children may have been served. (AG)
 - Coalitions did not use one statewide data system (5 of the 50 coalitions use local systems rather than the one developed by the Partnership) resulting in inconsistent reporting practices and inefficient use of School Readiness Program funds. (AG)
 - State law requires the Partnership to annually distribute the School Readiness Program funds as block grants to the coalitions. The Partnership's funding mechanism for local coalitions evolved from contractual agreements to funding agreements to grant awards. We believe that the approach taken was a prudent management decision. The Partnership, through statutory revision, should seek alternatives in the manner in which the funds are distributed until the findings related to data reporting and coalition operational, accountability, and compliance issues are fully resolved. (AG)
 - Coalitions did not submit required 2002 annual reports or fiscal statements to the Partnership because the Partnership did not develop the content and format specifications for coalitions to use in preparing the reports. In addition, the Partnership did not include an analysis of coalition reports in the Partnership annual report, contrary to law. (AG)
 - The Partnership's budget request for 2003-04 did not clearly delineate expenditures for School Readiness and school-age child care. Twenty-six percent of program expenditures were used to serve school-age children. (AG)
 - The Partnership did not effectively manage federal quality dollars and earmarks designed to improve the quality of services to children. (AG)
 - The Partnership's contracting process was inadequate in that federal award information was not always included in subrecipient contracts and the Partnership failed to timely execute an interagency agreement with AWI. (AG)
- Local coalitions have made progress implementing the program over the past two years. The coalitions are now addressing more required program elements and are beginning to transform what used to be a child care system into a coordinated School Readiness Program. However, more progress is needed to fully meet the program's intent. Most coalitions (37 of 50) have made mixed progress in addressing five essential program elements. Nine coalitions have made significant progress in addressing all five of the program elements we reviewed. Conversely, four coalitions have made only minimal overall progress. (OPPAGA)
- Overall, coalitions have made the most progress in coordinating eligibility determination and service intake processes to establish a single point of entry. Coalitions have made the least progress in ensuring that providers use a developmentally appropriate curriculum. Many coalitions believe that they lack the authority to mandate that providers use a developmentally appropriate curriculum, which may partially account for the weak performance in this area. In addition, coalitions have strengthened oversight at the local level and have, in some instances, reduced costs and improved services. (OPPAGA)
- However, some coalitions that are making progress implementing the program often still need to address operational and financial issues. For example, one coalition that has made strong progress implementing key program elements also has numerous compliance and financial deficiencies. (AG and OPPAGA)
- Several aspects of program operations are problematic at the coalition level. Our site visits, interviews, analysis of documents, and surveys identified several recurring issues that are problematic for coalitions and affect their ability to implement the School Readiness Program at the local level. These issues are noted below.
- Some coalitions have not served the required minimum number of children and more than half of the coalitions did not meet the minimum required by the 2002-03 fiscal year funding agreements. (AG)
 - Some school districts have opted to drop out of the program, and coalition relationships with central

agencies have been problematic in some areas. (OPPAGA)

- The current system for reimbursing providers based on a child’s documented attendance rather than enrollment is perceived as inefficient and serves as a disincentive for providers to accept School Readiness children. (OPPAGA)
- Some coalitions had not established adequate internal controls for the competitive procurement process, disbursing program funds, reconciling bank statements, and safeguarding tangible personal property. (AG)
- Confusion about the client groups that coalitions must serve and the volatile nature of program enrollments have led to year-end budget deficits and disenrollment of children in some coalitions. (AG and OPPAGA)
- Coalitions indicated that their ability to improve program services is constrained because they lack authority to create incentive funding systems that would reimburse providers based on staff qualifications, monitoring results, children’s outcomes on age-appropriate assessments, or adult-to-child staffing ratios. (OPPAGA)
- The requirement to recertify childrens’ eligibility for services every six months can result in service disruptions because children can be dropped from services in the middle of the school year if their family income rises above threshold levels and the parents cannot afford to pay for these services. Some coalitions have developed local funding sources to avoid this problem. (OPPAGA)
- Some coalitions are not reimbursing providers at a rate equivalent to 75% of the prevailing market rate as required by federal guidelines and the state may not be able to ensure, by federal standards, that equal access is provided. (AG)
- Some coalitions have implemented reimbursement policies that require parents with children attending school-based programs to pay the full cost of after school care, while parents of children in other coalitions make smaller co-payments based on their ability to pay. (AG and OPPAGA)

The program could implement the Universal Pre-K Program if guidance issues are resolved.

If the state-level policy and fiscal guidance issues are resolved, the School Readiness Program could provide an effective structure for implementing the Universal Pre-K Program recommended by the State Board of Education. (OPPAGA)

The School Readiness system is designed to increase children’s chances of achieving future educational success in school through an integrated approach that builds on existing services and cooperation with other programs for young children. It is a locally governed system that allows for parental choice

through a network of different provider types. The local coalition board composition ensures that all the different community stakeholders involved with the care and education of children are represented.

The governance structure recommended by the State Board of Education for the Universal Pre-K Program—to have a diverse provider system to support parent choice and use existing program capacity—can fit within the existing School Readiness organizational structure. Both programs have the same goal of maximizing community partnerships to enhance services to children. In addition, with the passage of the class size amendment, it is critical to use these existing partnerships with business, community, and faith-based organizations and governmental agencies because of limitations on school capacity. These partnerships currently exist for the delivery of School Readiness services.

The School Readiness system already serves many of the same children eligible for Universal Pre-K services utilizing providers that will likely eventually participate in the Universal Pre-K Program. Another benefit to incorporating the two programs is that many of the educational standards developed for Universal Pre-K are based on the same elements found in the School Readiness law. Therefore, it would appear that combining the programs would be mutually beneficial and make efficient use of resources and the existing management structure.

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Program Review



January 2004

Report No. 04-06

School Readiness Program's Potential Is Beginning to Be Realized, But Is Hindered by Partnership Guidance Issues

at a glance

The school readiness program's potential is beginning to be realized at the local level, but inadequate statewide guidance by the Florida Partnership for School Readiness (the Partnership) is hindering progress. The Partnership has made progress in some areas of the program, but has not clarified several major policy issues and needs to significantly improve its responsiveness in providing guidance to local coalitions.

Although most school readiness coalitions could effectively implement the Universal Pre-K Program recommended by the State Board of Education, the statewide system needs to be more responsive in providing assistance and guidance to local coalitions before assuming responsibility for another major program. If the state level guidance issues are resolved, the school readiness system could provide an effective structure for implementing the Universal Pre-K Program through a network of local providers and a state level policy setting body. In addition, modifying certain operational and organizational aspects of the program could further improve its efficiency and effectiveness.

Scope

Chapter 2003-93, *Laws of Florida*, directed OPPAGA to conduct a performance review of Florida's school readiness program administered by the Florida Partnership for School Readiness, Agency for Workforce Innovation, and school readiness coalitions. This is one of a series of reports that present the results of our review. Specifically, this report

- determines the progress made by the Partnership implementing the school readiness program;
- assesses program's efficiency and outcomes; and
- evaluates the ability of the school readiness program to effectively implement the Universal Pre-K Program recommended by the State Board of Education.

A second OPPAGA report, [No. 03-75](#), provides detailed information about the program's implementation at the local level.

In addition, Ch. 2003-93, *Laws of Florida*, directed the Auditor General to conduct a financial and compliance audit of the program and required the State Board of Education to submit a report with recommendations for the curriculum, design, and standards of the voluntary universal prekindergarten education program. The state board's report was published on November 18, 2003, while the Auditor General's report will be published in January 2004. OPPAGA coordinated its fieldwork with the Auditor General and will issue a joint report summarizing overall conclusions and recommendations.

To support the state board's effort to address the requirements of Ch. 2003-93, *Laws of Florida*, we presented our preliminary report findings in September 2003 to the Partnership and Universal Prekindergarten Education Advisory Council established by the State Board. The Advisory Council Report was published on October 21, 2003.

Background

Prior to 1999, Florida's publicly funded early education and child care programs were delivered through various independent programs, with administration of the programs divided among the state Departments of Education and Children and Families and the Federal Head Start program. See OPPAGA Report No. 02-07 for additional information.¹

In 1999, the Legislature enacted the School Readiness Act to consolidate early education programs and 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.² The legislation established a state-level governing board known as the Florida Partnership for School Readiness (Partnership) to coordinate statewide program efforts and local school readiness coalitions to plan and implement a comprehensive program of readiness services.

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. The 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.

¹ *Program Review: School Readiness Program's Potential Not Realized With Critical Issues Unresolved*, [Report No. 02-07](#), January 2002.

² Chapter 99-357, *Laws of Florida*.

Universal Prekindergarten Amendment. On November 5, 2002, Florida voters passed Amendment 8 to Article IX of the Florida Constitution creating a voluntary universal prekindergarten program. Subsequently, the Legislature passed Ch. 2003-93, *Laws of Florida*, creating the voluntary Universal Prekindergarten Education Program free for every Florida child four years of age beginning with the September 2005 school year. The program is to be voluntary, high quality, free, and delivered according to professionally accepted standards and is referred to as the Universal Prekindergarten (UPK) Program.

Florida Partnership for School Readiness. The Partnership is generally charged with administering and coordinating school readiness services that help parents prepare eligible children for school. Specific Partnership responsibilities are established by s. 411.01, *Florida Statutes*, and include

- providing final approval and periodic review of local coalitions and their program plans;
- establishing a uniform kindergarten screening instrument to be implemented by the Department of Education and administered by local school districts;
- providing technical assistance to local school readiness coalitions and assess gaps in services;
- adopting a system for measuring school readiness of children receiving program services and collecting statewide school readiness data;
- developing performance measures and standards for the program for use in performance-based budgeting; and
- adopting rules necessary to administer the program.

The Partnership board has 20 members; it includes specific elected and appointed officials, and membership from specific public and private sectors. See Appendix A for the Partnership's membership requirements.

As of June 30, 2003, the Partnership had 45 full-time equivalent (FTE) positions that conduct

research, provide guidance and technical assistance to local coalitions, establish and manage funding contracts, and perform other administrative functions. This included 17 FTE from AWI who provide administrative support to the Partnership through an interagency agreement, as well as 18 regional coalition analysts located throughout the state who provide a variety of services to coalitions. See Appendix B for an organizational chart.³ In addition, the Partnership contracts with the Florida Children's Forum to provide technical assistance to coalitions on various program topics and to carry out major program functions for the Partnership such as administering the Child Care Resource and Referral Network.⁴

School readiness coalitions. Readiness coalitions are responsible for planning and implementing the school readiness program at the local level. The coalitions are governed by local boards that must have between 18 to 25 members and include individuals from both the public and private sectors. See Appendix C for a listing of coalition membership requirements.

The coalitions develop plans to coordinate and provide local school readiness services; these plans must be approved by the Partnership. Chapter 411, *Florida Statutes*, specifies the types of services that coalitions must provide through their local school readiness programs. For example, the law requires local programs to have a single point of entry, coordinated staff development and training opportunities, developmentally appropriate curricula, and age-appropriate assessments. See the companion OPPAGA report, [No. 03-75](#), for a description of local program elements.

Coalitions subcontract 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 may

contract with community child care coordinating agencies (central agencies) for a variety of services. These include client application processing, resource and referral services for families, parent education, developmental assessments of children, and training and support for providers. The coalitions also purchase school readiness services through child care centers, subcontracted facilities, and voucher certificates.

The Partnership originally approved 57 coalitions to serve Florida's 67 counties. However, some of the original coalitions were subsequently consolidated, resulting in the current organization of 50 coalitions. Forty-three coalitions serve a single county, while seven serve multiple counties. See Appendix D for a map of the school readiness coalitions.

Program clients

As provided by law, the program provides readiness services to children from birth to kindergarten who are at risk of future academic failure.⁵ In addition, the program provides services for school-age children (before and after care for children between ages 5 and 13). In the 2002-03 fiscal year, approximately one out of every three children served was school age. In general, priority for Florida's school readiness program services is given to

- children whose parents are receiving temporary cash assistance;
- children under the age of kindergarten eligibility who are determined at risk of abuse, neglect or exploitation;
- children at risk of welfare dependency;
- children of working families whose income does not exceed 150% of the federal poverty level;
- three- and four-year old children with disabilities;
- economically disadvantaged children who are served through home visitor or intensive parent education programs; and
- children who are eligible for the migrant preschool program.

³ Four of the 18 regional coalition analysts are funded through a contract with the University of North Florida.

