



AGENDA ITEM 12A
DATE OF MEETING January 27, 2010
ACTION: X
INFORMATION: _____

**Child Signature Program - Phase I:
Power of Preschool (PoP) Bridge and Infrastructure Investments**

SUMMARY OF REQUEST

First 5 California staff request Commission approval of Phase I of the Child Signature Program. The Phase I proposals are critical building blocks and support systems that will serve as the foundation upon which the Child Signature Program will be built.

The Phase I request consists of:

1. Power of Preschool (PoP) Bridge Funding for Fiscal Year (FY) 10/11
2. Infrastructure - three accountability infrastructure investments that: 1) Provide support to the newly established California State Advisory Council on Early Childhood Education and Care (aka ELAC); 2) Secure and pilot a California Kindergarten Readiness Observation Assessment tool; and (3) Establish unique child identifiers.

Staff will return as early as April 2010 with greater detail and a potential funding request on Phase II - the launch of the full Child Signature Program.

Building on a Proven Model - First 5 California's Power of Preschool (PoP)

In July 2003, the First 5 California Commission authorized an investment in voluntary, free and high-quality preschool for three- and four-year old children through June 30, 2010. This allocation established the Power of Preschool (PoP) Demonstration Program that provides enhancement funding to raise preschool standards throughout California. The objective of PoP is to assist preschoolers in becoming personally, socially, and physically competent and effective learners who are ready to transition into kindergarten.

Following First 5 California's Request for Applications (RFA), nine counties began operating the PoP Program during FY 05/06. The nine counties are: Los Angeles, Merced, San Diego, San Francisco, San Joaquin, San Mateo, Santa Clara, Ventura and Yolo. PoP demonstration projects provide the blueprint for making high-quality preschool more accessible to all children and their families. With a focus on developing preschool in low performing school¹ areas and underserved communities, the PoP program seeks to make quality preschool available to three- and four-year old children in participating counties, including children with special needs and dual language learners.

¹ Low performing schools are defined as having Academic Performance Index scores of one through five.

Over the five-year life of the PoP program, First 5 California will appropriate approximately \$46.4 million to the PoP counties. Over the past four years, the counties contributed over \$180.2 million with one more year of match funding to be reported at the end of FY 09/10. County contributions came from local First 5 commissions, Title I Education funding, and local city and/or county initiatives.

In FY 08/09, PoP demonstration projects served 19,144 children: 62 percent Latino and 53 percent English language learners. A comprehensive program that builds on the existing system, PoP provides children with:

- Health and developmental screenings, assessments, and follow-ups
- School readiness curricula
- Nutritious meals and snacks
- Transition support for those entering preschool or kindergarten
- Family partnerships and support services

Data from all PoP sites in FY 2008-09 indicate that:

- Preschools are high quality: classroom environmental assessments rate an average of 5.4 out of a possible score of 7.
- Teachers are well qualified: 54 percent have a Bachelor's degree or higher in early childhood education.

DISCUSSION

Two-Phase Approach in Developing the First 5 California Child Signature Program

In order for California to be competitive in its bid to secure federal funds, it must have an early learning infrastructure to support a quality learning environment in addition to quality early learning programs that serve children 0 to 5. Staff, therefore, recommends a two phased approach to providing a strong base to the building blocks that will ultimately become First 5 California's Child Signature Program.

Phase I

In FY 10/11, Phase I will include the extension of the prior program authorization to extend the Power of Preschool Program with bridge funding and one-time investments in three critical infrastructure needs as outlined below in the Staff Recommendations Section.

The PoP Program and many of its successful program elements and lessons learned will serve as essential building blocks for the Child Signature Program. PoP's funding authorization ceases on June 30, 2010. At that time, the PoP counties will no longer receive First 5 California quality enhancement reimbursement and PoP as a statewide program will no longer exist. The statewide and local infrastructure that was developed over the last five years of program operations will be disbanded.

In order to ensure alignment with federal funding requirements and California early learning policy, staff believe that full implementation of its Child Signature Program will not occur for at least one year. To ensure we are poised to fully leverage federal

opportunities, we recommend providing bridge funding for our current PoP partners to serve as a transition during this year while we design our Child Signature Program. PoP provides critical early learning services to preschoolers and their families and disbanding it for a year not only cuts some of their critical services, it also makes us less competitive for the proposed Early Learning Challenge Funds (ELCF).

