



July 25, 2019

<p>SUBJECT</p> <p>IMPACT 2020</p> <p>Priority Area II: Child Development Goal: All children birth through age 5 have high-quality environments that ensure their learning readiness.</p> <p>Supportive Strategies Section II. A. Children and Families</p> <ul style="list-style-type: none"> • Support children prenatal through age 5 and their families by providing culturally and linguistically effective resources, knowledge, and opportunities for young children to develop the skills necessary to achieve their optimal potential in school and life. • Support workforce quality in all early learning settings with the dissemination of evidence-based professional development resources and standards-based coaching and training to promote optimal outcomes for children birth to age 5. <p>Supportive Strategies Section II. B. Community Partners</p> <ul style="list-style-type: none"> • Lead, support, and collaborate with partner groups on statewide efforts to create and align goals and priorities for early learning and systems building, including higher education and other state partners. • Strengthen the capacity of First 5 county commissions and other local partners to accomplish specific goals and address collaborative early childhood systems building. • Strategically fund and co-fund, align resources, facilitate the exchange of information and best practices using research and evaluation, and seek new opportunities to maximize positive impacts for children and families. 	<p><input checked="" type="checkbox"/> Action</p> <p><input type="checkbox"/> Information</p>
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SUMMARY OF THE ISSUE

The First 5 California (F5CA) State Commission is presented with an opportunity to influence the lives of California's youngest children, their families, and providers by continuing to strengthen the quality of adult-child interactions during children's most formative years, by approving and funding IMPACT 2020. The California children and families targeted by IMPACT 2020 reside in high-need communities and attend child care settings that are primarily outside of California's subsidized early learning and care system. The children will receive improved experiences that enhance their health, child development, and early literacy and numeracy skills, while their parents will receive family strengthening information, including connection to Talk. Read. Sing.[®]

IMPACT 2020 is a comprehensive, statewide effort to enhance the quality of early learning and care environments. Its focus addresses the needs of the whole child, and builds upon the success and lessons learned from the initial effort of First 5 IMPACT that was launched in fiscal year (FY) 2015–16 and sunsets on June 30, 2020. The implementation of IMPACT 2020 will take place at a local consortium level, supported by Regional Hubs, and shared state leadership from F5CA and the California Department of Education (CDE).

At the April 2019 Commission meeting, F5CA staff presented the IMPACT 2020 concept proposal discussing the goals and its key provisions. Of those provisions, four are repeated below:

1. Focus on systems-level work to sustain and expand investment in early learning and care settings serving infants and toddlers; family child care homes; Family, Friend, and Neighbor care (FFN); and alternative settings (e.g., family resource centers, libraries, home-visiting programs, etc.) as a way to support children who would otherwise be underserved.
2. Assist parents and families as their children's first teachers by providing them with information and resources they need to optimize their children's development and learning readiness, such as the importance of the messages conveyed in Talk. Read. Sing.[®]
3. Ensure culturally and linguistically effective strategies to engage families and children, including dual language learners, informed by the value of equity.
4. Prioritize investments to the early learning and care workforce to build and/or reinforce competencies needed to support the unique needs of each child and his/her family.

IMPACT 2020 will operate for three fiscal years, 2020–21 through 2022–23. This timeframe will serve as a transitional period for F5CA and First 5 county commissions, as the state's role in quality improvement and workforce support grows, and the Governor's master plan for early childhood education and care takes place.

Launching the First 5 IMPACT investment served as an impetus in bringing about other state strategic investments, namely the California State Preschool Program (CSPP) and the Quality Counts California (QCC) Quality Rating and Improvement System (QRIS) Block Grants. These state funds, along with local investments, resulted in leveraged funds statewide to support quality improvement strategies for California's early learning and care system. As IMPACT 2020 sunsets in June 2023, it is envisioned that these funding sources will continue to be available and further increase to support the continued growth of quality early learning and care.

RECOMMENDATION

F5CA staff is recommending the F5CA State Commission continue its investment in providing quality improvement support to children and families in early learning and care environments by approving IMPACT 2020 for three fiscal years (2020–21 through 2022–23), for a total funding authorization of \$83 million (\$75 million in new, ongoing funds and \$8 million in one-time carryover funds from First 5 IMPACT).

