First Steps Executive Director Leadership Council

First Baptist Church
June 6, 2017

I.   **Welcome and Introductions**

II.   **First Steps Reauthorization – Next Steps**

III.   **ED Strategic Planning and Evaluation Committee Update**

- **Review Legislative Reporting Requirements**

IV.   **ED Program and Grants Committee Update**
- **Evidence Based Programs**

---LUNCH---

V.   **ED Finance and Administration Committee Update**
- **8% Administrative Cap Study and Recommendations**

Agenda...

WELCOME!

- **Shirleen Lewis** – **Dillon County First Steps**
- **Doris Mitchell** – **Barnwell County First Steps**
- **Latetia Staggers** – **Williamsburg County First Steps**

Introductions...

Legislative Update

- **Reauthorization (H.3591)**

- **State Budget**

- **Revisions to FOIA**

Introductions...

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

Strategic Planning and Evaluation Committee Updates

Preparing for Reporting Requirements under H.3591

- **H.3591 adds significant new reporting requirements at both the state and local levels.**

- **Because the law has not yet passed we will not be bound to them during FY18.**

- **That said, it is our intent to voluntarily comply with as many of these new requirements as feasible during the coming year, so we are well positioned to implement them all in FY19.**

First Steps Accountability System

Section 59-152-50 (6): 7 sections

2017 legislation: 15 sections including

- <u>Annual and 5-year goals</u> to serve a <u>high proportion of at-risk children in the State</u> along with a plan and timetable to reach the goals that <u>align to the benchmarks and objectives</u> established by the board

- <u>Number of children served</u> by evidence-based and evidence-informed programs for the past 3 years, and the percentage of total at-risk children served by the initiative

- Availability of high quality and affordable PD and high impact strategies such as coaching for child care providers including the <u>#, by partnership</u>, who receive PD

State Annual Report due December 1

2017 changes, cont'd:

- **Innovative practices in counties that are making progress toward the benchmarks and objectives**

- **Evidence of each local partnership's collaboration with public and private stakeholders**

- **Results of performance reviews of local partnership boards (Section 59-152-70 (F))**

- **Complete all annual reports as required by a state agency**

State Annual Report due December 1

Partnership applicants must "meet the criteria for First Steps partnerships" for grant to be awarded (59-152-50)

Section 59-152-90:

- Grants may be funded annually

- To obtain a grant, a partnership must qualify by meeting the "grant requirements". Grant requirements must be established by the SCFS Board, be posted on the SCFS web site, and include but not limited to:

  - Adoption and adherence to by-laws (board composition, attendance, voting, disclosure requirements)

  - **Utilization of SCFS benchmarks and objectives**

  - Implementation of programs and activities that are effective and contributing to the state goals and the definition of school readiness

  - Fulfilling all duties of 59-152-70 (needs assessment, comprehensive plan, annual report, board functioning, data collection/evaluation, adherence to overhead limitation, **performance reviews** of board functioning and fiscal accountability)

Grant Funding to Local Partnerships

- Performance review (59-152-70 (F))
  - Local board functioning and collaboration
  - Compliance with state standards and fiscal accountability
  - Significant operational deficiencies or misconduct must result in a remedy with input from the local legislative delegation
  - **2017 Legislation: Results of partnership performance reviews to be published in the State Annual Report**
  - Does not specify how often
- Board member list to be published in local AR, provided to the local legislative delegation and be on file with SCFS (59-152-60 (A))
- Board meeting records, attendance, programs and activities must be submitted annually to the SCFS Board (59-152-70 (A)(7))

Review of Partnership Functioning

- **Access to Quality Early Childhood Programs**
  – Needs of children and families in community (demographics/risk factors)
  – Early education programs/resources available in community
  – Unmet needs/service gaps for school readiness
- **Leadership/Capacity (G/O, Fiscal, Resource Dev)**
  – Current capacity of LPs and boards to function (self assessment)
  – Areas to build capacity for LPs and boards (self assessment)
- **Interagency/Public-Private Collaboration (Local Portal, Community Convener, Support of State Priorities)**
  – Current interagency/public-private collaborations in community
  – Areas to develop collaboration opportunities

