STATE OF NEW MEXICO
LEGISLATIVE EDUCATION STUDY COMMITTEE

REPRESENTATIVES
Rick Miera, Vice Chair
Roberto "Bobby" J. Gonzales
Jimmie C. Hall
Dennis J. Roch
Mimi Stewart
Jack E. Thomas

ADVISORY
Andrew J. Barreras
Ray Begaye
Eleanor Chávez
Nathan P. Cote
Nora Espinoza
Mary Helen Garcia
Karen E. Giannini
John A. Heaton
Sheryl M. Williams Stapleton
Shirley A. Tyler

State Capitol North, 325 Don Gaspar, Suite 200
Santa Fe, New Mexico 87501
Phone: (505) 986-4591 Fax: (505) 986-4338
http://lesc.nmlegis.gov

SENATORS
Cynthia Nava, Chair
Mary Jane M. García
Gay G. Kernan
Lynda M. Lovejoy

ADVISORY
Vernon D. Asbill
Stephen H. Fischmann
Howie C. Morales
John Pinto
Sander Rue
William E. Sharer

Frances Ramírez-Maestas, Director
David Harrell, PhD, Deputy Director

June 22, 2009 (Revised June 29, 2009)

MEMORANDUM

TO: Legislative Education Study Committee

FR: David Harrell

RE: **STAFF BRIEF: LEGISLATIVE FINANCE COMMITTEE (LFC) PROGRAM EVALUATION: INVESTMENTS IN EARLY CHILDHOOD PROGRAMS**

The 2009 interim workplan of the Legislative Education Study Committee (LESC) includes a report from the Legislative Finance Committee (LFC) of that committee's evaluation of early childhood programs in New Mexico. In many ways, this evaluation complements previous studies by the LESC.

Overview of the LESC's Study of Early Childhood Programs

The LESC has studied early education programs at least since 1993, when, in response to Senate Memorial 77, the committee conducted a study of the feasibility of fully funding full-day kindergarten programs for those districts choosing to offer them. Legislation enacted in 2000 provided for a five-year phase-in of voluntary full-day kindergarten throughout the state, which was completed in school year 2004-2005.

In addition to this long-standing interest in full-day kindergarten, together with its support of such related initiatives as Kindergarten Plus and K-3 Plus, the LESC has remained focused on pre-kindergarten or early childhood education (ECE) at least since 1998, a year that marked a particularly high level of state activity in support of ECE programs. Then, as well as now, policymakers, educators, parents, and business and

community members throughout the country were becoming familiar with research documenting the value of high-quality ECE programs. The LESC in particular has long understood the importance of ECE programs, especially as a means of closing the achievement gap between disadvantaged students and other students. During every interim since 1998, in fact, the LESC has heard testimony about ECE from multiple perspectives and from a wide range of presenters, including parents, program directors (both public and private), agency or bureau heads, board members, outside experts, cabinet secretaries, and the Lieutenant Governor. As the following chronology illustrates, a recurring theme through much of this testimony is the need for better statewide coordination of ECE programs, which is the primary recommendation of the LFC report.

Chronology of the LESC's Study of Early Childhood Programs

In 1998, language in House Bill 1 (Laws 1998, Chapter 1) required the LESC to examine ECE programs in New Mexico to "determine how to ensure that the needs of New Mexico's children are met."

- To fulfill this assignment, the LESC worked with other state agencies; reviewed ECE research, particularly the brain research showing the critical connection between early experience and subsequent brain development; and compiled information about publicly funded ECE programs, especially those designed for children ages three to five and their families.

- The LESC also collaborated with the Office of Child Development (OCD) in the Children, Youth and Families Department (CYFD) in the development and dissemination of an extensive survey of the ECE programs offered through the public schools, a survey that elicited responses from all 89 school districts.

    - Among the findings, this survey illustrated a wide range of programs. It also highlighted the need for greater statewide coordination of services.

    - As the January 1999 annual report of the LESC observed, "Without coordination . . . it is difficult to provide efficient ECE services where needed and to make the best use of investments in ECE programs."

In 2002 a team of early childhood experts, responding to a direct request from the LESC, developed a plan called *A Blueprint for the Alignment of Early Education in New Mexico*. The goal of that effort was to create "a seamless web of high-quality early education programs from the birth of a child through third grade."

- Among its findings, this blueprint reported, "There is no incentive for New Mexico's early childhood programs to work together. Programs and funding streams have evolved separately . . . with each program meeting specific needs of a specific population, [resulting in] separate bureaucracies with vested interests [that] have evolved to manage each separate funding stream."