By allowing the PoP counties to operate for an additional year, July 1, 2010 through June 30, 2011, the PoP Program will serve approximately 20,200 children, ages 0 to 5 (PoP programs will be encouraged to expand their programs and serve infants and toddlers with the bridge funding). These children will receive early learning services, while allowing the state and federal agenda to fully develop and the First 5 California infrastructure investments to mature so that staff can create a Child Signature Program that fully leverages funding opportunities and incorporates a sound accountability structure.

Phase II

As soon as practicable and perhaps as early as April, staff will return to the Commission with more detailed information on the Child Signature Program and a request for approval of a significant amount of funds from First 5 California's yearly revenue starting in FY 2011/12. These program funds will be issued through a competitive process to seek local matching partners that may include First 5 county commissions, County Offices of Education and school districts. The Child Signature Program will serve at-risk children ages 0 to 5 in high-quality early learning programs that promote children's readiness for school and include the components outlined in the ELCF as well as support the direction of the Governor's newly enacted California State Advisory Council on Early Childhood Education and Care (aka ELAC) and its Early Learning Quality Improvement System (CAELQIS) Advisory Committee.

STAFF RECOMMENDATION

Phase I

First 5 California staff recommend the Commission approve Phase I of the Child Program Implementation Plan that includes an extension of PoP, one-time bridge funding for PoP, and three accountability infrastructure investments that provide the foundation for developing the Child Signature Program as well as supporting the direction of CAELQIS and the implementation of a Quality Rating Improvement System (QRIS).

Power of Preschool Bridge Funding - Up to \$19 million

PoP bridge funding is a one-year continuation of the current PoP Program. As a new element, we will offer reimbursement rates to incentivize services to infants and toddlers encouraging existing PoP sites to extend quality services to this population. PoP bridge funding also will provide quality support services and technical assistance (TA) opportunities for PoP instructional staff, especially those working with infants and toddlers. On-site coaching, mentoring and reflective supervision of instructional staff are examples of planned TA. We will extend these services to other early learning staff, such as Early Head Start, expanding quality improvement opportunities for all those involved in

educating young children. By opening up TA activities to a broader early learning instructional audience, California will be in a better position to leverage the federal ELCF.

Child Accountability Infrastructure Investments

As First 5 California staff further studied what components the Child Signature Program should include, we identified several infrastructure needs as critical to successful Phase II program implementation. These infrastructure needs are essential to support closing quality gaps in the current system and must be addressed if we are to create high-quality programs. These are critical California investments necessary for a comprehensive quality system and are required under proposed ELCF guidelines.

1. California State Advisory Council on Early Childhood Education and Care (ELAC) - Up to \$2 million over three years

We request one-time funding to cover a three-year period to support the work of the newly established ELAC including partnering with the California Department of Education, Child Development Division (CDE, CDD) as well as providing funds to obtain expert consultants. The funds will go to support staffing and management of the Council, meeting supplies and expenses, travel and for consultant needs for educational briefings and report writing. This will allow California to apply for \$10.6 million of American Recovery and Reinvestment Act funding and potentially other new federal early learning funds. This Council's work will develop an overall effective and coordinated early learning system for California's children, a need long overdue in this state.

2. California Kindergarten Readiness Observation Assessment - Up to \$8 million over four years

We request one-time funding to secure a contractor to assist us in piloting a California Kindergarten Readiness Observation Assessment tool that early learning and kindergarten instructional staff can use to determine a child's school readiness. We will work in partnership with the CDE, CDD to develop and implement this.

3. Unique Child Identifier - Up to \$1 million over three years

We request one-time funding to design and pilot an early learning accountability system that establishes a unique child identifier for each child when he/she enters a publicly-funded early learning program. This work includes a needs assessment and feasibility study. With these unique identifiers, we can assess whether children participating in these programs are achieving the desired program outcomes. By having this capability, the information gathered will serve as the data hub for California's future QRIS. We will coordinate this work in partnership with the CDE, CDD and other related partners.