⁴ The Florida Children's Forum is a not-for-profit organization that conducts research, training and advocates for children's issues relating to quality childcare and early education. The Child Care Resource and Referral Network is a statewide database on the availability, quality, and affordability of child care and early education services in Florida.

⁵ Sections 411.01(6), 445.023, 445.032, and 409.178 *F.S.*; 45 *CFR*, Parts 98-99, 260-265.

Information Brief

Parents assist with cost of care through a sliding fee scale based upon their ability to pay.

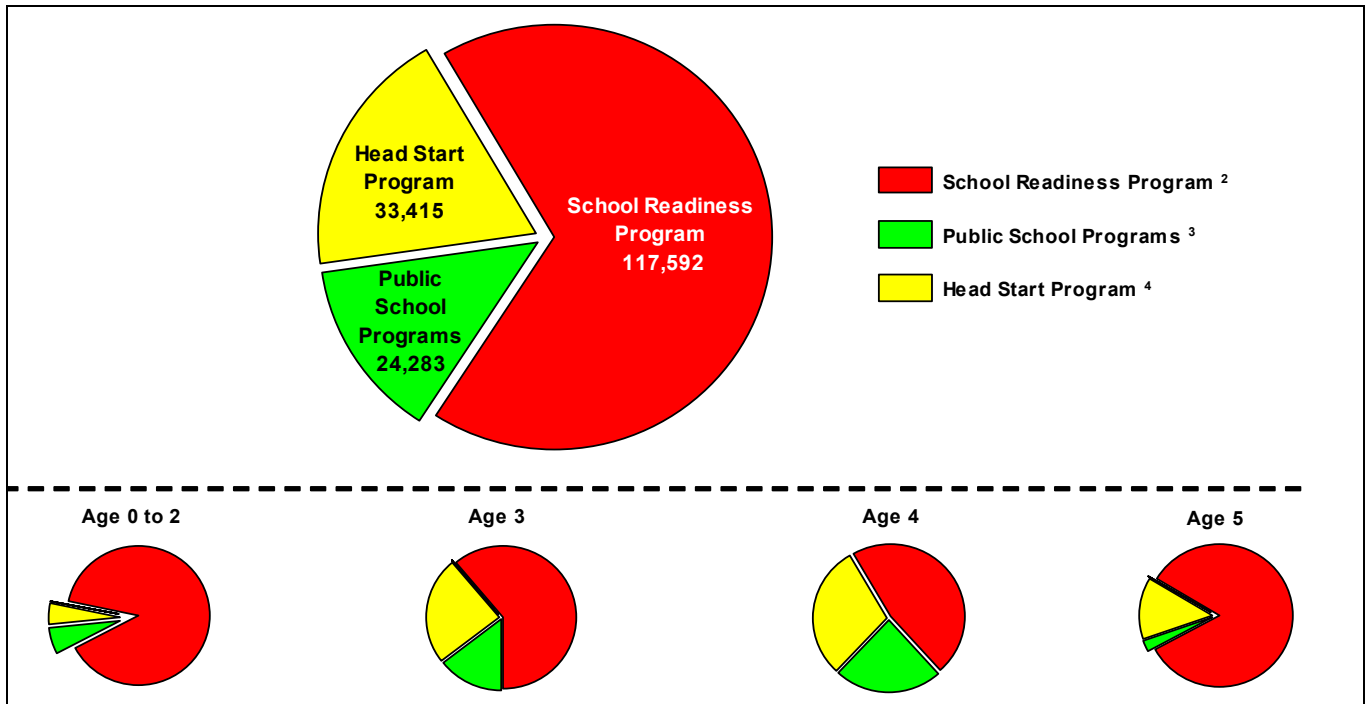
During Fiscal Year 2002-03, the program served 175,290 children ages 0-5 through a variety of publicly funded early education programs. These included the school readiness program, public school programs, and Head Start. Children may receive services from more than one of these programs. As shown in Exhibit 1, the school readiness program was the largest program accounting for two-thirds (67%) of the total children served. However, beginning at age 3, the public school programs and the federal Head Start Program experience a significant increase in proportions of children served.

Program resources

For Fiscal Year 2003-04, the Legislature appropriated \$687 million for the school readiness program. Approximately 74% of the funding is derived from federal grants (the Child Care and Development Fund and Temporary Assistance for Needy Families Grants) awarded by the U.S. Department of Health and Human Services. Most of the remaining funding is provided by general revenue (\$170.8 million) as a part of the matching requirement to receive federal funds.⁶ In addition to state and federal funding the program receives parent fees. These fees were assessed in the amount of approximately \$80 million for the 2002-03 fiscal year.

⁶ The Auditor General’s companion report also has information on how the program funding is spent by the Partnership and coalitions.

Exhibit 1
175,290 Children Aged 0-5 Were Served in All Readiness Programs During Fiscal Year 2002-2003 ¹



¹ Children may receive services from more than one program.

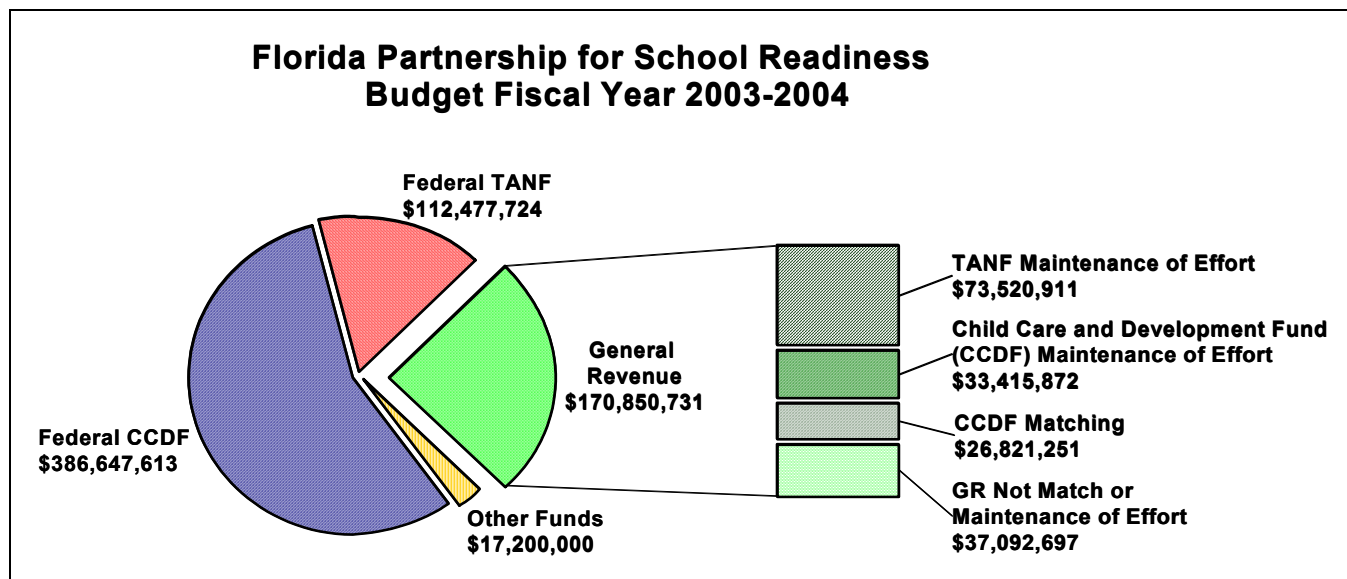
² School Readiness includes children served for FY 2002-03 including Even Start and Home Instruction for Parents of Preschool Youngsters programs.

³ Public School Funded from Survey 2, October 2002, as of August 7, 2003, include Title I Pre-K, Pre-K Disabilities, Migrant Program and Teenage Parent Program.

⁴ Head Start data from enrollment counts in December 2002 by the Head Start State Collaboration Office.

Source: *Florida's Early Learning Programs, Cost and Resource Summary*, presented by Lucy Hadi, Chief of Staff, Office of the Lt. Governor to the UPK Advisory Council on September 10, 2003.

Exhibit 2
The School Readiness Program Is Funded from a Variety of Sources



Source: *Florida's Early Learning Programs, Cost and Resource Summary*, presented by Lucy Hadi, Chief of Staff, Office of the Lt. Governor to the UPK Advisory Council on September 10, 2003.

Prior findings

Our 2002 report concluded that while the Partnership had implemented many of the required elements of the school readiness program, it had not made adequate progress in establishing several key components such as the assessment system and the single point of entry. In addition, we reported that very little progress had been made in unifying program policies and services under the authority of coalitions at the local level. Many coalitions had not moved beyond the organizational and planning stage of the process and had made limited progress in changing delivery systems to better integrate and improve program services.

We identified two primary barriers that had slowed progress. First, local coalitions initially lacked control over some program funds that continued to be allocated through independent funding streams. Second, the Partnership was not effective in providing clear, consistent guidance to coalitions, which affected their ability to effectively administer the program.

Methodology

To review the progress the Partnership and the local school readiness coalitions have made in implementing the program, we examined Partnership documents and data and interviewed Partnership board members and staff. We examined the school readiness plans developed by each of the 50 local coalitions, and surveyed the board members and/or staff of each of the local coalitions. We conducted site visits to 13 coalitions to observe program operations and to conduct focus groups and interviews with coalition members, providers, school district officials, community child care coordinating agency representatives, and Head Start personnel. For the 37 coalitions not visited, we conducted telephone interviews with board members, executive directors, and providers on programmatic issues. After the completion of our field work, we conducted three regional focus groups with coalition board members and staff, child care coordinating agency staff, school district personnel and providers to identify possible solutions to issues identified during our

fieldwork. We closely coordinated our fieldwork with that of the Auditor General.

Findings

The school readiness program’s potential is beginning to be realized, but a lack of statewide guidance by the Florida Partnership for School Readiness is hindering this progress. The Partnership needs to significantly improve its responsiveness in providing guidance to local coalitions. Once these problems are resolved, the school readiness program could provide an effective structure for implementing the Universal Pre-K Program.

The Partnership has implemented most key program components

Our prior report noted that five key program elements had not been adequately implemented by the Partnership. Specifically, as of December 1, 2001, the Partnership had not yet centralized program funding and authority for coalitions, had not approved plans for all coalitions, had not established a single point of entry system statewide, had not implemented the assessment system, and had not adopted rules to facilitate program implementation. As shown in Exhibit 3, the Partnership has now implemented three of these key components, although improvements are needed in some of these areas. However, two key elements—implementing an assessment system for preschool children and providing guidance to local coalitions—remain incomplete.

Exhibit 3 The Partnership Has Now Implemented Three of Five Key Program Components That Were Not Implemented Before

Key Components Not Fully Implemented During Prior OPPAGA Report	Status as of December 2001	Status as of November 2003
Centralize program funding and services under the authority of coalitions	Not Complete	Complete
Develop and approve coalition plans	Not Complete	Implemented, but improvements needed
Establish a single point of entry and unified waiting list for readiness programs	Not Complete	Completed, but not used by all coalitions
Implement assessment system	Not Complete	Not Complete
Adopt rules necessary to administer program	Not Complete	Not Complete

Source: OPPAGA analysis.

Program funding and authority has been centralized under the local coalitions. A major problem cited by our 2002 report was that very little progress had been made in unifying program funding under the authority of local coalitions during the first two years of program implementation. The program lacked a centralized funding source prior to July 2001. Without control of funding, coalitions could not easily integrate readiness program services as required by law.

The Partnership’s process for centralizing funding to coalitions has evolved over time, with coalitions gaining more control over and flexibility with funding. As shown in Exhibit 4, the Partnership’s funding process has shifted from a prescriptive contracting process to a more flexible project grant award to coalitions. The Partnership plans to pilot a block grant award process in 2004 which will finally implement the requirement in law that all eligible funds be distributed as block grants to coalitions.⁷

⁷ Section 411.01(9)(e), F.S.

Exhibit 4 The Partnership's Process for Distributing Centralized Program Funding to Coalitions Has Evolved Over Time

Initial Contract Model (April 2001 through June 2002)

The Partnership contracted with individual coalitions. This process was very prescriptive, delineating specific categories for coalition expenses and specifying how much coalitions could spend in each category. Coalitions were required to submit contract amendments to the Partnership for any deviations from the contract budget allocations. Coalitions were also required to obtain Partnership approval for all subcontracts with providers and vendors.

Funding Agreement Model (July 2002 through June 2003)

The Partnership entered into funding agreements with local coalitions while the process for submitting coalition plans was being revised. The funding agreement was an addendum to the coalition plan that served as the basic contract. It also spelled out the number of children a coalition should serve and the service priority for children. The contracts had fewer subcomponents, and the Partnership was no longer required to approve coalition subcontracts; however, amendments to the funding agreements still had to be approved at the state level.