Needs and Resources Assessment

Section 59-152-70:

(2) Create a "strategic long-term plan" for **meeting local needs related to the goals of First Steps**; develop specific initiatives to implement the elements of the plan while coordinating service delivery where possible

(3) Refers to "comprehensive strategic plan" to include direct services, contracting for services and managing volunteer programs

(4) Requires "comprehensive plans" to include the 3 core functions:

- Local portal for services
- Community convener
- Support of state-level school readiness priorities as determined by the SCFS board, i.e., the state strategic plan, objectives and benchmarks, Profile of the Ready K

(5) Needs assessment must be updated every 3 years.

2017 Legislation: partnership comprehensive plans be posted to SCFS web site before December 1, 2017 and annually thereafter

Local Partnership Comprehensive Plans

Section 59-152-70 (A)(8):

(a) Delivery and effectiveness of services, including # served

(b) Strategic goals

(c) Monitoring of progress toward strategic goals

(d) Report on implementation activities

(e) Recommendations for changes to "the strategic plan" (comprehensive plan) which may include new areas of implementation

(f) Evaluation and report of program effectiveness and client satisfaction before, during , and after the implementation of the strategic plan, where available; and

(g) Estimation of cost savings attributable to increased efficiency and effectiveness of service delivery

2017 Legislation: requires annual report be posted to SCFS web site before December 1, 2017 and annually thereafter

Local Partnership Annual Reports due October 1

Local partnerships must participate in the <u>annual review</u> and the <u>three-year evaluation</u> for operations and programs (59-152-70 (A)(8))

Annual Internal Review (59-125-160 (A)):

Partnership functioning, implementation of strategies, and progress toward the interim goals and benchmarks. In instances where no progress has been made, targeted assistance shall be provided and/or the SCFS Board may terminate the grant.

Independent (External) Evaluation (59-125-160 (A)):

- Each prevalent program no less than every 5 years (board create calendar)
  - Parents as Teachers (to be released 2017)
  - Child Care Quality
- Evaluation of the First Steps initiative's goals and purpose by November 1, 2014 and every 5 years thereafter
- Grant funding must be dependent, in part, on evaluation results.

First Steps Evaluation

A Look Ahead…

Needs and Resources Assessment
Dec. 2016
(*2017,2018*)
Every 3 years

Priority Goals and Objectives

Sept. 30

❑ **Comprehensive Plan**

❑ **Includes program goals and partnership goals**

❑ **Includes core functions**

❑ **Addresses conditional approvals or compliance issues**

Renewal Plan

May

❑ **Serves as grant application for upcoming year**

❑ **Includes "performance review" items for board governance, programs**

❑ **Includes progress on goals/objectives (move to AR?)**

❑ **Determines conditional approvals**

Strategic Plan

Some but not all partnerships have done on their own

Other Annual Plans

❑ **Child Care Training (Aug. 31)**
❑ **Resource Development (May)**
❑ **Community Education/Outreach**

Annual Report

Oct. 1

❑ **Includes some (numbers served, strategy performance, financial, board list) but not all legislative requirements**

❑ **Not technically part of any "performance review" – more a public relations piece**

NOW...

Needs and Resources Assessment

Dec. 2016 (*2017,2018*)

Every 3 years

- ❑ Assessment for Compr. Plan
- ❑ Meeting local needs
- ❑ Coordinating service delivery
- ❑ Performing 3 Core functions

Comprehensive Plan

Oct. 1, **posted by Dec. 1, 2017**

Every 3 years

- ❑ Based on NR Assessment
- ❑ Strategic (3 year, 5 year) goals related to:
  - ❑ Collective impact benchmarks/objectives (TBD by SCFS Board)
  - ❑ KRA results (add later)
  - ❑ Partnership-Specific Goals tied to FS legislative goals
  - ❑ Targets for # at-risk children served by program and EC staff impacted by PD
- ❑ Integrate content from other plans (Resource Dev, CC Training, Community Outreach)?
- ❑ Includes current and potential/planned strategies
- ❑ Includes collaboration
- ❑ Includes core functions
- ❑ Existing strategic plans must add legislative requirements