BACKGROUND OF KEY ISSUES

Of the three million children ages 0 to 5 in California, an estimated two-thirds need access to child care on a regular basis. While many high-need families enroll in high-quality programs, the demand for public market care exceeds available resources. Of the one million children income-eligible for federal or state subsidy, one-third actually receive support. Families for the remaining children must seek care in the private market. This fact underscores the importance of well-supported early educators and high-quality early learning environments in the private market to nurture all of our state's children in the critical first years before kindergarten entry.

Since its inception, F5CA has focused its investments on improving the quality of life for California's young children and their families by sponsoring programs and services that meet their health, developmental, social-emotional, and family strengthening needs. (These programs were mentioned in the April meeting agenda item.) F5CA worked in collaboration with First 5 county commissions to implement programs that addressed these needs.

With the launch of First 5 IMPACT in FY 2015–16, the Commission invested resources to take the quality improvement system to scale statewide from a patchwork of individual, county-based systems. One of the IMPACT 2020 goals is to strengthen this statewide system, even as First 5's funding role declines. This goal is extremely timely, as it supports the direction and vision of California's new Administration that sets the needs of young children as a major policy priority by providing significant investments to publicly-funded early learning and care programs. The Administration will also be creating a master plan for early childhood education and care with which many of the Commission's efforts will align. F5CA is in a position to assist California in achieving this welcomed direction and vision. IMPACT 2020 will greatly contribute by reaching out to underserved providers and strengthening their adult-child interactions and other elements of quality. This will be achieved by emphasizing continuous quality

improvement efforts at the local and regional levels, supported by the coordination of the Regional Hubs, as follows:

1. Serving California's most vulnerable children, especially infants and toddlers, children living in poverty, dual language learners, foster children, homeless families, families with children with special needs, and tribal, migrant, and other rural/isolated communities.
2. Engaging parents and families in activities that support their needs of the entire family so children can develop and thrive.
3. Bringing more family child care home, FFN, and alternative setting providers into the quality improvement system.
4. Expanding access to quality programs so parents, with reasonable effort and affordability, can enroll their child in a high-quality environment that supports the child's development and meets the parents' needs.
5. Offering providers who are not traditionally part of California's early learning and care system opportunities to improve the quality of their services by providing them with professional development experiences, especially those focused on meaningful and effective adult-child interactions.
6. Creating opportunities for providers to strengthen their skills by expanding access to evidence-informed delivery methods, such as, standards-based coaching, specific training sessions, targeted resources, peer-learning and partnerships that help them gain the knowledge, skills, and competences to support young children and their families.
7. Supporting a diverse workforce that promotes culturally and linguistically effective strategies to engage families and children through a data-driven continuous quality improvement approach.
8. Coordinating efforts will be accomplished by the Regional Hubs for the evidence-based delivery methods for providers (mentioned in #5) as well as other activities within the region to create efficiencies and cost-effectiveness.
9. Strengthening infrastructure at the local level through Regional Hubs that establish meaningful partnerships with appropriate entities and organizations, build on regional economies of scale, coordinate professional development opportunities, and streamline systems to achieve a sustainable and scalable quality infrastructure.
10. Remedying inefficiencies in early learning and care data collection and reporting processes with state partners, emphasizing improved coordination of data pertaining to the early learning and care workforce and other elements of quality.

11. Strengthening partnerships and leveraging multiple funding streams at the state level with all appropriate partner agencies, especially the California Department of Education (CDE), to develop, promote, and implement policies that result in a statewide alignment of a California early learning and care system. As partners, F5CA and CDE will continue shared governance of QCC, of which IMPACT 2020 is a major component.