FISCAL IMPACT

For the PoP bridge funding, we will require First 5 county commissions that administer the PoP Program and elect to apply for PoP bridge funding to continue providing the county "significant contribution" match. It is anticipated that PoP counties will continue to blend their programs with existing state and federal early learning programs maximizing all resources available within their counties. In the past four years, counties have

invested 87 percent of the total funds in PoP (counties contributed over \$180.2 million while First 5 California invested over \$26.6 million).

ALTERNATIVES CONSIDERED

Description of Alternative 1

Launch directly into the full Child Signature Program in FY 2010-11 rather than extending the PoP Program.

Pros

- Opens the Child Signature Program up to more counties than the current eight participating in PoP.
- Starts the Child Signature Program before July 2011, offering access and quality services to children ages 0 to 5.

Cons

- Does not allow sufficient time to learn the outcomes of the various state and federal events described above - may establish conflicting program elements or requirements.
- Does not allow for sufficient time to adequately design program and release the Request for Application.
- Insufficient time to allow potential bidders to develop an appropriate application.

Description of Alternative 2

Do not implement or support the three infrastructure and accountability investments.

Pros

- Reduces request amount.

Cons

- Does not allow California to realize the benefits of the proposed infrastructure and accountability investments.
- Will hinder the ability to capture and demonstrate outcomes and accountability.
- May jeopardize California's ability to be competitive for federal funds.

FUNDING REQUEST FISCAL DETAIL

Title of Request:	Power of Preschool (PoP) Bridge Funding			<input type="checkbox"/> Contract <input checked="" type="checkbox"/> Program Disbursement <input type="checkbox"/> Special Disbursement	
Amount of Current Agreement:	Up to	\$ 90,000,000	Expenditures to Date:	\$ 46,959,002	
Current Term of Agreement:	July 1, 2003	Through	June 30, 2010		
		Fiscal Year Detail			
		FY 10-11			
New Amount Requested:	Up to	\$19 million	\$19,000,000		
Total Amount of Agreement:	Up to		\$19,000,000		
Percent of Available Fund Balance Affected by Agreement		41%			
Proposed Funding Term:	July 1, 2010	Through	June 30, 2011		
First 5 California Account Name:	Education	Account Number	0634	Fund Availability Confirmed	<input checked="" type="checkbox"/> Yes By: Sandy Beck
Statutory Purpose: Health and Safety Code 130105(a)(1)(B)	Five percent shall be deposited in an Education Account for expenditures to ensure that children are ready to enter school and for programs relating to education, including, but not limited to, the development of educational material, professional and parental education and training, and technical support for county commissions, in the areas described in subparagraph (A) of paragraph (1) of subdivision (b) of Section 130125.				
Do our funds leverage others?	<input checked="" type="checkbox"/> Yes (explain) <input type="checkbox"/> No	Commission Funds	Leveraged Funds	Total Funds	
		\$19 million	Local county match	to be determined	
Explanation: RFA requires counties to provide "significant contribution" match. Historically counties contributed 87 percent of total PoP funding.					
Key Deliverable Descriptions					Deliverable Date
Provide early learning services to children, birth to age five.					June 2011

Title of Request:		California State Advisory Council on Early Childhood Education and Care (ELAC)			<input checked="" type="checkbox"/> Contract <input type="checkbox"/> Program Disbursement <input type="checkbox"/> Special Disbursement	
Amount of Current Agreement:		Up to	\$ 0	Expenditures to Date:	\$ 0	
Current Term of Agreement:		N/A	Through	N/A		
		Fiscal Year Detail				
			FY 10-11	FY 11-12	FY 12-13	
New Amount Requested:		Up to	\$2,000,000	\$700,000	\$650,000	\$650,000
Total Amount of Agreement:		Up to	\$2,000,000	\$700,000	\$650,000	\$650,000
Percent of Available Fund Balance Affected by Agreement			.02%	.02%	.01%	
Proposed Funding Term:		July 1, 2010	Through	June 30, 2013		
First 5 California Account Name:		Unallocated	Account Number	0639	Fund Availability Confirmed	<input checked="" type="checkbox"/> Yes By: Sandy Beck
Statutory Purpose: Health and Safety Code 130105(a)(1)(F)		Two percent shall be deposited in an Unallocated Account for expenditure by the state commission for any of the purposes of this act described in Section 130100 provided that none of these moneys shall be expended for the administrative functions of the state commission.				
Do our funds leverage others?	<input checked="" type="checkbox"/> Yes (explain) <input type="checkbox"/> No	Commission Funds		Leveraged Funds		Total Funds
		\$2,000,000		\$10.6 ARRA funds		\$12.6 million
Explanation: Required component to compete for ARRA funds						
Key Deliverable Descriptions					Deliverable Date	
Provide administrative support for ongoing Advisory Council					ongoing	