Annual Report

Oct. 1, **posted by Dec. 1**

2 Documents:

1. Comprehensive plan update, progress on strategic goals (items b, c, and e)

   2017: report baseline numbers/activities

   2018-include targets for improvement on KRA

2. Similar format as the current AR (items a, d, f, and g)

- ❑ Include all items for State Annual Report

Board Documents

Minutes, attendance records
Due to SCFS when submitted for fiscal audit

Annual Performance Review/Grant Application

May

- ❑ Current Renewal Plan (FY18) version without G/O update
- ❑ Annual Report
- ❑ Checklist of other Performance Review items, partnership duties (59-152-70) from throughout the year

3-Year Performance Review

DRAFT for 2017-18

NEW DATA SYSTEM! Create reports within the system like Penelope does for PAT (creates Annual Performance Report (APR) based on data entered) so that performance reports are automatically generated.

Avoid duplication among accountability documents.

Consider having multiple parts to the Comprehensive Plan:
Public, posted to web site: summary
Attachments, supporting docs kept on file by OFS

Consider a 3 Year grant cycle: Year 1 of grant application more comprehensive, use checklist for years 2-3. Consider an online reporting system such as the one used by United Way.

Feedback
4/26/17 SPE Committee Meeting

- **April 26: Determine committee leadership**
  - **Thank you to our new committee leadership: Angela Pruitt (Abbeville), Spencer Scott (Florence/Marion) and Crystal Campbell (Dorchester)**
- **June: Develop templates for Comprehensive Plan and Annual Report, with ED feedback**
- **July 1: Release templates**
- **August-September: Assist local partnerships with developing strategic goals**
- **October-November: review/edit documents with local partnerships for December 1 posting**

What's Next

Evidence-Based Programs

Recommendations from the Program and Grants Committee

June 6, 2017

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

- **State law charges the Board with defining and identifying "evidence-based" programs. Subsequently, 75% of partnerships funds "appropriated for programs" must be invested in programs meeting this definition.**

- **State law assigns a variety of responsibilities for the local partnerships and permits expenditures on a variety of things – including both "services" and "programs."**

- **Overhead costs, for example, are capped at 8% (this cap is currently under review by an independent accounting firm, which will bring any recommended changes to the Board in June).**

A Refresher...

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

- **Definition of Evidence-Based**
- **Distinction between programs and services.**
- **Identification of funds "appropriated for programs."**
- **Categorization of several major program areas:**
  - **Scholarships**
  - **Training**
  - **Community Education**
  - **Early Identification and Referral**
  - **Family Literacy**

Major Issues to Resolve...

SECTION 59-152-25

"Evidence-based program" means a program based on a clear and consistent program model that is **designated as such by the South Carolina First Steps to School Readiness Board of Trustees** because the program:

(1)(a) **is grounded in published, peer-reviewed research** that is linked to determined outcomes;
(b) employs **well-trained and competent staff** to whom the program provides **continual professional development** that is relevant to the specific model being delivered;
(c) demonstrates **strong linkages to other community-based services**; and
(d) is operated to ensure **program fidelity**; **or**

(2) is **commonly recognized** by experts in the field as such a program.

Definition of Evidence-Based...

"Grounded in published peer reviewed research…"

Research design continuum

Low Cost Descriptive Methods:

- **Surveys**
- **Focus Groups**

Short term, low cost, cannot establish causation

More Intensive Qualitative Methods:

- **Interviews**
- **Participant Observation**

Medium term and cost, significantly more descriptive

Quantitative Methods:

- **Experiments Designs**

Long term, significant cost, scientific testing of specific hypotheses

Definition of Evidence-Based…

"Grounded in published peer reviewed research…"

Research design continuum

Low Cost Descriptive Methods:	More Intensive Qualitative Methods:	**Quantitative Methods:**
• Surveys • Focus Groups	• Interviews • Participant Observation	• Experiments Designs
Short term, low cost, cannot establish causation	Medium term and cost, significantly more descriptive	Long term, significant cost, scientific testing of specific hypotheses

Definition of Evidence-Based…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

Experimental Designs: In experimental designs, subjects are randomly assigned to groups for different levels of treatment (or no treatment).