Project Grant Award Model (began in July 2003)

The Partnership currently awards project grants to local coalitions, which has eliminated many of the administrative requirements associated with the prior contracts and agreements. Coalition local readiness program plans are the basis for the project grant awards, which consist of three basic allocations: (1) a base allocation, (2) a Child Care Executive Partnership allocation, and (3) a Quality Initiative allocation. Coalitions are no longer required to obtain Partnership approval for amendments to spending plans. As of November 1, 2003, all 50 coalitions were operating under the project grant award.

Block Grant (will pilot beginning in 2004)

As required in the original law, the Partnership plans to implement a block grant system for allocating funding to coalitions in 2004. The Partnership and AWI are planning to pilot this process with the Pinellas County Coalition to help determine what processes coalitions will need to put in place to manage block grant funding. The pilot also may include a small county coalition and a multi-county coalition. These block grant awards would allow coalitions to make weekly draws of cash to meet expenditures as opposed to the cost reimbursement system currently being used, which requires coalitions to submit expenditure reports and invoices to the AWI for approval prior to payment.

Source: Partnership staff interviews.

These steps have been effective in centralizing program funding and authority under the 50 local coalitions. Local coalition members are now more positive in their perspectives of their role in governing the program. Our 2002 report found that only 32% of coalition members

believed that their coalitions functioned as the local governing body for readiness programs by making funding decisions, setting program policies and standards, and holding providers accountable. In contrast, our August 2003 survey of coalition members found that twice that percentage (64%) of coalition members reported that their coalitions functioned as the local governing bodies in these roles.

The Partnership has strengthened its process to review coalition plans, but more steps need to be taken. Our 2002 report noted that the Partnership had not developed an effective process to review and approve local program implementation plans submitted by the coalitions, and that many of the coalition plans were incomplete and inadequate. In cooperation with the Auditor General, we reviewed each of the 50 current coalition plans to determine if they identified concrete strategies for implementing required program elements and for improving program integration, efficiency and services. The Partnership had not yet fully reviewed or approved these 2002-03 plans as of April 2003.

Overall, the current coalition plans showed improvement over the plans reviewed for our prior report in 2002, primarily because the Partnership has established a new format that coalitions must use to submit their plans. As a result, the plans are now better organized and structured to meet the program elements required by law. The new plan format requires coalitions to identify the current status, objectives, and planned activities for each of the required program elements. In addition, coalitions must identify mid- and end-year measurements for the activities listed in their plans.

Although the plans are better organized and structured, they continue to vary in quality and content and generally need to be improved. Of the 50 plans we examined, 25 had weaknesses in at least one of the following areas: providing sufficient detail and specificity, coordinating services across delivery systems, and/or demonstrating coalition leadership in

Information Brief

furthering the goals of the school readiness program.

- Fourteen coalition plans lacked specificity and detail and provided only vague or general statements about program objectives and activities to address program elements. For example, one coalition plan listed “survey complete” as the measurement of the results for a parental involvement survey.
- Six coalition plans sometimes lacked information on how the various program elements would be coordinated across the various delivery systems or providers such as the school district, central agency, and Head Start. Such plans identified steps that each separate entity was doing for a specific element, but provided little or no detail about interagency coordination and collaboration activities. This problem most often occurred in describing the coalition’s plans for establishing a single point of entry for children and staff development and training activities.
- Twelve coalition plans did not address the role of the coalition in furthering school readiness goals or services. These plans identified historical or current efforts by various agencies (i.e., school districts, central agencies) to address program elements, but did not provide a clear statement of what the coalition itself was doing or planning to do to address the elements.

The Partnership’s procedures for tracking and approving coalition plans also need to be improved. The Partnership was unable to readily provide information on the status of its review and approval of individual coalition plans when we examined the plans in March and April of 2003. Further, the Partnership was late in developing policy for reviewing and approving coalition plans. Our interviews with coalition staff revealed that trying to comply with the Partnership’s last minute policy decisions on issues often created havoc for them. In May 2003, Partnership staff reported that the board did not have procedures for disapproving coalition plans and would eventually approve all

plans. However, in June 2003, the Partnership board adopted detailed procedures for disapproving plans during a conference call. The Partnership did not disseminate formal notice of these procedures to the coalitions, although the process could have the effect of suspending program funding to a coalition. Some of the coalitions we visited were unaware of these new procedures.

The Partnership has implemented a single or “simplified” point of entry system, but coalitions are not required to use it. Our 2002 report noted that the Partnership was developing but had not yet implemented a streamlined system to screen children for program services. A single point of entry system directs families seeking access to any school readiness service to a central entity for information and eligibility determination. Such a system is critical to streamlining administrative processes and improving program integration and efficiency.

Since our 2002 report, the Partnership has contracted with a private vendor to develop a web-based “simplified point of entry and unified wait list” application. The new system provides parents/legal guardians with a single website where they can obtain information on school readiness programs via the internet. Parents and legal guardians can use this system to apply for school readiness programs and Head Start. Coalitions can access this information to review and process applications and place qualified applicants on a “unified wait list” until funding is available for entry into a program. Once placed in a program, the applicant’s information is downloaded to the Partnership’s Child Care Management System-Enhanced Field System (CCMS-EFS) where it is maintained until the child leaves the program.

Beginning in May 2003, the vendor initiated staged deployment of the simplified point of entry and unified wait list system including refresher training, maintenance and support, and system enhancements. As of December 1, 2003, two-thirds (34 of 50) of the coalitions

(mostly smaller coalitions) have volunteered to use the new system.

Most of the larger coalitions have chosen not to use the statewide simplified point of entry system because it is too basic to meet all of their needs. The simplified point of entry system will act as a doorway to the upgraded web-based Child Care Management System being developed by COVANSYS, which will replace the existing antiquated, cumbersome CCMS-EFS system used by coalitions. The upgraded web-based system will move all current EFS database data to a single data repository and update and enhance current EFS applications with web-enhanced components for provider management, client management, case management, fund management and financial management. Local system data and applications will be converted to the web-based system.

Until the statewide web-based childcare management system is complete and integrated with the simplified point of entry and unified wait list system, some coalitions will be reluctant to abandon their local systems. As a result, real time statewide data on weight lists will be unavailable.

The Partnership has not reported program outcomes or fully implemented its program evaluation assessment system.⁸ Our 2002 report found that although the Partnership had adopted school readiness performance standards, it had not established the required uniform kindergarten screening instrument or longitudinal evaluation system required by law. Although progress has been made since our prior report, the Partnership and the Department of Education still have not fully implemented the comprehensive required assessment system. The system components

that have been developed also have problems that may limit its usefulness.

School Readiness Uniform Screening System. The Department of Education selected three instruments for the School Readiness Uniform Screening System through a competitive procurement process. All school districts administer the Early Screening Inventory-Kindergarten to all of Florida's kindergarten students. In addition, beginning in Fall 2002, districts may use either the Ready-for-School Behavioral Screener or the Work Sampling System to screen incoming kindergartners. (See Exhibit 5.)

Exhibit 5 The Uniform Kindergarten Screening System Uses Three Different Instruments to Determine a Child's Readiness Level

Early Screening Inventory-Kindergarten

- Administered by all 67 school districts. It is based on teacher ratings of 19 activities performed on-demand by students during a brief examination. The instrument screens children for fine motor, eye hand coordination, short-term memory, verbal expression, reasoning, counting, auditory memory, and use of large muscles for age expected motor activities.

Ready-for-School Behavioral Screener

- Used by 16 school districts including mostly small school districts such as Bradford, Calhoun, Hamilton, Holmes, and Taylor counties. It is based on significant teacher observations of their students in the instructional setting. The instrument assesses student performance across 14 standards including follows classroom rules and routines, interacts with teachers in the classroom, exercises self-control and frustration tolerance, stays on task, and pays attention to verbal information.

Work Sample System

- Used by 51 school districts, including mostly large school district such as Broward, Duval, Hillsborough, Miami-Dade, Orange, Palm Beach, Pinellas, and Polk counties. It is based on significant teacher observations of their students in the instructional setting. The instrument assesses student performance across five domains including personal and social development, language and literacy, mathematical thinking, the arts, and physical development and health.

Source: DOE State Report of District Results.

The use of two different behavioral screening instruments to gauge school readiness progress is problematic because the two instruments test social and behavioral skills differently; therefore, their scores cannot be aggregated.

⁸ Chapter 411.01, *F.S.*, requires the Partnership to develop performance standards and outcomes, establish a uniform kindergarten screening instrument to be implemented by the Department of Education, and develop a longitudinal evaluation system for measuring the performance of students through the third grade to compare the performance of those who participated in the school readiness program to students who did not participate in the program.

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The department selected these two behavioral screening instruments due to a bid protest. While the Partnership intended to design a scannable scoresheet that would amalgamate the results of the various screening instruments for a single statewide “readiness” score, the Department of Education concluded that it is inappropriate to aggregate the results of the instruments and instead reports these results separately.⁹

As of December 1, 2003, the Partnership had not released the readiness assessment results for children participating in the program. The initial results collected by the Department included aggregate data for all Florida kindergarten students screened during 2002-03 and did not specifically identify results for children participating in the program.

The analysis of readiness outcome data was delayed for several reasons. First, aggregating the results requires matching screening data with program participation records. However, the Agency for Workforce Innovation, the Partnership, and the department had not established an interagency agreement governing the transfer of data between the entities until July 2003. Second, the department’s vendor found unanticipated errors in the score sheets used for the screening instruments and had to develop protocols to validate results before the data could be released to the Partnership. Third, the Partnership was slow to develop a research design for assessing readiness screening results. In March 2003, the Partnership contracted with a private consultant to develop research questions for a longitudinal analysis of screening results, data collection protocols, and a database

matching screening results to Partnership records for children participating in the school readiness program.

The current assessment system also will not enable the Partnership to determine if all state readiness performance standards are being met. Performance standards adopted by the Partnership address six areas of children’s development including physical health, approaches to learning, social and emotional development, language and communication, cognitive development and general knowledge, and motor development. However, some of these areas are not sufficiently assessed by the screening instruments. For example, the standards “begin to demonstrate phonemic awareness” and “know letters, sounds, and how they form words” are not measured by either screening instrument that is being used by 16 school districts. These standards relate directly to the quality of a child’s educational experience and are perhaps among the most important given Florida’s emphasis on literacy.

The department also has not thoroughly examined assessment data for reliability and validity, nor does it have in place a process to ensure that kindergarten teachers are accurately and consistently administering the screening instruments. Although teachers were trained by the Department of Education in administering the instruments, the department found 5% of the developmental screening results could not be scored because teachers incorrectly completed score sheets due to confusion over how to administer them. In addition, two school districts had between 43% and 59% fewer valid developmental screening results than expected.

Longitudinal program evaluation. The law requires that an assessment system be in place for a longitudinal program evaluation (s. 411.01(4)(j)8.b., *Florida Statutes*). This evaluation is critical to assuring that the program is having the intended outcome of ensuring that children are ready to learn when they enter school.

Although the Partnership has developed a proposal to conduct this evaluation, it has not

⁹ For example, the rating of “proficient” as used for the behavioral screening instruments does not necessarily equate to the rating of “ready now” used for the Early Screening Inventory-Kindergarten. Statewide results on one social/behavioral screening instrument shows children are “proficient” ranging from 21% to 59% across the 12 domains included on the instrument. The other social/behavioral screening instrument shows children are “proficient” ranging from 33% to 68% across five domains. Further, it is not known whether there is internal consistency across the two social/behavioral screening instruments, meaning that it is unclear whether the two instruments would produce similar results if both were used to test the same child.

begun to implement this plan. The Partnership's work group on school readiness assessment proposed to assess program impact using accepted measures on a sample basis such as those used in Head Start's Family and Child Experiences Survey and by assessing the quality of children's learning environments using environmental rating scales. The proposed evaluation would track children beginning in their pre-school years and follow them into the elementary grades. The Partnership is just initiating the design phase of this long-term evaluation with \$300,000 funded in 2003-04.