- Among its recommendations, the blueprint called for administratively attaching the OCD to the State Department of Education (now the Public Education Department, or PED) and refining OCD's statutory responsibilities to include, among others, establishment of a comprehensive, integrated early education system.

In 2003, the LESC endorsed two successful memorials – House Joint Memorial 12 and Senate Joint Memorial 2 – requesting that the Interagency Coordinating Group (ICG) study the alignment of early care education programs in New Mexico, establish a framework for a statewide comprehensive and universal system of preschool programs, and delineate the procedures and methodology necessary to implement such a framework.

- Created by statute in 1992, the ICG was intended to assist the Secretary of CYFD and the CYFD Advisory Committee in planning the coordination of services.

- Early in the 2003 interim, the Secretary of CYFD assigned the work of the memorials to the OCD and the Child Development Board, which, in turn, enlisted a multi-agency staff group called the Early Childhood Interagency Action Team, assisted by a contractor, to develop the framework. The Child Development Board and CYFD presented their report to the LESC in November 2003.

- One of the outcomes of the testimony to the LESC during the 2003 interim was that no single entity had responsibility or oversight over the various ECE services, both state and federal.

  - In this respect, New Mexico was like other states, whose diverse, fragmented ECE programs constituted what a 1997 publication had called a "non-system [of] . . . uncoordinated mechanisms for funding and governance"; and what, several years later, the Education Commission of the States called "a conglomeration of programs and policies largely disconnected from one another and from other levels of the education system."

  - Consequently, the LESC considered legislation that would have given oversight authority to the Child Development Board, but the committee decided instead to accept a proposal that the board "provide the LESC with a comprehensive New Mexico State Early Learning Plan" to implement universal access to pre-kindergarten programs and to ensure that all four-year-olds in New Mexico may attend a high-quality learning program "within a five-year period."

  - In addition, this plan was to be "a blueprint for the alignment of existing early education systems, birth through third grade: child care, public school, early intervention, child development, and Head Start"; and it was to provide specific recommendations on cost, financing, and governance.

  - The Office of Child Development in CYFD was to coordinate the work; and that office, together with the Child Development Board, was to report to the Children's Cabinet, which had been created by executive order in February

- A draft of the plan was presented to the LESC in October 2004.

Meanwhile, in the executive arena, in March 2004 the Governor announced the intention of his administration to "pursue a comprehensive effort to expand early-childhood education in every New Mexico community."

- Then on September 27, 2004, the Governor held a press conference to announce the administration's plan to increase access to pre-kindergarten programs throughout New Mexico through "a public-private partnership that relies on community organizations to design local, high-quality Pre-K programs that are based on successful models."

- According to the Governor's press release, the plan was developed by the Children's Cabinet, and it would allow the state to invest in voluntary pre-kindergarten programs designed by early childhood community councils. "The program would be phased in over a number of years, depending on the number of kids served and the type of programs that individual communities choose to implement."

In 2005, legislative and executive initiatives coalesced with the enactment of the *Pre-Kindergarten Act*, endorsed by the LESC to establish a voluntary program of pre-kindergarten services for four-year-old children offered by public schools, tribes or pueblos, Head Start centers, and licensed private providers.

- Known as New Mexico PreK, the program is administered jointly by PED and CYFD, an administrative arrangement that the LFC report questions.

- Since the inception of the program, the Legislature has appropriated nearly $63 million in General Fund revenue to implement New Mexico PreK, plus an additional $5.0 million in Temporary Assistance for Needy Families revenue and $7.0 million in severance tax bond receipts for capital outlay costs associated with pre-kindergarten classrooms.

During the 2006 interim, the LESC heard testimony detailing the first of three, so far, annual external evaluations of New Mexico PreK by the National Institute for Early Education Research (NIEER). As the LFC program evaluation notes, "NM PreK has a solid foundation for regularly reporting performance of the program." Although the report recommends "additional benchmark data" for future evaluations, the LFC calls the external program evaluations of NM PreK "a positive step toward demonstrating program effectiveness and worthiness of additional investment of public resources." In brief:

- the 2006 evaluation concluded that, although New Mexico's pre-kindergarten program is still in the developmental stage with room for improvement, the state "has established a promising foundation for building its new PreK initiative";

- the 2007 evaluation found that New Mexico PreK has made a statistically significant and meaningful impact on children's early language, literacy, and mathematical development; and

- the 2008 evaluation found continued benefits to children.

  - More specifically, in response to the LESC's request for data disaggregated by approving agency and by program, NIEER identified larger gains in vocabulary and early literacy among the children in the PED programs and a larger gain in math among the children in the CYFD programs.