Quasi-Experimental Designs: In quasi-experimental designs, subjects are not randomly assigned to treatments.
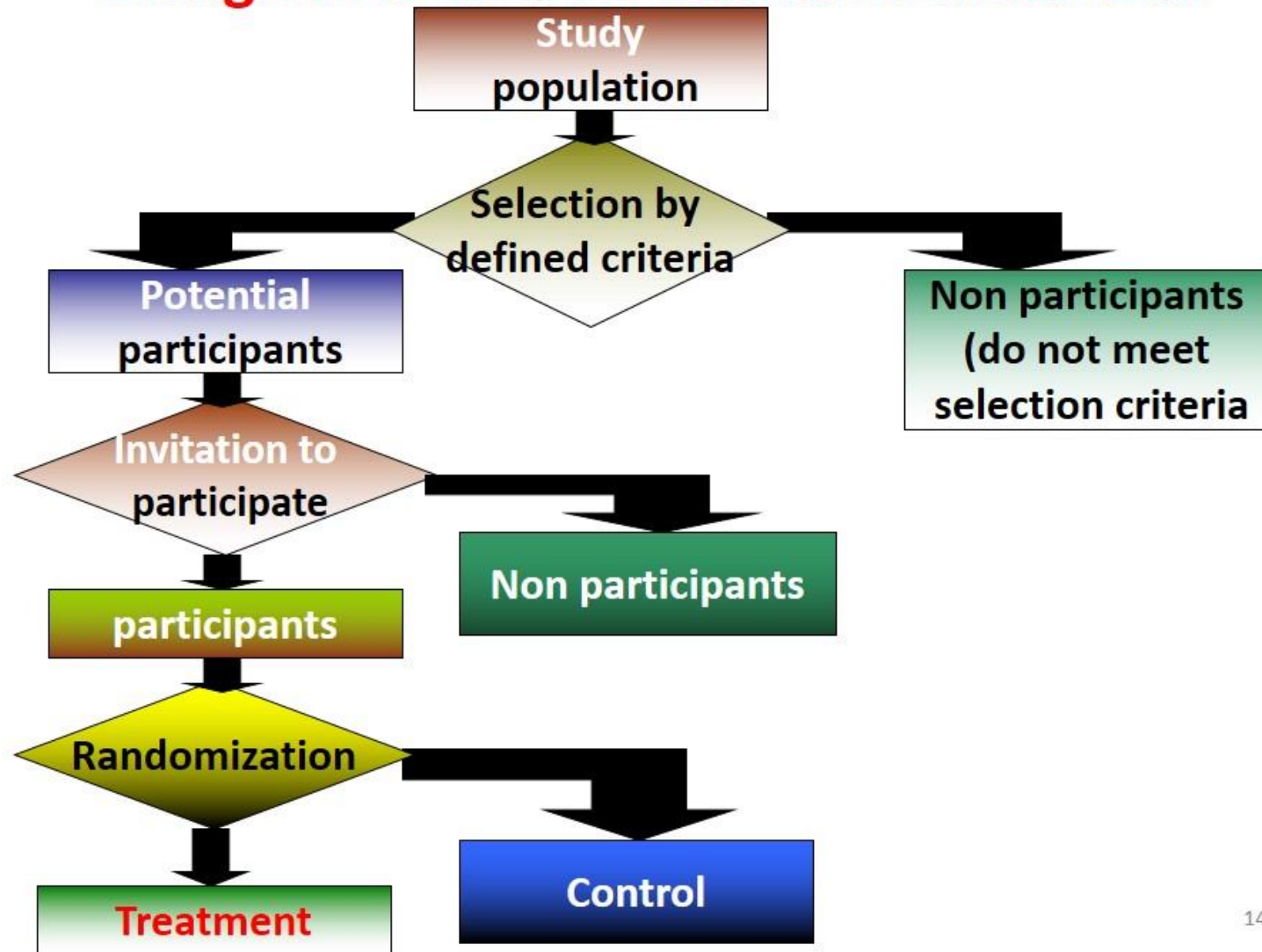
Definition of Evidence-Based...