The Partnership has adopted rules; but more are needed and some rules are not being followed by coalitions. Our 2002 report noted that the Partnership had not adopted any rules, which contributed to a lack of statewide program guidance. Since that time, the Partnership has adopted rules relating to program definitions, eligibility determination, and waiting list procedures. However, during our regional meetings, coalitions informed us that they continue to rely on draft rules, policies and procedures held over from the Department of Children and Families subsidized child care program to manage the school readiness program. The Partnership has the authority to adopt rules for program implementation and administration, including coalition plan approval, collecting data, and awarding incentives to coalitions but has failed to adopt sufficient rules to guide the program.¹⁰

The Partnership also needs to adopt additional rules to clarify program requirements. Although the law provides for local design, operation and management of the school readiness program, the Partnership needs to provide a framework for operation that ensures that coalitions are in compliance with state and federal regulations. Both OPPAGA and the Auditor General found that coalition members and personnel continue to report widespread concerns about the lack of Partnership guidance. (A more detailed discussion of Partnership guidance issues is found on page 14 of this report.) The Auditor

General also found numerous inconsistent procedures and compliance problems that may require establishing rules to ensure consistency across coalitions. Specifically, inconsistencies were found in child care provider reimbursements and in the charging of parent fees. The Partnership stated that it has considered developing rules for provider reimbursement rates but has delayed these efforts pending a decision regarding the implementation of UPK.

In addition, the Auditor General found that some coalitions were not following certain rules and that the Partnership needs to clarify rules and policies regarding family income criteria and institute system controls to promote the accuracy of reported data. For example, the Partnership has not adopted rules for uniform reporting and data collection in the Partnership Child Care Management System. As a consequence, inaccurate data recorded by the coalitions may have resulted in ineligible children being served.

The Partnership has taken steps to improve the program

In addition to the steps discussed above, the Partnership has initiated other efforts to improve the program and problems identified in our prior report. Specifically, the Partnership has adopted an equity and performance-based funding formula, initiated a process to encourage coalitions to consolidate administrative functions, and contracted with the Florida Children's Forum to provide technical assistance and training to coalitions.

The Partnership adopted a funding formula. As required by law, the Partnership adopted an equity and performance based formula for allocating funding to coalitions in May 2003.¹¹ Although formally approved, the new formula was not implemented because of proviso language in the General Appropriations Act which directed funding to be allocated as in previous years.¹² As shown in Exhibit 6, the

¹⁰ Section 411.01(4)(k), *F.S.*

¹¹ Section 411.01(9)(c), *F.S.*

¹² Chapter 2003-397, *Laws of Florida.*

new formula would allocate funding based on program related demographic factors, performance in attaining school readiness assessment outcomes, and population per square mile. To determine coalition funding using the new funding formula, the money for the fiscal year is apportioned into the five categories by applying the percentage for each formula factor. The money for each category would then be allocated to the 50 coalitions based on demographic information for each category.¹³ Since assessment scores were not available, all coalitions were to have received initial funding based on 65% of children being ready for school. Sparsity weighting to coalitions were based on the number of children per square mile with rural counties given a higher weighting factor because of the loss of economies of scale.

Exhibit 6
The Partnership’s Proposed Performance-Based Funding Formula Considers Five Factors

Formula Factors or Variables	Percentage Weight in Formula
Population of children aged birth to 5 years from families with income at or below 150% of the federal poverty level	40% ¹
County population aged birth to 5 years	15%
Number of TANF households with children birth to 13 years	25% ¹
Number of child protective investigations with closed “verified” or “some indication” reports	5%
Weighted number of children scored as “ready” for kindergarten as measured by assessment instruments	15%
Population sparsity, included to recognize the lack of economy of scale available to rural coalitions. This factor is calculated on the number of children birth to 5 years below 150% the federal poverty level per square mile.	NA

¹ Includes population sparsity weighting.
 Source: Florida Partnership Board Meeting, May 2003.

This formula, if implemented, should provide a more equitable basis for allocating funding than in the past. Since program funding was

¹³ In addition to the 50 coalitions, the Partnership provides funding for Redlands Christian Migrant Association.

consolidated under the Partnership in July 2001, funds have been allocated to coalitions based on prior year expenditures or funding. The Auditor General’s analysis of the average annual allocation per child compared to the average county population showed a wide variance in amounts ranging from \$2,720 per child in Collier County to \$9,617 per child in Lafayette County. In addition, they were unable to find any correlation of allocations on a per-child-served basis to county income, market rates, geographic size, population, or density (population per square mile).

Based on information provided by the Partnership, applying the new funding formula to the Fiscal Year 2002-03 coalition allocation of \$607 million would have resulted in a \$38 million (6.3%) adjustment to the allocated funds. Some coalitions would lose a portion of their funding while others would receive increases. To lessen the impact of these shifts and avoid disruptions in services to children currently receiving services, the Partnership planned to establish a “hold harmless” plan that would phase in the adjustments over time. Coalitions that currently received more funding than awarded under the new formula would have their allocations frozen at current levels, while under-funded coalitions would receive increases when additional funding became available.

The delay in implementing the performance-based funding formula gives the Partnership an opportunity to address several issues. First, the funding formula does not take into consideration differences in cost of living among coalition service areas. The Partnership should consider adding a coalition or county cost differential factor. Second, it is unclear how the Partnership would adjust the performance factor given the current weaknesses in how the readiness assessment system is operating. Third, the formula does not recognize the differing costs to serve the varying types and ages of children participating in the program. The Partnership should consider incorporating these considerations in the formula. For instance, two coalitions may serve approximately the same number of children, but one may serve a higher

proportion of very young children (infants and toddlers) that are more costly to serve because they require a lower child-to-adult ratio.

The Partnership took steps to improve the administrative efficiency and viability of smaller coalitions. Our prior report noted that some smaller coalitions had difficulty funding needed administrative support services within the program's 5% cap on administrative funding.¹⁴ To address this issue, the Partnership established the Coalitions Coming Together initiative to create incentives for coalitions to share administrative services and/or form multi-county coalitions. The Partnership established a \$500,000 fund for Fiscal Year 2003-04 to provide one-time financial assistance to coalitions that choose to collaborate and/or merge. These grants are intended to remove potential financial barriers associated with a merger. Coalitions can apply for funds through a request procedure. On November 10, 2003, the Partnership Board Incentive Committee awarded \$236,602 in grants to eight approved applications and referred four others to its Communications Committee for further consideration. Examples of some of the activities that coalitions will undertake include forming a Gulf Coast Regional School Readiness Consortium to identify common needs and service duplication and gaps in school readiness services, and Miami-Dade's mentoring program to improve Monroe County's child assessment process. Also see OPPAGA [Report No. 03-75](#) for some examples of coordination across multiple coalitions.

The Partnership contracted for technical assistance and training. The Partnership also contracted with the Florida Children's Forum Inc., to provide technical assistance and training to coalitions and providers on specific topics and issues that can improve coalition services and program management. Funded through the School Readiness Quality Initiative Grant from the Partnership, the forum provides technical assistance to providers and quality grants to coalitions for activities such as providing technical assistance to providers on the use

of curriculum, implementing early literacy programs based on performance standards and developmentally appropriate practices including improving assessment of providers. The forum also developed a board member orientation program, awards scholarships, and conducts statewide seminars on improving financial management.

To improve early literacy training for providers, the Partnership contracts with the forum to conduct professional seminars grounded in research-based materials relevant to the topic of quality and children's outcomes. Through their contract, the forum implemented the Training Institute for Trainers of Teachers of Young Children, a five-day training program offered at regional meetings. In addition, it makes grants to coalitions to improve services to children. Coalitions have used these funds to conduct environmental rating scale assessments of providers, and to provide technical assistance to providers for start-up activities.

The Partnership contracts with the forum to manage the \$3 million T.E.A.C.H. (Teacher Education and Compensation Helps) scholarship program to provide scholarships to eligible child care center directors, teachers, and family child care home providers to work toward earning an A.S. degree in child development and education, Child Development Associate (CDA) credential, CDA equivalency, or a Florida Child Care and Education Program Administrator Credential. By investing in these programs, the Partnership hopes to increase the number of credentialed providers.

To assist new coalition board members in understanding the school readiness program, the forum developed (under contract with the Partnership) an orientation program for coalition members. This program provides information that explains the law, funding, and trends and issues in early care and education. Coalition members and providers we interviewed stated that these programs were helpful in improving the overall understanding and quality of school readiness activities.

¹⁴ Section 411.01(9)(d), *F.S.*

Finally, to improve understanding and compliance with federal regulations, the Partnership provided a series of regional meetings on financial compliance with the Office of Management and Budget circulars governing program administration, cost principles and auditing.

Insufficient Partnership guidance is hindering local progress

Although the Partnership has made progress, program implementation at the local level is being hindered because it has not clarified two major policy issues. The Partnership also needs to significantly improve its guidance and technical assistance to local coalitions. Currently, local coalitions are unsure how to implement certain critical aspects of the program and have difficulty obtaining timely answers to questions regarding programmatic issues.

The Partnership has not clarified two major policy issues that affect local program implementation

The Partnership needs to resolve two major policy issues that are affecting local program administration—what requirements coalitions can establish for voucher/certificate providers in order to implement the standards of the school readiness program, and whether coalitions can establish definitions for full-time care. These unresolved policy issues are major barriers to progress at the local level.

The Partnership has not clarified local coalitions' ability to enforce educational requirements. As discussed in our companion report on local implementation of the school readiness program, coalitions have made relatively little progress in ensuring that all providers use developmentally appropriate curriculum. Using appropriate curriculum is important as it helps expose children to educational programming that should lead to better preparedness and readiness outcomes. However, 22 of the 50 coalitions (44%) made no or minimal progress in this area.

The primary reason for this limited progress is that the Partnership has not clarified whether coalitions can mandate that all providers use a developmentally appropriate curriculum. Many coalitions do not believe that they can mandate specific educational requirements (i.e., curricula, age-appropriate assessments) for providers because of the strong emphasis on parental choice under federal law.¹⁵ These coalitions have typically established curriculum requirements for those providers that receive funding through subcontracts, but have not done so for non-contracted providers such as those receiving funding through vouchers.¹⁶

A few coalitions have assertively acted in the absence of Partnership clarification and have implemented service delivery agreements requiring all providers to use a developmentally appropriate curriculum approved by the coalition. These coalitions provide curricula, training, and ongoing support to their providers. Providers not signing or meeting the service delivery agreement are not eligible to receive program funding from the coalitions.

The Partnership's failure to clarify this issue increases the risk that coalitions may violate the federally mandated parental choice requirement for subsidized child care, and greatly hinders the coalitions' ability to ensure that children receive educational services needed to ensure that they are ready to enter school.

The Partnership has not clarified local coalitions' ability to establish reimbursement rates for full-time care by school providers. A second area in which the Partnership needs to establish statewide guidance for coalitions is to clarify "full-time care." Partnership rules, effective April 2003, define full-time care as at least 6 hours and up to and including 11 hours of care in a 24-hour period. More than 11 hours

¹⁵ Section 3.1, State Plan for CCDF Services, for the period October 1, 2003-September 30, 2005.

¹⁶ Coalitions may reimburse providers for services pursuant to contractual agreements or by vouchers the parent receives and then presents to providers for payment. During the 2002-03 fiscal year, approximately 51% of children receiving program services were funded under contractual arrangements with the remaining 49% being paid for under vouchers.

is defined as extended day, while fewer than 6 hours is defined as part-time care. Coalitions are responsible for establishing provider reimbursement rates based upon the most recent market rate survey and in compliance with statutory guidelines.¹⁷

However, coalitions have established different policies for reimbursing public school-based providers that can adversely impact parents and providers. Specifically, the Auditor General found that some coalitions require school-based programs to provide up to 11 hours of care to receive a full-time reimbursement rate, the same requirement used for non-school-based providers. However, other coalitions allow school-based providers to receive a full-time reimbursement rate for only 6 hours of care, the traditional school day. In these coalitions, the school-based or other provider may receive an additional part-time reimbursement for the “after school care” (care in excess of the 6-hour school day) or the coalition may require parents choosing school-based care to pay additional fees. Our survey of school districts disclosed that of the 47 school districts providing direct school readiness services, 41 received a full-time reimbursement rate for 6 hours of care and 6 received a full-time reimbursement rate for 11 hours of care.

These differing reimbursement rate policies can be inequitable to parents and lead to inefficiencies in the use of program resources. Parents in some counties can be penalized if they choose school-based readiness services because they will be required to pay additional fees for a full day of care, while parents in other counties will not be required to pay these additional costs. These differing practices can also increase program costs, as some coalitions will pay both a full-time and part-time fee for the full day care of a child, which is an inefficient use of limited program resources.