Title of Request:		California Kindergarten Readiness Observation Assessment				<input checked="" type="checkbox"/> Contract <input type="checkbox"/> Program Disbursement <input type="checkbox"/> Special Disbursement	
Amount of Current Agreement:		Up to	\$ 0	Expenditures to Date:	\$ 0		
Current Term of Agreement:		N/A	Through	N/A			
		Fiscal Year Detail					
			FY 10-11	FY 11-12	FY 12-13	FY 13-14	
New Amount Requested:		Up to	\$8,000,000	\$2,800,000	\$2,600,000	\$2,600,000	\$0
Total Amount of Agreement:		Up to	\$8,000,000	\$2,800,000	\$2,600,000	\$2,600,000	\$0
Percent of Available Fund Balance Affected by Agreement			.06%	.06%	.05%	0%	
Proposed Funding Term:		July 1, 2010	Through	June 30, 2014			
First 5 California Account Name:		Research and Development	Account Number	0637	Fund Availability Confirmed	<input checked="" type="checkbox"/> Yes By: Sandy Beck	
Statutory Purpose: Health and Safety Code 130105(a)(1)(D)		Three percent shall be deposited in a Research and Development Account for expenditures to ensure that children are ready to enter school and for the research and development of best practices and standards for all programs and services relating to early childhood development established pursuant to this act, and for the assessment and quality evaluation of those programs and services.					
Do our funds leverage others?	<input checked="" type="checkbox"/> Yes (explain) <input type="checkbox"/> No	Commission Funds		Leveraged Funds		Total Funds	
		\$8 million		Potential federal funds		To be determined	
Explanation: Required component of the federal Early Learning Challenge Grant funds (awaiting Congressional approval)							
Key Deliverable Descriptions						Deliverable Date	
Select assessment tool						January 2011	
Validate the selected tool						August 2011	
Conduct pilot of assessment tool						September 2011 – June 2012	
Prepare and conduct training system						June 2014	

Title of Request:	Unique Child Identifier				<input checked="" type="checkbox"/> Contract <input type="checkbox"/> Program Disbursement <input type="checkbox"/> Special Disbursement	
Amount of Current Agreement:	Up to	\$ 0	Expenditures to Date:	\$ 0		
Current Term of Agreement:	N/A	Through	N/A			
			Fiscal Year Detail			
			FY 10-11	FY 11-12	FY 12-13	
New Amount Requested:	Up to	\$1,000,000	\$350,000	\$350,000	\$300,000	
Total Amount of Agreement:	Up to	\$1,000,000	\$350,000	\$350,000	\$300,000	
Percent of Available Fund Balance Affected by Agreement			.01%	.01%	.01%	
Proposed Funding Term:	July 1, 2010	Through	June 30, 2013			
First 5 California Account Name:	Research and Development	Account Number	0637	Fund Availability Confirmed	<input checked="" type="checkbox"/> Yes By: Sandy Beck	
Statutory Purpose: Health and Safety Code 130105(a)(1)(D)	Three percent shall be deposited in a Research and Development Account for expenditures to ensure that children are ready to enter school and for the research and development of best practices and standards for all programs and services relating to early childhood development established pursuant to this act, and for the assessment and quality evaluation of those programs and services.					
Do our funds leverage others?	<input checked="" type="checkbox"/> Yes (explain) <input type="checkbox"/> No	Commission Funds		Leveraged Funds		Total Funds
		\$1,000,000		Potential Federal Funds		To be determined
Explanation: Required component of federal Early Learning Challenge Grant (awaiting Congressional approval) Coordinate this project in partnership with the CDE, CDD, and other related partners						
Key Deliverable Descriptions						Deliverable Date
Needs Assessment and Feasibility Study						June 2011
Design and pilot an early learning accountability system						June 2013