As a <u>minimum</u> standard, for a program to be considered evidence-based there must be **at least one well-conducted research study using a randomized controlled trial design** that has been published in a peer-reviewed journal for that particular program. Alternately, for a program to be considered evidence-based there may be findings of significant impact on school-readiness related outcomes from meta-analytic studies (where the results of multiple single studies are quantitatively combined) published in the peer-reviewed literature.

Definition of Evidence-Based…

Definition of Evidence-Based...

- **SCFS High/Scope Evaluation as an example of a rigorous, quasi-experimental design.**

- **Matched "virtual control groups" created via SC Data Warehouse.**

- **Advanced statistical methods used to control for variables.**

Definition of Evidence-Based...

- There should be at least one well-conducted **research study using either random assignment or quasi-experimental design**, that has been published in a peer-reviewed journal for that particular program and/or shows statistical significance in externally conducted research. Alternately, there may be findings of significant impact on school-readiness related outcomes from meta-analytic studies (where the results of multiple single studies are combined quantitatively and published in the peer-reviewed literature).

Definition of Evidence-Based...

Challenges to the use of RCTs, particularly in rural communities:

- Experiments in rural areas can **cost more** than experiments in urban areas due to density and distance issues.

- Some studies require a **large sample size** in order to determine whether or not it is effective, while it is harder for remote rural areas to recruit a large sample.

- Some random assignment interventions may not be **morally feasible** to implement in rural settings.

- Some random assignment interventions may not be **economically feasible** to implement in rural settings (e.g., a program provider may not economically survive serving half the eligible families).

Definition of Evidence-Based…

Challenges to the use of RCTs, particularly in rural communities:

- **Geographic dispersion** makes it difficult for researchers to establish relationships through in-person meetings with potential school partners and the local school community – and opportunities to conduct virtual meetings may not be available.
- It can be challenging for programs to **hire staff in rural areas that comply with federal guidelines** required to receive funding
- In small communities, families often believe that **confidentiality cannot be maintained** (because everybody knows everybody else) – and therefore do not volunteer to participate in programs and research as frequently.
- Most evidence-based programs have been tested in urban or larger rural settings, thus the **authentic evidence base as it pertains to small, rural communities is meager** and unique principles for establishing best evidence-based practices for small, rural communities have not been well developed.

Definition of Evidence-Based…

Changing Randomized Control Trial to experimental/quasi-experimental design is in line with the ***What Works Clearinghouse***, a federal standard used by the Federal Institute of Education Sciences (IES) within the U.S. Department of Education. ***What Works Clearinghouse*** accepts **experimental designs including but not limited to Randomized Control Trials.**

Definition of Evidence-Based...

Recommendation 1:

Expand the Board's draft definition of evidence-based to include quasi-experimental research designs.

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

USC's analysis did not classify training or scholarships.

The Question of Training and Scholarships…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

Child Care Training:

- **3,887 teachers/directors served during FY16 (unduplicated)**
- **Total training attendance of 8,349**
- **566 trainings offered**
- **896 certified training hours provided**

- **USC did not categorize as a program**
- **NC Smart Start, however, identifies as Evidence-Based on the basis of meta-analyses done across several fields.**

Training...

Training

WELL-ESTABLISHED
ESTABLISHED
PROMISING
EMERGING

EVIDENCE-BASED

Research evidence regarding in-service or workshop training is found in a meta-analysis and two reviews of research literature.[1-3] These studies examined the effects of training defined as being limited in frequency of occurrence, limited in length, generally very limited in active learner involvement in the training, and most frequently having no follow up to the initial training. Burke and Day[1] in an analysis of 70 articles that examined workshop training found there was a positive effect of workshops/in-service training participants self-reported of their knowledge, but there was not an effect when an objective measure of learning was used to assess the outcome. In a review of in-service training for social workers; researchers found that in 20 studies the impact of the training on their satisfaction or knowledge was positive, but there was no impact on their behavior. Dunst and colleagues[3] found that in early childhood trainings there was an increase in participants' reports of satisfaction.