  - However, based on the assessment instruments used, the evaluators found the overall classroom quality of New Mexico PreK programs to be limited or mediocre.

  - Furthermore, NIEER testified that, in this regard, there were no statistically significant differences between the programs administered by PED and those administered by CYFD.

LFC Program Evaluation: Investments in Early Childhood

As noted earlier, the program evaluation that the LFC will present to the committee complements the previous study of early childhood programs by the LESC. For one thing, the evaluation provides more recent information about the programs that have already come to the attention of the committee. For another, this evaluation is more comprehensive than the LESC's previous studies in that it examines not only educational programs but also programs in two other categories, family support and health. Altogether, the LFC evaluation includes information about some 17 discrete programs, not all of them state-funded.

As the report itself explains, the LFC:

> reviewed research on the effectiveness and return on investment of certain programs or strategies that can positively impact very young children; assessed the level of state investment in early childhood programs, including prenatal care; and assessed performance results of selected programs, implementation of best practices and efforts to reduce or eliminate duplication of effort.

While the presenters will provide more information about the purpose, approach, findings and recommendations, a brief preview of some of the highlights might be helpful here.

- The primary recommendation of the LFC program evaluation is that, while efforts to improve the outcomes for very young children are worth public investment, "a significantly more coordinated public effort is needed to ensure [that] these investments result in desired outcomes." Echoing the Education Commission of the States in 2003, the LFC program evaluation further notes:

- "[Y]ears of rigorous evaluation have demonstrated [that] public investment in early childhood programs can improve long-term child outcomes that more than pay for the initial cost. However, multiple administering state departments, and a fragmented local delivery system, complicates implementation of a well coordinated early childhood system. No single state entity focuses its efforts on early childhood programs and outcomes."

- One such entity has been proposed, according to the report: an early childhood collaborative comprising departments that participate in the Children's Cabinet to focus exclusively on early childhood issues. This collaborative "would also use a multi-agency team of program managers to carry out the ECE strategic plan and ensure coordination of programs." (This team, incidentally, seems similar to the Early Childhood Interagency Action Team, noted above, which, according to CYFD, began operating informally in 1991.)

- Among the other more particular recommendations, the evaluation calls for:

  - reducing the administrative costs of New Mexico PreK, which the report says average between 17 and 20 percent when the term "administrative costs" is defined to include not only staff salaries but also technical assistance, data collection, and program evaluation, among other components;

  - strengthening the home visiting program currently operated by CYFD and having the Department of Health implement a particular home visiting model called Nurse-Family Partnership, which the LFC report calls the "gold standard" in home visiting programs; and

  - integrating New Mexico PreK, Head Start, Title I programs, and IDEA-supported preschool "into a single publicly funded preschool system," a recommendation like the one presented to the LESC in 2002 in *A Blueprint for the Alignment of Early Education in New Mexico* and again in 2004 in the draft *New Mexico State Early Learning Plan*.

- The LFC report concludes that avoiding the duplication of programs and reducing administrative costs could save approximately $4.2 million each year, savings that could be redirected to other programs or allow additional children to be served.

Agency Responses

Through a single letter signed by four cabinet secretaries – Education, CYFD, the Department of Health, and the Human Services Department – the agencies whose programs were reviewed offered their responses to the methods and findings of the LFC program evaluation. On one hand, the secretaries said that they concurred with "many of the ideas and recommendations set forth" in the evaluation; on the other hand, however, they took exception to certain findings and recommendations. In particular, the secretaries contend that:

- “the report does not sufficiently describe or reflect the level of collaboration and alignment already taking place amongst state agencies and community stakeholders, nor does it illustrate the depth of complexity involved in building a holistic, efficient and effective public system for the delivery of early childhood services”;

- contrary to assertions in the report, the home visiting programs are required to implement “evidence-based home visiting services,” the program needs more diverse approaches than the Nurse-Family Partnership alone, and the home visiting program should remain in CYFD; and

- regarding the administrative costs for New Mexico PreK, the secretaries disagree that such expenses as external evaluation, training and technical assistance, and data collection should be included in the computation. “Rather, PreK administrative costs for salaries, benefits, travel (program monitoring and site visits), and other related costs” have been 7.0 percent, below the 10 percent statutory cap.

Presenters

For this presentation, Mr. Manu Patel, Deputy Director for Program Evaluation, LFC, and Ms. Pamela Galbraith, Program Evaluator, LFC, will provide the committee with an overview of the findings and recommendations of the LFC program evaluation of the state’s investments in early childhood.