Over the years of administering the initial First 5 IMPACT effort, F5CA learned several important lessons through engagement with county partners and their local program operators, especially around streamlining processes and allowing for local flexibility. As a result of those lessons learned, IMPACT 2020 has made the following significant changes:

1. Focus on reaching underserved children and families by serving sites that are not publicly funded for quality improvement, with the exception of QCC QRIS Block Grant (formerly Infant/Toddler Block Grant) sites and programs that accept vouchers. The CSPP QRIS Block Grant sites and Head Start programs will not be eligible for direct funding.
2. Simplify the infrastructure and funding by eliminating the incentive layer, step layers, and system functions, as well as streamline multiple funding sources.
3. Restrict funds used for data collection, administrative personnel, and incentives.
4. Manage ratings and assessments at the state level instead of locally.
5. Utilize Local Planning Councils' needs assessments to guide decision-making about which high-need communities to serve.
6. Establish and/or increase participation thresholds for family child care homes and FFN providers, infant and toddler participants, and sites that accept children with vouchers.

SUMMARY OF PREVIOUS COMMISSION DISCUSSION AND ACTION

At the April 2015 meeting, the F5CA State Commission authorized \$190 million for First 5 IMPACT for fiscal years 2015–16 through 2019–20. During subsequent meetings in 2015, the Commission received progress reports on the development of First 5 IMPACT and the Request for Application (RFA) as information items.

In April 2018 and January 2019, the Commission received an update on the effectiveness of the First 5 IMPACT investment along with a data brief summarizing the previous year's local, regional, and statewide activities.

Again at its April 25, 2019, meeting, the Commission received a presentation from F5CA staff describing the concept of IMPACT 2020, which continues and strengthens the innovative approach of First 5 IMPACT that partners with First 5 county

commissions, and other state and local partners, to increase access to high-quality early learning and care services for children and families.

FISCAL ANALYSIS

Funding authority is requested for IMPACT 2020 as follows:

- \$75 million in new, ongoing funding
- \$8 million in one-time, carryover funding from First 5 IMPACT
- **Total Funding Request = \$83 Million for FY 2020–21 through FY 2022–23**

Funding Category	Scope of Work	Annual Funding Amount
Local Assistance	<p>Local Consortia: Counties will support quality improvement of early learning and care settings in their communities by:</p> <ul style="list-style-type: none"> • Providing outreach, engagement, and incentives to participating sites and providers • Supporting professional development, including training, coaching, and access to resources • Providing community education opportunities • Integrating the Talk. Read. Sing.[®] messages with parents and families <p>Regional Hubs: Hubs will maximize efficiencies, improve the quality improvement infrastructure, and strengthen coordination and capacity across regions by:</p> <ul style="list-style-type: none"> • Supporting communication and partnership building • Ensuring equitable access to high-quality coaching • Managing regional access to effective training that maximizes resources and reduces duplication of efforts • Supporting data collection and evaluation across the region • Stressing the importance of Talk. Read. Sing.[®] integration into local early learning and care settings 	\$20 million
State Infrastructure	<ul style="list-style-type: none"> • Workforce Registry • QCC management • Statewide workforce supports • Evaluation and best practices dissemination 	\$7.6 million
TOTAL		\$27.6 million per year

State Funding for Quality Improvement Efforts

Current State Funding	Proposed and Future State Funding
First 5 IMPACT (F5CA): \$38 million annually (FY 2015–20)	IMPACT 2020 (F5CA): \$27.6 million annually (FY 2020–23)
CSPP QRIS Block Grant (CDE): \$50.8 million annually	CSPP QRIS Block Grant (CDE): \$50.8 million annually
QCC QRIS Block Grant (CDE): \$10.9 million annually	QCC QRIS Block Grant (CDE): \$10.3 million annually
QCC Regional Certification and Coordination Grant (CDE): \$1.5 million annually	QCC Regional Certification and Coordination Grant (CDE): \$1.5 million annually
	CDE: \$39 million annually over 5 years (FY 2019–23) for provider professional development and higher education attainment stipends and infrastructure, through local QCC consortia
TOTAL CURRENT ANNUAL FUNDING = \$101.2 Million Annually	TOTAL PROPOSED ANNUAL FUNDING = \$129.2 Million Annually

ATTACHMENTS

- A. April 25, 2019, First 5 California Commission Agenda Item # 4, First 5 IMPACT 2.0 Concept Proposal (includes two attachments: FY 2017–18 QCC Data Brief and First 5 IMPACT Fact Sheet)