Research Evidence for Training

Research evidence	Self-report of satisfaction	Self-report of knowledge	Self-report of attitudes
Burke & Day (1986)		✓	
Clarke (2001)	✓	✓	
Dunst et al. (2011)	✓		

References

1. Burke, M. J., & Day, R. R. (1986). A cumulative study of the effectiveness of managerial training. *Journal of Applied Psychology, 71*, 232-245. doi:10.1037/0021-9010.71.2.232.
2. Clarke, N., The impact of in-service training within social services. *British Journal of Social Work*, 2001. **31**: p. 757-774.
3. Dunst, C.J., C.M. Trivette, and A.G. Deal, *Effects of in-service training on early intervention practitioners' use of family systems intervention practices in the USA*. Professional Development in Education, 2011. **37**: p. 181-196.

Categorization of major programs...

Recommendation 2:

Classify Training/Professional Development as Evidence-Based, consistent with the practice of North Carolina Smart Start, in conjunction with strengthened standards language as appropriate.

Training...

Scholarships:

- **521 children served during FY16**
- **Often linked to associated EB programs (PAT, NFP, Child Care Coaching/QE)**
- **Critical support to providers in some communities**
- **Not categorized as a program by USC.**

Scholarships...

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

Scholarships – POSSIBLE OPTIONS:

- **Option A: Allow as a core service.**
- **Option B: Allow as a permissible service expenditure when funded in connection with another evidence-based program. Grandfather out stand-alone scholarships, replace with clients connected EB service.**
- **Option C: Allow as an evidence-informed program (limited to 25% of partnership's programmatic expenditures) – Question of status as a "program?"**
- **Option D: Disallow and grandfather out all clients.**

Scholarships...

Recommendation 3:

Classify child care scholarships as a permissible expenditure in support of a related evidence-based program.

Scholarships...

Programs vs. Services

SECTION 59-152-25

"Evidence-based program" means a program based on a clear and consistent program model that is **designated as such by the South Carolina First Steps to School Readiness Board of Trustees** because the program:

(1)(a) **is grounded in published, peer-reviewed research** that is linked to determined outcomes;
(b) employs **well-trained and competent staff** to whom the program provides **continual professional development** that is relevant to the specific model being delivered;
(c) demonstrates **strong linkages to other community-based services**; and
(d) is operated to ensure **program fidelity**; **or**

(2) is **commonly recognized** by experts in the field as such a program.

Definition of Evidence-Based…

THE GOALS FOR SOUTH CAROLINA FIRST STEPS TO SCHOOL READINESS ARE TO:

(1) **provide parents with access to the support** they might seek and want to strengthen their families and to promote the optimal development of their preschool children;

(2) increase **comprehensive services** so children have reduced risk for major physical, developmental, and learning problems;

(3) promote **high-quality preschool programs** that provide a healthy environment that will promote normal growth and development;

(4) **provide services** so all children receive the protection, nutrition, and health care needed to thrive in the early years of life so they arrive at school ready to succeed; and

(5) **mobilize communities** to focus efforts on providing enhanced services to support families and their young children so as to enable every child to reach school healthy and ready to succeed.

Programs vs. Services...

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

Additionally, each partnership is required by law to provide three "core services:"

(a) **service as a local portal connecting families of preschool children to community-based services they may need or desire** to ensure the school readiness of their children;

(b) **service as a community convener** around the needs of preschool children and their families; and