The Partnership needs to clarify whether all providers receiving full-time reimbursement rates must provide the maximum hours of full-time care for parents needing it. In its

determination of this issue, the Partnership needs to consider the impact on school districts, which could decide to discontinue contracting for readiness services if they are required to provide more than six hours of care out of their current reimbursement rate. The loss of school providers could negatively affect the program in some counties.

The Partnership needs to significantly improve its guidance and technical assistance to local coalitions

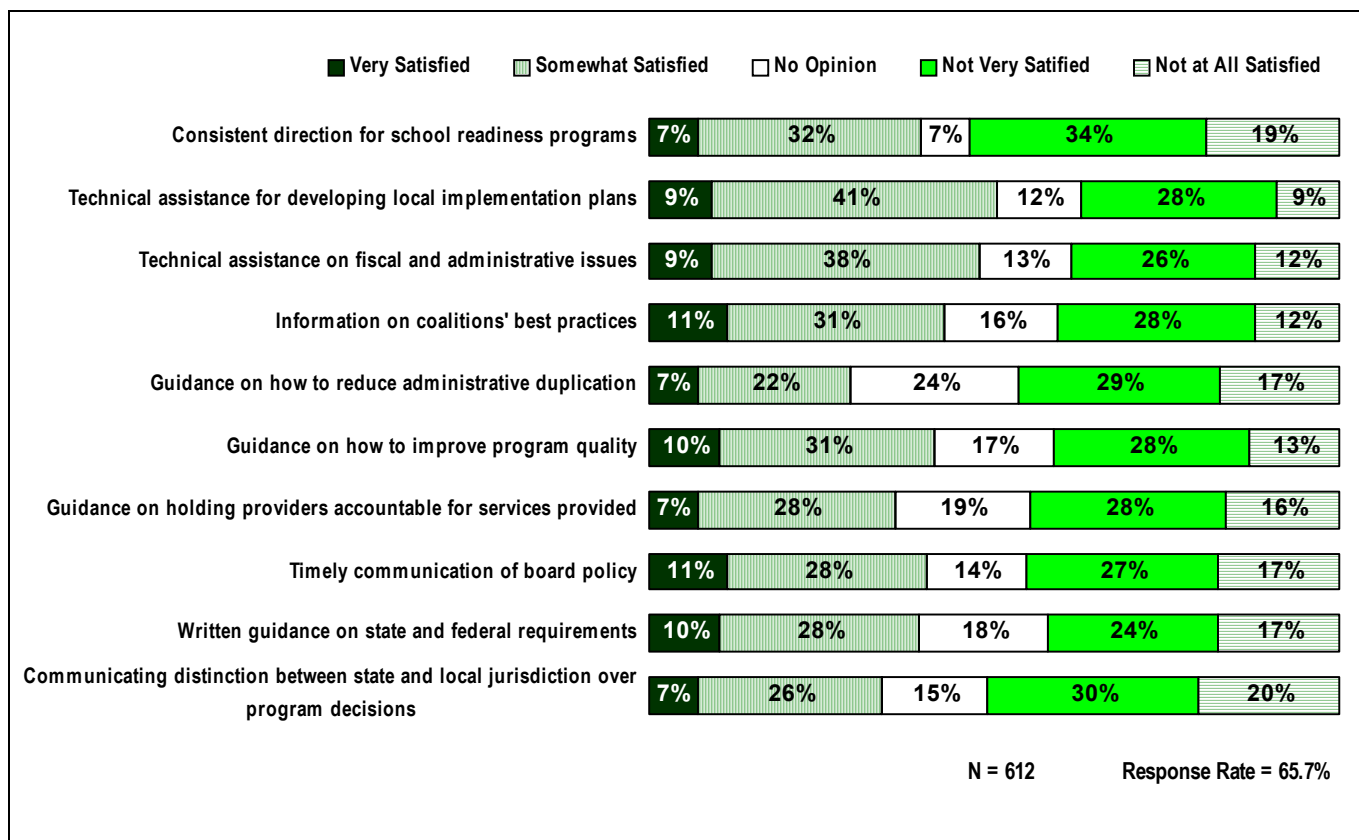
Most of the coalitions we visited reported that the Partnership did a poor job of providing technical assistance to local coalitions. Coalition members and staff provided examples of technical assistance requests that had gone unanswered by the Partnership for several months. Coalitions cited unresolved technical assistance needs for issues such as implementing a developmentally appropriate curriculum, required children to be served, monitoring providers, fiscal and administrative issues, allowable expenses under state and federal regulations, developing requests for proposals, awarding of contracts, and fiscal agent duties and responsibilities. Coalitions believed that the lack of technical guidance affected their ability to effectively administer the program at the local level. This lack of clear Partnership guidance was also cited as a problem in our 2002 report.

As shown in Exhibit 7, more coalition members responding to our survey indicated that they were dissatisfied than satisfied with Partnership technical assistance in 6 of the 10 areas we assessed. Our survey asked coalition members to rate their level of satisfaction with 10 areas of the Partnership’s guidance and technical assistance. While respondents were more satisfied than dissatisfied with the Partnership’s technical assistance in the area of developing implementation plans, more survey respondents reported that they were not satisfied than satisfied with Partnership support in areas such as providing direction for school readiness programs and communicating the distinction between state and local jurisdiction over program decisions.

¹⁷ Section 411.01(5)(e)2., F.S.

Exhibit 7

In 6 of the 10 Areas More Coalition Members Were Dissatisfied Than Satisfied With the Partnership’s Performance in Providing Guidance and Technical Assistance ¹



¹ Percentage may not total 100% due to rounding.

Source: OPPAGA survey of coalition members.

Our survey also asked coalition members to rate barriers to implementing the school readiness program. Over half (52%) of the coalition members responding to the survey reported that the lack of clear and consistent guidance was a significant barrier to program implementation, and 37% reported that it was the most troublesome barrier their coalition faced.

Our interviews with coalition staff also revealed that some were generally not satisfied with the Partnership field analysts’ assistance regarding Partnership policies and procedures. The coalition staff asserted that more often than not, the analysts were not able to give them specific answers regarding eligibility, allowable expenditures,

provider reimbursement procedures and other larger policy issues regarding implementing a curriculum and monitoring providers.

The Partnership employs a team of 18 coalition analysts who offer hands-on technical assistance to coalitions. The analysts help coalitions translate program requirements into plans, budgets, and contracts for required services. However, turnover of field analysts has required some analysts to be responsible for overseeing the activities and expenditures of as many as six coalitions.

In our interviews with field analysts, they stated that when the coalitions were first created, the

field analysts were occupied with ensuring continuation of services and helping coalitions with day-to-day business activities such as procurement, creating a budget, invoicing, and conducting a meeting. Analysts also are responsible for reviewing coalition expenditures prior to submission to the Agency for Workforce Innovation. Because of differences in business experience and background, some coalitions required a great deal more hands-on technical assistance and supervision than others resulting in complaints that the analysts were not available. The analysts asserted that they experienced the same problems as coalitions with getting answers to questions due to a lack of communication and guidance from Partnership staff. Their own attempts at solving problems often resulted in inconsistent advice and a loss of credibility when decisions were overturned.

The Partnership needs to put a priority on developing a better internal communication system and providing guidance to its field analysts. It also needs to clarify the analysts' role in relationship to the Children's Forum because our interviews with coalition staff revealed that there is some confusion as to who is to provide what kind of technical assistance. Additionally, as coalitions continue to evolve and become better at managing their own business affairs, the field analysts should serve as compliance monitors, a function lacking as noted in the Auditor General's report.

Readiness coalitions have made progress despite guidance problems

Despite the challenge of inadequate guidance from the Partnership, local coalitions have made progress implementing the school readiness program. Our January 2002 report noted that coalitions had made little progress in coordinating local program activity and achieving program objectives. As detailed in our companion report, some coalitions have made significant progress. While progress varies

throughout the state, most coalitions have implemented key program elements and are transforming what used to be a child care system into a coordinated school readiness program.

Some coalitions have largely implemented all key program elements; these coalitions generally overcame the limited program guidance provided by the Partnership by taking the initiative to develop their own policies and procedures. For example, several coalitions implemented provider service delivery agreements that require providers to use specific curricula, even though the Partnership has not clarified that coalitions may establish this type of local program requirement. In contrast, some coalitions have made only limited progress implementing the program, due to uncertainty in how to address key program issues as well as inadequate administrative capabilities.

See OPPAGA [Report No. 03-75](#) for a more detailed discussion of coalition activities.

Several program issues are problematic for coalitions

Our site visits, interviews and surveys revealed several recurring issues that are problematic for coalitions and affect their ability to implement the school readiness program at the local level.

- Some school districts have opted out of the program.
- Some coalitions have contentious relationships with central child care agencies.
- The current reimbursement system is perceived as inefficient and serves as a disincentive for providers to accept school readiness children.
- Some coalitions have experienced persistent year-end budget deficits.
- Coalitions believe they lack authority to implement incentive based contracts that could improve program outcomes.
- The requirement to recertify client eligibility may disrupt continuity of services.
- Coalitions have had difficulty maintaining the required composition of their governing boards.

Some school districts have stopped serving school readiness children at school-based sites.

Although the purpose of the school readiness program is to help ensure that children have the skills needed to succeed in school when they reach kindergarten, some school districts have opted out of the program and have stopped serving school readiness children. Our 2002 report noted that five school districts had chosen not to contract as a school readiness provider. As of November 2003, the number of districts opting out of providing direct service has grown to 20 out of 67.

Participation by school districts is important because districts have educational resources and expertise that can be used to help make the program successful. During our site visits, we identified several ways that some school districts help support program goals, including contracting to provide services, providing educational expertise in coalition committees, and providing training to other providers. Although districts do not have to contract for services in order to support the program, we found that their relationship with coalitions was more supportive in those areas in which they were program providers.

Districts cited several reasons for declining to offer services as program providers. These included not wanting to have to perform the administrative tasks required by coalitions, such as submitting attendance sheets to an outside third party in order to receive payment and having to recertify child eligibility more often and under stricter guidelines. Many districts felt that they would lose control of their own prekindergarten programs, and some wished to wait and see how the new universal prekindergarten program would be implemented.

Some coalitions do not have cooperative relationships with central child care agencies.

Central child care agencies have historically played an important role in the state's subsidized child care program and generally continue to support the school readiness

program.¹⁸ Most coalitions have contracted with the central agencies for administrative tasks such as determining eligibility of children, maintaining provider records, overseeing provider payments and monitoring attendance records. Many central agencies serve as the single point of entry for program services.

However, some coalitions do not have good working relationships with their local central child care agency, and some have opted to provide administrative services themselves rather than contracting with the central agency for these services. The Polk County School Readiness Coalition was not satisfied with its central agencies' lower enrollments, and after releasing a Request for Proposal contracted with a different central agency to provide program services. Gateway Coalition took over administration of its program due to a lack of competition for services, and because they believed they could serve more children, more cheaply than their central agency.

Coalition and central agency representatives cited several reasons why some have uncooperative or tense relationships. In some cases, central agencies resent their perceived loss of control over program operations and funding to the coalitions. Some central agency staff believe their local coalitions are trying to micromanage the child care subsidy program without having the expertise needed to understand how the program works, and some cited frustrations with coalition monitoring of central agency activities.

One way identified by regional focus groups to diminish the disputes between coalitions and central agencies is for the Partnership to develop a standardized monitoring tool for coalitions to use when monitoring all central agencies. Coalition members attending our focus groups also stated that better role definition at the state level would help. Some asserted that coalitions should concern themselves with setting policy,

¹⁸ DCF contracted with 25 community child care coordinating agencies (central agencies) located in 15 children and families districts to administer the subsidized child care program before the coalitions assumed control of the program.

planning, oversight and monitoring and not with providing direct services to children.

The reimbursement system is perceived as inefficient and serves as a disincentive for providers to accept school readiness children. The program's current reimbursement system, by which payments to providers are based on attendance rather than enrollment, contributes to unnecessary paperwork and serves as a disincentive for providers to accept school readiness children. Providers are required to maintain daily attendance sheets which are then submitted monthly to central agencies for verification and payment. Many providers, including school districts, do not like the paperwork associated with reporting daily attendance. In addition, they assert that a payment system based on daily attendance unfairly penalizes them when children do not attend or leave programs unexpectedly and the "slot" is not immediately filled. The provider cannot fill the slot and instead must rely on timely replacement by an outside central agency. Since provider costs for teachers, utilities, and other overhead costs are fixed, attendance-based reimbursement affects their bottom line.