(c) **support of state-level school readiness priorities** as determined by the State Board;
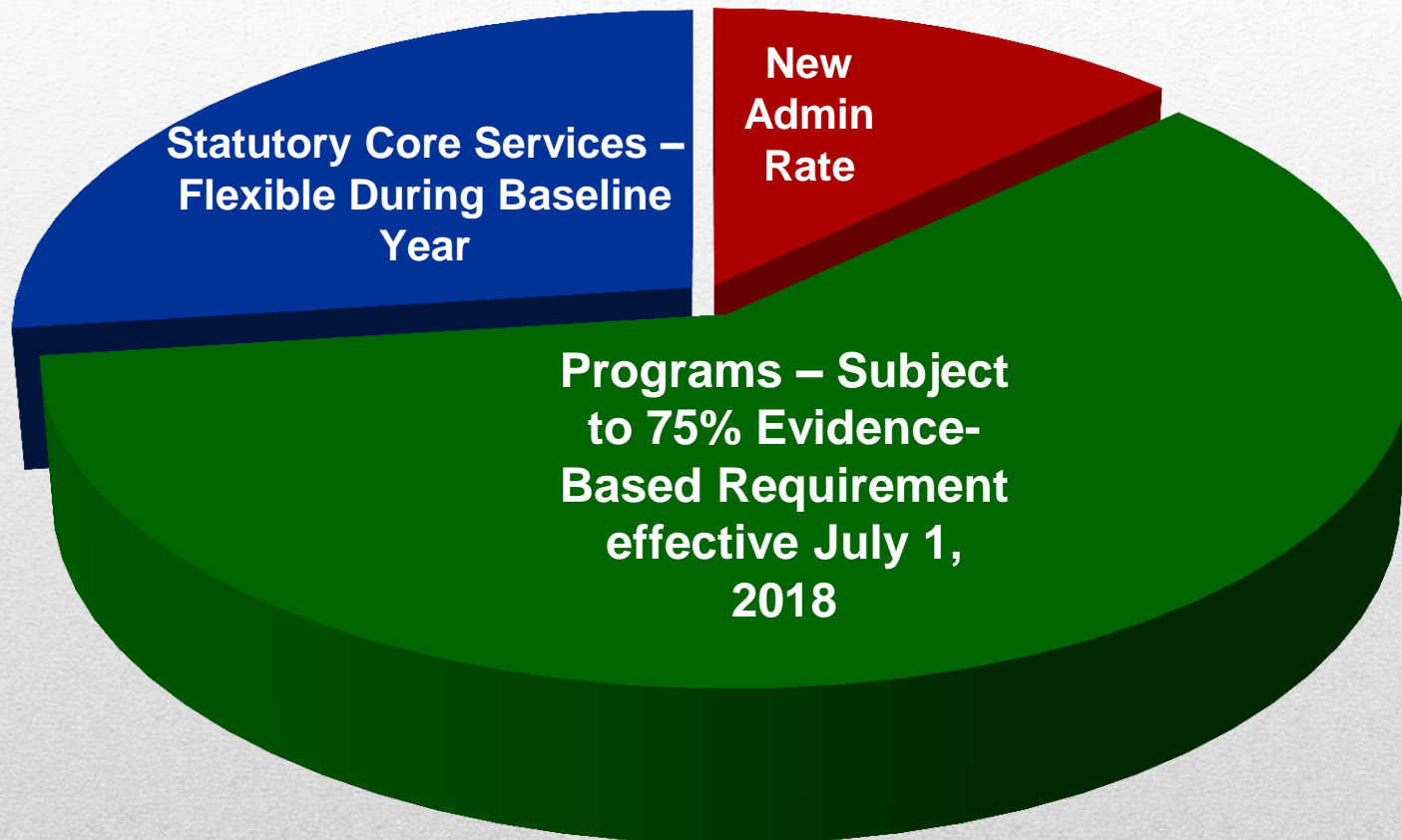
Programs vs. Services…

Recommendation 4:

Creation of a Core Services budget category.