Most providers we interviewed favored creating a payment system based on student enrollment similar to the Head Start program, in which payment is based on a child being in attendance 85% of the time. This method of payment would allow for better management of fixed costs and would encourage school districts and private providers to participate since the system is much closer to the full-time equivalent (FTE) funding for K-12 for school districts and the absentee policy for private pay providers. Enrollment-based reimbursement would enable providers to plan on having a certain number of children and is similar to how the system works for non-subsidized children. In addition, an automated system for attendance reporting would be less time consuming.

Year-end budget deficits have been a persistent problem for some coalitions. Sixteen coalitions ended the 2002-03 fiscal year with operating deficits. To avoid deficits, some coalitions have

disenrolled children from their programs before the end of the fiscal year. Coalitions reported that 1,105 children were dropped from program services due to deficits in the 2002-03 fiscal year, three of whom had statutory priority for services because they were receiving temporary cash assistance to families.

Many coalitions attribute their year-end deficits to the statutory requirement to serve specified populations of children.¹⁹ To implement the proviso included in the 2002-03 General Appropriations Act, coalitions must serve, as a priority, children from families that are receiving temporary cash assistance and are subject to federal work participation requirement prior to serving other eligible children.²⁰ In addition, as a result of the Rilya Wilson Act, which became law on July 16, 2003, coalitions are now required to serve as a priority, children from three to five years old, who are in danger of further abuse and neglect, referred by DCF.^{21, 22} Coalitions stated that even though they regularly monitor enrollments, the requirement to serve these children can cause a year-end deficit because they do not get additional funds for over enrollment. In addition, coalitions have sometimes overenrolled children to ensure that they met the minimum number of children served requirement as required by law and often attrition was less than expected.²³

To address the deficit problem, the Partnership Board authorized coalitions to retain a reserve fund at the close of Fiscal Year 2001-02 not to exceed 1% of their budget (not to exceed \$400,000 or be less than \$40,000). Since contracts with coalitions are cost reimbursement contracts with the final invoice presented after the end of

¹⁹ Section 411.01(6), *F.S.*

²⁰ Chapter 2003-397, *Laws of Florida.*

²¹ Chapter 2003-292, *Laws of Florida.*

²² The Auditor General pointed out in its companion report that coalitions need to establish a system to follow up on DCF referred cases to ensure that cases have not been closed and that the child is still eligible to continue receiving services.

²³ Section 411.01(5)(c)1.f., *F.S.* As long as funding or eligible populations do not decrease, the program must serve at least as many children as were served prior to implementation of the program.

the fiscal year, this surplus was intended to help avoid deficits. However, the Auditor General found that 16 coalitions had deficits as of June 30, 2003. The Partnership provided extra funding to four coalitions to cover their anticipated deficits. Other coalitions objected to this action as they had cut back their own program spending or sought outside assistance because the Partnership had indicated that no such support would be provided.

To resolve these deficits, coalition focus groups suggested that the Partnership consider adopting a system similar to the one previously used in the subsidized child care program which allowed the transfer of surplus money between child care central agencies. Another suggestion made by the coalitions was to increase the authorized reserve fund to 2% of coalition budgets. At the Partnership Finance Committee meeting on November 7, the members voted to expand the reserve fund threshold or “shelter” funds to 1.5% for the 2002-03 fiscal year only. However, the board postponed until its next meeting in January 2004, action requiring coalitions to establish a local reserve at the start of each fiscal year to cover the anticipated growth in costs associated with serving the two priority groups.

Coalitions lack the authority to establish incentive-based contracts. Under current law, coalitions are prohibited from paying for standards and levels of services not authorized by the Legislature, although providers who earn Gold Seal status may receive up to a 20% rate increase.^{24, 25} Coalitions can also reimburse informal child care arrangements at a 50% lower rate than the rate developed for family childcare. However, coalitions cannot provide higher rates to providers who take steps to improve services, unless they have achieved Gold Seal status. Such improvements could include hiring staff with greater qualifications to provide services, using smaller staff-to-child ratios for various age

groups, and buying additional equipment and supplies for direct services, all of which can affect provider costs.

Coalition members and providers believe that this prohibition prevents coalitions from establishing incentive systems that could improve program outcomes and discourages providers from participating in the program. Coalition members and staff asserted that their inability to offer quality incentives to providers hindered their ability to upgrade a subsidized child care system into a school readiness program.

Coalitions would like the ability to pay providers for staff qualification, monitoring results and demonstrated improved outcomes for children. Some coalitions have taken innovative steps to reward quality programs. For example, Early Education and Care, Inc., created a Programs of Excellence that provides stipends to providers who meet certain standards of quality as defined by the coalition (staff-to-child ratios, teacher credentials, scores on environmental rating instrument). Our post-fieldwork focus group participants suggested that the Legislature consider implementing a system to compensate providers for better outcomes.

The requirement to recertify client eligibility may disrupt continuity of services. Continuity of services to children enrolled in the school readiness program was identified as a major issue by coalition members, school districts and providers. Prekindergarten age children are eligible to receive services based on meeting criteria relating to children at risk of future school failure due to poverty, abuse and neglect, and disability. Current Florida requirements are that coalitions must recertify eligibility, typically every six months, on a sample of 50% of children served with the remaining 50% of families self-reporting their income. If family income subsequently increases to exceed the threshold level, the child is no longer eligible for subsidized services, although the child may remain in the program at the expense of the family. More often, if eligibility is lost, providers report that children are no longer enrolled and lose the benefit of school readiness services.

²⁴ Section 411.01(5)(d)3.f., *F.S.*

²⁵ Beginning in 1998, the Florida Legislature authorized the payment of a rate differential or stipend to child care providers who achieved Florida “Gold Seal” quality status through accreditation.

According to providers, these are often the children that need the services most.

To ensure continuity of services, some coalitions have supplemented their school readiness funds with local revenues. Pinellas County uses property tax revenue dedicated to children's services to extend school-based program services through the summer months. There are 15 children's services councils across the state of Florida, 8 of which are independent special taxing districts. Local readiness coalitions typically work collaboratively with these children's services councils to expand local coalition services and efforts. In addition, some school districts reported using Title I funds in conjunction with school readiness funding to ensure that children can remain in the program for the school year if they become ineligible for program funding.

Beginning in the 2002-03 fiscal year, the Partnership allowed coalitions to recertify eligibility based on a random sample of children every six months with other families required to self report on income. Prior to this compromise with coalitions, all children had to be recertified every six months. Although some children may be able to remain in the program longer, the waiting list for services is likely to increase because fewer children will be dropped from the program due to ineligibility.

Coalitions have had difficulty maintaining the required composition of their governing boards. As prescribed by s. 411.01, *Florida Statutes*, coalition boards must consist of between 18 to 25 persons and must include members representing the Department of Children and Families, local health department, the school district superintendent, Head Start, county commission, and representatives from providers and business community.²⁶ Local stakeholders assert that the required composition of these boards has helped stakeholders involved in services to children to learn more about community resources.

However, most coalitions reported that maintaining the statutory membership for one-third participation by the business community was difficult, particularly in rural counties where few businesses exist. Most coalitions asserted that they should have more flexibility in the composition of their boards. Coalition executive directors stated that increasing business participation beyond one-third, as suggested in the *Universal Prekindergarten Advisory Council Report*, would be very difficult to achieve. Coalitions appeared to be unaware that retired members of the business community, who might have more time to spend on volunteer boards, can be considered. Actively recruiting these individuals might help coalitions meet the statutory requirement.

Section 112.3143, *Florida Statutes*, deals with voting conflicts and establishes rules for public officers, including coalition members, which prohibits voting in an official capacity on any measure which would benefit individual members. Our interviews with coalition board members and staff identified conflict of interest issues as a perceived problem because members who also served as providers sometimes voted on agenda items in which they had a financial interest. Other coalitions stated that they solved the problem by not allowing board members to vote on agenda items in which they had a financial interest. Despite this prohibition, some members believed that board members who also served as vendors had too great an influence on board decisions. Despite the potential conflict, most executive directors believed that community stakeholders should remain on the board in an advisory capacity to ensure coordination of services should the Partnership adopt the recommendations of the Universal Prekindergarten Advisory Council that voting members should not have a financial interest in the design or delivery of school readiness services.

²⁶ Section 411.01(5)(a)2., *F.S.*

The school readiness system could implement universal prekindergarten if Partnership guidance issues are resolved

The school readiness system is designed to increase children's chances of achieving future educational success in school through an integrated, holistic approach that builds on existing services and cooperation with other programs for young children. It is a locally governed system that allows for parental choice through a network of different provider types. The local coalition board composition ensures that all the different community stakeholders involved with the care and education of children are represented.

The governance structure for the universal prekindergarten program recommended by the Universal Prekindergarten Education Advisory Council—to have a diverse provider system to support parent choice and to use existing program capacity—can fit within the statewide school readiness system. Both programs have the same goal of maximizing community partnerships to enhance services to children. In addition, with the passage of the class size amendment, it is critical to use these existing partnerships with business, community and faith-based organizations and governmental agencies because of limitations on school capacity. These partnerships currently exist within the school readiness system which already serves many of the same children eligible for universal prekindergarten services with providers that will likely eventually participate in the universal prekindergarten program.

Another benefit of incorporating the two programs is that many of the educational standards developed for universal prekindergarten are based upon the same elements found in the school readiness law. Therefore, OPPAGA concluded that combining the programs would be mutually beneficial and

make efficient use of resources and the existing management structure.

Conclusions and Recommendations

The school readiness program has made significant progress since the publication of our January 2002 report. It is transforming what used to be a subsidized child care system into a coordinated school readiness program; however, inadequate statewide guidance by the Partnership is hindering progress. As stated throughout this report and in the Auditor General's companion report, policy guidance issues and technical assistance to coalitions must be significantly improved before a merger with the Universal Pre-K Program is undertaken. In addition, the Legislature and Partnership may want to consider making changes to the program to further improve its management, efficiency and outcomes. Once these problems are resolved, the school readiness system could provide an effective structure for implementing the universal prekindergarten program.

To improve local coalition plans, funding to coalitions and to better implement the uniform assessment system required by law, we recommend that the Partnership implement the improvements discussed below.

- Develop criteria for each required plan element so that coalitions have a better idea of what specific information is needed in their plans for approval. The Partnership should also improve its policies and procedures for tracking and approving coalition plans, so that coalitions know where they are in the process.
- Consider adding factors to the new funding formula that recognize the different costs to serve varying ages and types of children and take into consideration costs of living differentials among coalitions.
- Work with the Department of Education to implement a uniform screening instrument which includes all developmental and

educational components including literacy so that program effectiveness can be determined and stakeholders can have confidence that the data is valid and reliable. The Partnership also should implement the required assessment system for longitudinal program evaluation to track the progress of children from pre-school years to the third grade.

To improve its guidance and technical assistance to local coalitions, the Partnership should implement the recommendations below.

- Clarify what coalitions can require of voucher/certificate providers to implement the standards of the school readiness program.
- Standardize the reimbursement rate for full-time care so that rate policies are equitable for parents and consistent across coalitions and make the most of limited resources.
- Formalize rules, policies and procedures and guidelines for children to be served, implementing a developmentally appropriate curriculum, developing assessment tools, changing parent fees, and for uniform reporting and data collection.
- Develop a customer service-oriented culture to improve technical assistance and to track response time and customer satisfaction. The Partnership should improve its internal and external communication to increase the effectiveness of coalition analysts and to ensure timely and consistent technical assistance on fiscal and administrative issues such as monitoring providers, procurement, contracting, RFP development, plan implementation and submitting required reports.
- Improve the method for disseminating information to local users. The Partnership should develop a policies and procedures manual and consider expanding its system of numbered technical assistance memos to disseminate information clarifying policies and rules, so that coalitions can easily add this information to a policies and procedures manual.

To address recurring issues that are problematic for coalitions and affect their ability to implement the school readiness program at the local level, the Legislature or Partnership should consider four program improvements.

- To encourage providers to accept school readiness children, the Partnership should consider changing the provider payment system from one based on daily attendance to one based on enrollment similar to the Head Start Program, by which payment is based on a child being in attendance 85% of the time. This method of payment would allow providers to better manage fixed costs and is more like the private pay system for non-subsidized children and the full-time equivalent (FTE) funding for school districts.
- To help avoid year end deficits, the Partnership should provide clarification to coalitions on the priority for children required to be served, including those under the new Rilya Wilson Act, and allow coalitions to maintain a reserve fund of 1.5% of their budget.
- To promote continuity of school readiness services, the Partnership should consider requiring coalitions to recertify children annually for program eligibility. To reduce the impact on waiting lists for services caused by annual recertification, school districts could supplement school readiness funds with Title I funds and coalitions could collaborate with children's services councils, where available, to extend program services.
- To promote better outcomes for children, the Legislature should consider authorizing coalitions to establish incentive-based contracts to pay providers for better staff qualifications, monitoring results and demonstrated improved outcomes for children. The inability to reward providers for better outcomes for children discourages providers from participating in the program or upgrading the quality of their programs and hampers coalitions in improving school readiness outcomes.

Agency Response ---

In accordance with the provisions of s. 11.45(7)(d), *Florida Statutes*, a draft of our report was submitted to the Florida Partnership for School Readiness for review and response.

The Partnership provided a written response on page 29.

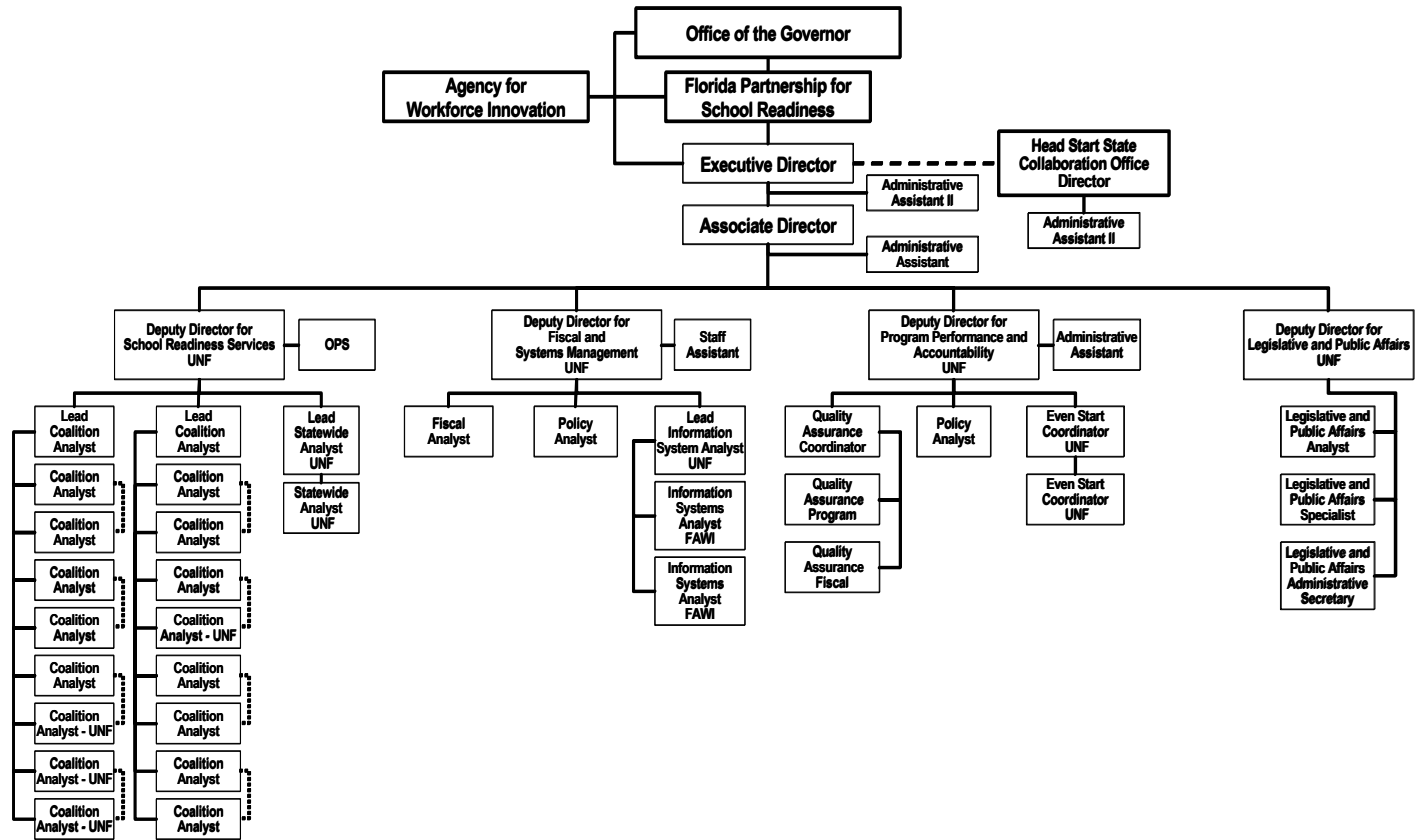
Appendix A

Partnership Membership [Section 411.01(4)(c), *F.S.*]

1. The Florida Partnership for School Readiness shall include the Lieutenant Governor, the Commissioner of Education, the Secretary of Children and Family Services, and the Secretary of Health, or their designees, and the chair of the Child Care Executive Partnership Board, and the chairperson of the Board of Directors of Workforce Florida, Inc. When the Lieutenant Governor or an agency head appoints a designee, the designee must be an individual who attends consistently, and, in the event that the Lieutenant Governor or agency head and his or her designee both attend the meeting, only one of them may vote.
2. The Partnership shall also include 14 members of the public who shall be business, community, and civic leaders in the state who are not elected to public office. 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. Each member shall be appointed by the Governor from a list of nominees submitted by the President of the Senate and the Speaker of the House of Representatives. By July 1, 2001, four members shall be appointed as follows: two members shall be from the child care industry, one representing the private for-profit sector appointed by the Governor from a list of two nominees submitted by the President of the Senate and one representing faith-based providers appointed by the Governor from a list of two nominees submitted by the Speaker of the House of Representatives; and two members shall be from the business community, one appointed by the Governor from a list of two nominees submitted by the President of the Senate and one appointed by the Governor from a list of two nominees submitted by the Speaker of the House of Representatives. Members shall be appointed to 4-year terms of office. The members of the Partnership shall elect a chairperson annually from the nongovernmental members of the Partnership. Any vacancy on the Partnership shall be filled in the same manner as the original appointment.

Appendix B

Organization Chart



Source: Florida Partnership for School Readiness, January 2003.

Appendix C

Coalition Membership [Section 411.01(5)(a)2., *F.S.*]

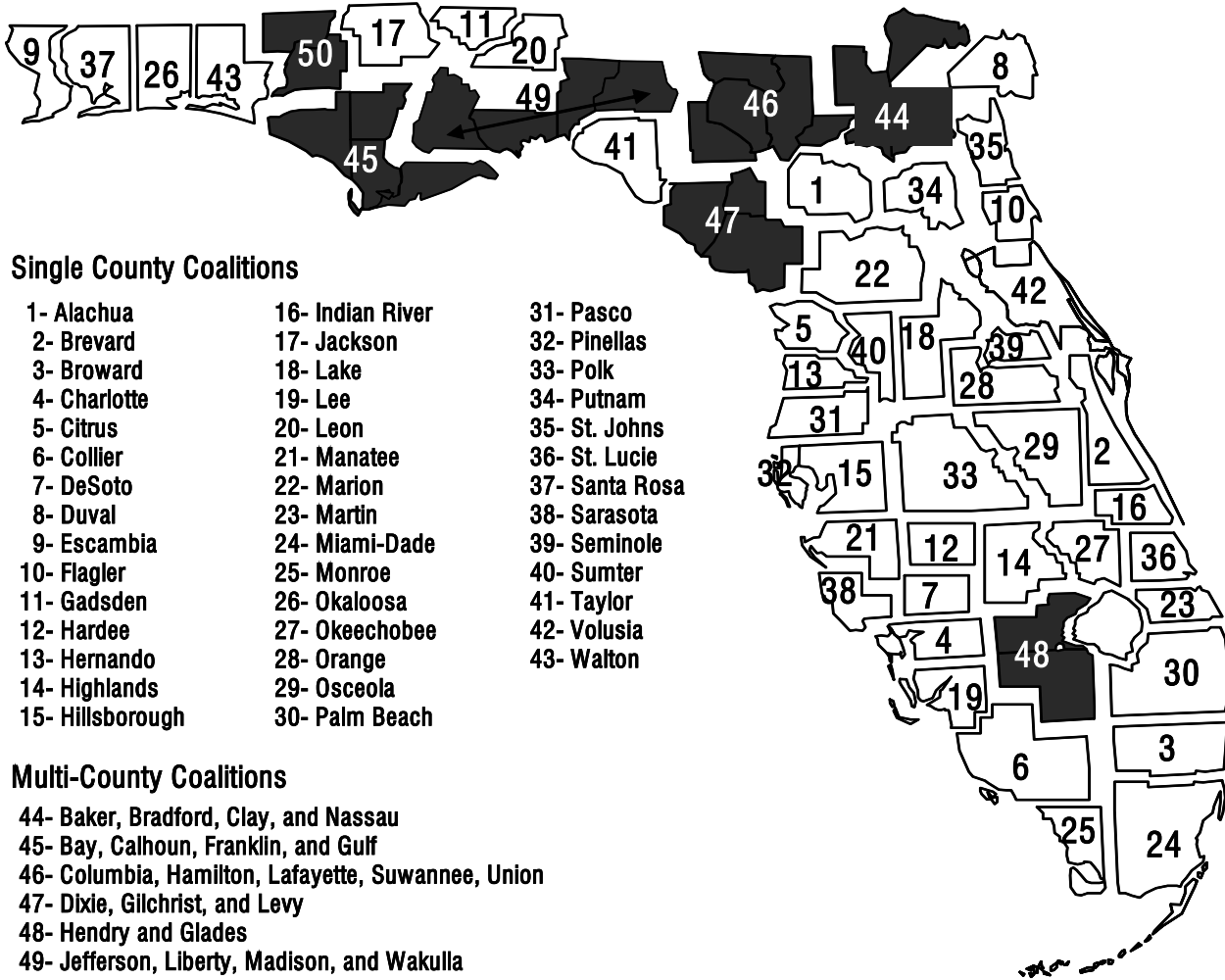
Each coalition shall have at least 18 but not more than 25 members and such members shall include those listed below.

- A Department of Children and Families district administrator or his/her representative
- A district superintendent of schools or his/her designee
- A regional workforce development board chair or director
- A county health department director or his/her designee
- A childrens' services council or juvenile welfare board chair or executive director
- A child care licensing agency head
- 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 and 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 local chamber of commerce or economic development council.

Appendix D

Map of School Readiness Coalitions





**Florida Partnership
for School Readiness** SM

Board of Directors:

Judith A. Clay, OD, FAAO, Chair
Les R. Smout, Vice Chair
Sandra P. Adams, Ph.D., MOT, ORT
Curtis C. Austin
Carol J. Barnett
H.G. (Butch) Cronon
Mary V. (Bebe) Fearnside
Shan Goff
Lt. Governor Toni Jennings
Rodney L. Kendig
John F. Kirtley
David Lawrence Jr.
David C. MacNamara
Ellen McKinley
Annette R. Phelps, ARNP, MSN
Joel L. Rosen
Deborah Russo
Dorothy M. Wallace

Executive Director:

Katherine A. Kamiya

January 26, 2004

Gary VanLandingham, Interim Director
Office of Program Policy Analysis and Government Accountability
111 West Madison Street, Room 312
Tallahassee, FL 32399-1475

Dear Mr. VanLandingham:

This letter is the response of the Florida Partnership for School Readiness to the Office of Program Policy Analysis and Government Accountability's (OPPAGA) draft Information Brief entitled:

**School Readiness Program's Potential Is
Beginning to Be Realized, But Is Hindered by
Partnership Guidance Issues.**

The Florida Partnership for School Readiness (Partnership) has continued to provide unified leadership for school readiness through local school readiness coalitions. Unlike many other state initiatives, the Partnership was charged to set a limited state framework and staffing structure and to promote locally designed efforts. The analysis by the OPPAGA helps to identify areas for legislative review of state and local jurisdiction and refinement of roles and responsibilities.

With the passage of the Voluntary Universal Pre-kindergarten Amendment in the state constitution, Florida has the opportunity to serve many more young children and to develop a seamless school readiness system. We strongly support the Legislature's direction to study the process and impact of the school readiness initiative and to use the study findings to guide the development of implementing legislation for UPK.

We recognize the enormous effort by staff of the OPPAGA to gather and synthesize input from a wide range of sources and to compile this data into a series of concise reports. We feel however, this report highlights areas in which progress has been more limited, expresses opinions as facts, and minimizes accomplishments or barriers outside of the span of control of the Partnership leaving an overall negative tone that lacks balance.