Core Services…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

Proposed Core Services

SERVICE	STATUTORY AUTHORITY
Community Education/Convening	59-152-30(5), 59-152-70(A)(2), 59-152-70(4)(b)
Family Service Portal	59-152-30(1), 59-152-70(4)(a)
Support of State Level Priorities	59-152-70(4)(c)
Early Intervention and Referral/Screenings	59-152-30(2)(4)
Nutrition Services	59-152-30(4)
Transportation Services	59-152-160(c)

Programs vs Services…

Programs vs. Services…

8% Administrative Cap

Recommendations from the Finance and Administration Committee
June 6, 2017

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

- **Since inception, First Steps partnerships have been bound to an 8% administrative cap.**

- **Particularly for small partnerships, this rate has been challenging to meet, resulting in many waiver requests to the state board.**

- **8% of $138,000 limited rural partnerships to just $11,040 in annual overhead.**

Administrative Cap…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

- ## Legislative Audit Council: 2013

"During our review, we did not find that the 8% limit on county First Steps partnership overhead costs in state law was based on an independent analysis of S.C. First Steps and its programs. The rate was adopted from Smart Start, a similar organization in North Carolina.

It is not clear whether 8% is an adequate and not excessive overhead cost rate. A formal analysis of county First Steps partnership overhead costs in South Carolina by an independent cost accountant would help in establishing a limit that is adequate and not excessive."

Administrative Cap…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

- **Act 287 of 2014**

"The South Carolina First Steps to School Readiness Board of Trustees shall contract with an independent cost accountant to provide recommendations as to an adequate, and not excessive, overhead cost rate for individual partnerships no later than July 1, 2017.

Once these recommendations are received, the First Steps to School Readiness Board of Trustees may adjust the overhead percentage for the local partnership."

Administrative Cap...

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

- **SC First Steps contracted with Scott and Company to review this question.**

- **Study included interviews with 9 local partnerships:**
  - **Large: Greenville and Richland**
  - **Medium: Beaufort, Berkeley, Lancaster and York**
  - **Small: Fairfield, Hampton, and Saluda**

Administrative Cap…

Scott and Company Recommendations:

- **First Steps could change to a tiered administrative percentage limit. Large LP's could continue to have an administrative limit of 8%, medium LP's could have a 10% limit, and small LP's could have a 13% limit.   - OR -**

- **First Steps could change to a flat administration limit for all LP's. Our recommendation is that this flat rate be somewhere between 12% and 15%.**

Administrative Cap…

Scott and Company Recommendations:

- **…if a task is administrative by nature, however is directly related to a program, it should be recorded to program.**

- **We recommend that First Steps migrate away from the use of indirect program expenses. We are not aware of any other entities that utilize this type of classification in expenses and we recommend that items being recorded to indirect program expenses be recorded to program.**

Administrative Cap…

Scott and Company Recommendations:

- We recommend an analysis be performed on each individual LP annually and **a smaller amount (than 25%) be allocated to administrative** if executive directors are spending more time on programs due to the size of their staff and nature of their operations.

- We recommend First Steps **consider a change to including** public awareness, fundraising, professional training, and preparing applications, grants and plans as program tasks **if the tasks can be directly associated with a program.**

Administrative Cap…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

ED Leadership Finance/Administration Committee:

- **Broad agreement with findings.**

- **Concerned that a tiered rate:**

  - **Will be needlessly complex.**

  - **May serve as a disincentive to the pursuit of additional funding.**

  - **Could knock a partnership out of compliance mid-year if additional funds generated.**

Administrative Cap…

FIRST STEPS
Getting children ready for school.
SOUTH CAROLINA

ED Leadership Finance/Administration Committee:

- **Survey Results:**

    - **79%** **of EDs surveyed** **prefer a fixed rate between 12-15% to a tiered rate.**

    - **62%** **support the** **elimination of Indirect Program code.**

Administrative Cap…

Proposed Recommendations to BOT:

- **Fixed Administrative rate of 13% of state funds**

    - **Eliminates in-kind disincentive.**

    - **Ensures computation of rate aligned state funding per statute**

- **No minimum amount of ED salary coded to admin. Creation of new codes to reflect reality, based on documentation of ED time spent. (e.g. Elimination of 25% rule.)**

Administrative Cap…

Proposed Recommendations to BOT:

- **Elimination of Indirect Program code (all program costs allocated to programs)**

- **Creation of Core Services Category to cover statutory charges that are neither administrative, nor programmatic.**

Administrative Cap...