Florida's School Readiness program continues to be the nation's most ambitious early childhood initiative. Florida is the only state to combine funding streams

into a single school readiness system. As with any new initiative, there is always a period of transition, as well as resistance from those who support the status quo.

The implementation of the school readiness program has been no different in this regard than any other new and visionary effort. The 50 coalitions, representing unique communities across the state, have not developed at the same pace. This is attributed to a wide range of factors including: local leadership; existing and new resources; program experience; management and fiscal expertise and capacity; and statewide guidance and technical assistance.

Below you will find our response to each recommendation.

IMPROVING LOCAL COALITION PLANS AND IMPLEMENTATION OF THE ASSESSMENT SYSTEM

Plan Improvements

The Partnership has made significant improvement over the prior coalition plan document and review process. These improvements include:

- developing a standardized plan format with input from coalitions;
- providing regional trainings on the new plan format and a reference manual;
- linking each required element to federal and/or state requirements within section 411.01, Florida Statutes;
- adding accountability measures with mid-point and year-end measurements; and
- implementing a uniform review protocol including evaluator training and a review manual and a consensus evaluation protocol with multiple reviewers including board members, peers, content experts and staff.

Overall, the quality of the local coalition plans was greatly improved over the prior plans. We recognize the quality of the plans vary from coalition to coalition and is in direct relationship to their level of development and maturity. We agree that the plan documents and process can be improved and will work with coalitions to identify areas in which additional criteria are needed for clarification.

The Partnership has implemented a tracking system for approving coalition plans and amendments and will assure that this information is readily available to coalitions.

Funding Formula

The Partnership has spent the past two years developing the proposed funding formula. Public meetings were used to gather input from coalitions, providers, board members and state agency

partners. The Partnership feels that the current proposal is responsive to the performance and equity factors that are required in section 411.01, Florida Statutes. However, the Partnership will review the impact and consider the additional factors recommended by the OPPAGA.

Uniform Screening and Assessment System

The Florida Department of Education has the responsibility to implement the uniform screening at kindergarten entry and will provide a separate response to the recommendation regarding a uniform screening instrument.

The School Readiness Uniform Screening System (SRUSS) was implemented in the fall of 2002. The preliminary statewide results were reported in February 2003 and an electronic file was transmitted to the Partnership in July. We do not concur that the Partnership was slow to develop a research design. A contract with an evaluation expert was executed in March 2003 and work began immediately on developing the structure for a single data file to include SRUSS results, demographic information, and service utilization by children funded by school readiness funds. As soon as data was released by the Florida Department of Education, work proceeded on the complex task of creating a single data file.

The analysis of the SRUSS results for children served in programs funded with school readiness funds was released in January 2004. The report is entitled, *School Readiness Uniform Screening System Baseline Results from 2003*, and the findings are very promising.

- Children served in school readiness programs did as well as the overall entering class of kindergarten students in being ready for school, despite representing a greater percentage of the state's poor and minority children.
- The children at greatest risk for school failure benefited the most from school readiness programs.
- Children served by school readiness programs made gains that were statistically significant in social/emotional development, language and math in comparison to children of similar backgrounds, but without preschool experience.

The statewide results from SRUSS for the fall 2003 have just been released and implementation has improved and overall school readiness scores indicate an upward trend. Twelve thousand thirty-three (12,033) more children were screened this year and the percentage of children on the Early Schooling Inventory-Kindergarten (ESI-K) who are ready now rose from 82 to 84 percent.

The SRUSS system is an important part of a longitudinal evaluation system but is not itself a sufficient measure to obtain a comprehensive assessment of children's learning and growth or program effectiveness. The Partnership has budgeted \$300,000 in this year's budget to continue

the development of the framework for measuring school readiness and a system for longitudinal evaluation.

IMPROVING GUIDANCE AND TECHNICAL ASSISTANCE TO LOCAL COALITIONS

The Partnership has made significant gains in addressing the technical assistance needs of coalitions. A website was launched in January 2003 to improve access to current information as well as to meet archival needs. The website includes:

- board member profiles;
- board meeting materials and actions taken;
- calendar of Partnership events;
- school readiness news clips;
- technical assistance resources;
- school readiness statutes and rules;
- links to federal regulations;
- Partnership updates;
- parent resource information; and
- employment opportunities.

Half-day technical assistance meetings are held prior to each board meeting to address new and emerging issues. The Partnership re-designed the prior technical assistance system that served the needs of central agencies but not local coalitions. Entitled, the School Readiness Quality Initiative, it provides at least two statewide technical assistance symposiums each year addressing key topics on program quality with both national and state content experts and highlights model school readiness projects. On-demand individual and regional technical assistance on a wide range of topics is also provided through this system. Coalitions have access to all materials distributed at board meetings and trainings and technical assistance symposia through the website or by request. The Partnership and the School Readiness Quality Initiative have each added toll free numbers for easy telephone access by coalitions and providers. E-mail is used extensively to share information with coalitions and other interested school readiness partners.

Responses to specific recommendations are addressed below.

Voucher/Certificate Standards

The Partnership met with the Atlanta Regional Office of the US Department of Health and Human Services (USDHHS), Administration for Children and Families on October 23, 2003, with a follow-up conference call on December 10, 2003, to discuss a number of issues including

what coalitions can require of voucher/certificate providers. Additional research is on-going and based on the information received from USDHHS, the Partnership will provide recommendations for statutory or regulatory clarification in Florida law and issue written guidance to coalitions.

Standardize Reimbursement Rates

Establishing new reimbursement rates is the responsibility of local coalitions, section 411.01(5)(d)3f, Florida Statutes. The Partnership will confer with state policy makers, legislative leaders and the USDHHS and based upon their response will provide written guidance to address statewide practice related to the reimbursement process, equity for parents, and effective utilization of available resources.

Formalize Rules, Policies and Procedures

The Partnership has adopted rules that have been broadly disseminated and provided technical assistance on implementation issues. The Partnership has clarified the definition of the minimum number of children to be served through a formal board action at their meeting of March 19, 2003 (Board Action Item 2003-18) and identified to the appropriate legislative committees those issues that must be addressed through statutory revision. The Partnership has distributed information to coalitions on the impact of 2003 legislative action regarding children to be served and formalized board policy regarding serving at-risk children and priorities for services at the November 14, 2003 board meeting (Board Action Item 2003-98 and Board Action Item 2003-99). This information will be included in the development of a manual on the *Policies, Procedures and Guidance for School Readiness Programs* and additional technical assistance will be provided as needed.

The Partnership has provided technical assistance and training on selecting appropriate assessment tools. Training was provided on July 17-18, 2001, and September 19, 2003, and the upcoming winter symposium, *Guiding Our Course to Quality Outcomes for Children: Screening, Assessment, and Curriculum*, February 17-19, 2004, will focus exclusively on this issue. The Partnership will also provide written guidance to coalitions on assessment.

From 1999 through 2003, thirty-four legal opinions have been issued covering various subjects involving the coalitions. Such issues as: Sunshine Law; voting conflicts; legal status of coalitions; ethics; procurements; parent fees/co-payments; financial disclosure of coalitions; and liability of coalition members were addressed in these opinions. These opinions were disseminated to all of the coalitions. These opinions were issued from the Legal Counsel of the Partnership, the Office of the Attorney General, the Florida Ethics Commission and the General Counsel's Office of the Agency for Workforce Innovation.

In the meeting and conference call to USDHHS referenced above, the Partnership also addressed issues related to parent choice including requiring developmentally appropriate curriculum, parent fees and uniform reporting and data collection. Based on the conversations with USDHHS, as the Lead Agency for the Child Care and Development Fund (CCDF), the Partnership can require all coalitions to utilize a standardized statewide data system.

At the board meeting on January 22, 2004 the Partnership adopted a formal board policy regarding a transition to a statewide data system, inclusive of multiple components and established a requirement that all school readiness coalitions utilize the statewide system no later than July 1, 2004 (Board Action Item 2004-01). The formal policy will be distributed to all coalitions.

The issues of requiring a developmentally appropriate curriculum and standardizing parent fees have implications for parent choice and research is on-going. Based on information to be received from USDHHS, the Partnership will provide recommendations for statutory or regulatory clarification in Florida law and issue written guidance to coalitions regarding requiring a developmentally appropriate curriculum and standardizing parent fees.

Developing a Customer Service-Oriented Culture

The Partnership has taken several steps to improve internal communications with coalition analysts by reorganizing and creating two lead analyst positions and the position of Deputy Director for School Readiness Services. In addition, the Partnership has increased the frequency of all staff meetings, coalition analyst meetings and regional coalition analyst meetings. The Partnership will explore other options for sharing and disseminating consistent information to the field staff.

In an effort to improve external communication with coalitions, the Partnership instituted the Council for School Readiness Chairs, later renamed the Council for School Readiness Coalitions. This meeting is convened prior to each board meeting and is an open forum to exchange ideas and share information. The Partnership initiated a needs assessment and evaluation through the School Readiness Quality Initiative. Based on the school readiness needs assessments, the Partnership developed the technical assistance and training plan for the School Readiness Quality Initiative. To date, topics for the symposiums have focused on early literacy; infant and toddler care; and screening, assessment and curriculum. Topics for the half-day technical assistance sessions that occur prior to each board meeting and are open to all coalitions focus on current and relevant topics such as: when should a coalition submit an amendment to their plan; summary of recommendations from the UPK Education Advisory Council; and EFS/SRS technical assistance seminar for coalitions. Feedback is requested at each technical assistance meeting to plan improvements in future meetings. In an effort to find other effective ways to improve communications, the Partnership will conduct a survey of local coalitions.

The Partnership will also implement a formal communication tracking system, a coalition satisfaction survey to be conducted annually, and a formalized method for coalitions to submit policy questions.

Improving Dissemination of Information to Local Users

Written policy memorandums, procedures and guidance have been developed and distributed. However, the process can be improved to be more comprehensive and timely to effectively communicate to all interested parties.

In order to identify a list of topics and issues that require written policies, procedures and guidance, the Partnership will: 1) gather input from coalitions; 2) include topics addressed in both the Auditor General and the OPPAGA reports; and 3) identify pertinent issues in federal regulation and state statutes. With input from the board and coalitions, staff will prioritize these topics, identify needed resources and initiate the process of developing policies, procedures and guidance which will be included in the manual on the *Policies, Procedures and Guidance for School Readiness Programs*.

In addition, the role of the coalition analyst will be expanded to ensure that each Partnership board meeting's directives and policies are discussed with each of their coalitions immediately following every board meeting.

ADDRESSING RECURRING ISSUES THAT ARE PROBLEMATIC FOR COALITIONS

Changing the Provider Payment System

The Partnership staff attended a regional Child Care and Development Fund (CCDF) meeting on May 5-7, 2003 at which time they were able to have an informal discussion with other states concerning payment methodologies. These states reported they are using a combination of attendance and enrollment to pay providers based on the type of provider. The Partnership believes converting to an enrollment methodology would solve many issues related to reimbursement including encouraging providers to accept school readiness children. This change would require a board policy which we would recommend be made after full implementation of the web-based enhanced field system (EFS) upgrade.

Providing Clarification on the Priority for Children Required to be Served

The Partnership has distributed information to coalitions on the impact of 2003 legislative action regarding children to be served and formalized board policy regarding serving at-risk children

Gary VanLandingham
January 26, 2004
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and priorities for services at the November 14, 2003, board meeting (Board Action Item 2003-98 and Board Action Item 2003-99). This information will be included in the development of a manual on the *Policies, Procedures and Guidance for School Readiness Programs* and additional technical assistance will be provided as needed.

Requiring Coalitions to Recertify Children Annual

As Lead Agency for CCDF, the Partnership is responsible for determining the frequency of eligibility recertification for financial assistance. The frequency of re-determination in the current Rule 60BB-4.209, "Re-determination of Eligibility for Financial Assistance" was developed in an effort to assist coalitions in managing their budgets. However, the implementation of this rule has proven to be cumbersome and is perceived as inequitable to families. The Partnership supports this recommendation to change the frequency of eligibility recertification for financial assistance. In order to implement this recommendation, it will be necessary to amend the current rule on eligibility.

The Partnership will continue to encourage coalitions to collaborate with their local school districts, children's services councils and any other entity that has interest in children's issues to promote comprehensive planning and expand program services at the local level.

The OPPAGA review process documented areas to clarify state and local jurisdiction and recommendations to enhance the statewide school readiness system. We are working hard to make improvements and continue to be deeply committed to improving services and outcomes for children in Florida.

Sincerely,

/s/

Judith A. Clay, OD, FAAO
Chair

/s/

Katherine Kamiya
Executive Director