

## Early Childhood Education

### Early Childhood Investments Produce Mixed Results

One in five low-income students entering kindergarten are unable to read a single letter. In an effort to improve New Mexico's poor educational outcomes the state continues to invest in early childhood programs, having increased funding over \$100 million since FY12. The research is clear; experiences from birth to age five are critical for developing a strong foundation for future learning.

**The Evaluation:** The evaluation, *Impact of Child Care and Head Start on Student Achievement* (September 2013) provided an overview of early childhood education programs and analyzed the statistical relationship between participation in child care and PreK with reading and math outcomes finding gains attained through child care faded out and gains attained in PreK persisted through 3rd grade.

The 2013 evaluation found limited improvement in Kindergarten academic outcomes for children attending programs in the Children, Youth & Families Department's (CYFDs) childcare quality ratings system, AIM High. The childcare assistance program suffered from mission confusion and the state suffered from a lack of cooperation and coordination with Head Start. Conversely, the evaluation found participation in PreK results in significant gains in third-grade academic performance, reductions in special education enrollment, and reductions in retention.

The child care program, will serve around 18 thousand children in FY16 at a cost of \$115 million, but the program is not established in statute. The Child Care Accountability Act was passed by the Legislature in an effort to add accountability, but was subsequently pocket vetoed by the governor. Overall, CYFD has begun to implement 83 percent of key recommendations. CYFD has shifted childcare funding to meet interest for PreK services. Implementation of the state's new quality ratings system FOCUS continues and childcare regulations have been changed to improve standards. To date, approximately 250 licensed providers are participating in FOCUS and performance measures have been developed to track transition of providers from AIM High. However, it is still too early to evaluate academic outcomes of FOCUS. CYFD has improved office hours for clients and implemented new crosschecks with the sex offender database. An updated analysis of school performance data shows continued benefits for PreK participants in 3rd grade, no measurable impact of child care (AIM High) on 3rd grade academic achievement, and lagging performance for New Mexico Head Start agencies.

**Progress Reports** foster accountability by assessing the implementation status of previous program evaluation reports' recommendations and need for further changes.



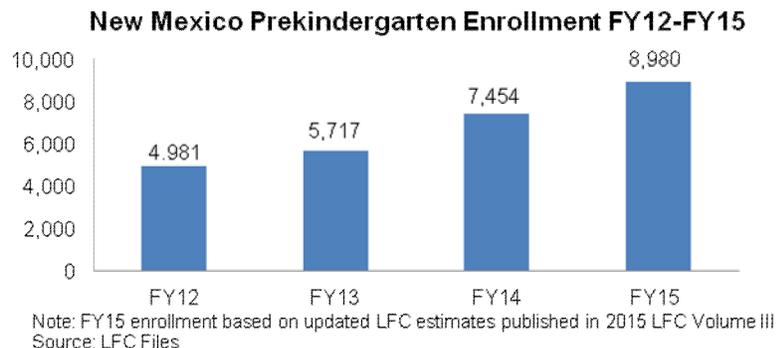
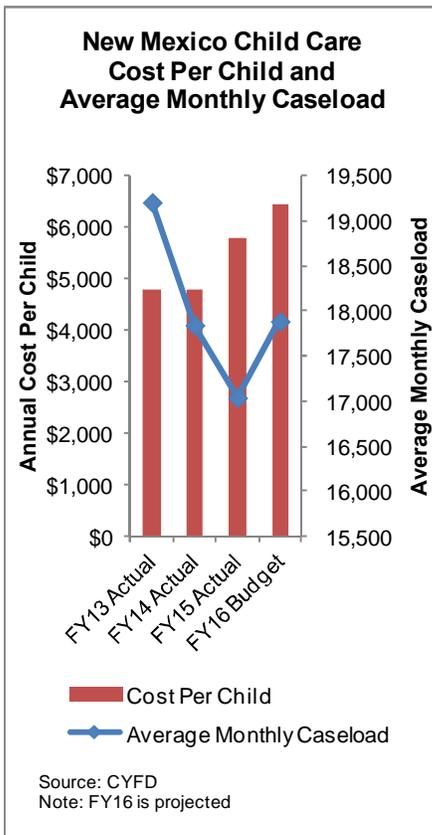
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## The AIM High Program Does Not Provide A Positive ROI

In recent years federal laws and regulations have shifted the purpose of child-care to reflect educational preparation and program coordination. The state has emphasized quality initiatives intended to improve outcomes and shifted funding toward more costly, higher quality care programs. In exchange for higher cost child care, policymakers expect better results. The 2013 evaluation found declining enrollment despite increased investments. Generally this trend has continued with cost per child continuing to increase through FY16. However, in late FY15, child care enrollment showed growth over the previous year and this trend is continuing in FY16. Additionally, the Child Care and Development Block Grant was reauthorized in 2014 putting into place a 12-month eligibility re-determination period. Previously 6 months, the 12 month re-determination period will likely lead to continued enrollment growth.

The 2013 evaluation found the AIM High child care program had a positive effect on the DIBELS Kindergarten performance but not 3rd grade academic performance. However, participation in state funded PreK boosted both DIBELS and 3rd grade SBA scores, reduced special education identification, and reduced grade retention improving overall school readiness. LFC staff monetized the benefits of these boosts in reading scores in a 2014 Results First report and found state-funded PreK has a positive return on investment. The child care assistance program, regardless of quality level, did not provide a positive return on investment, based solely on third grade test scores.

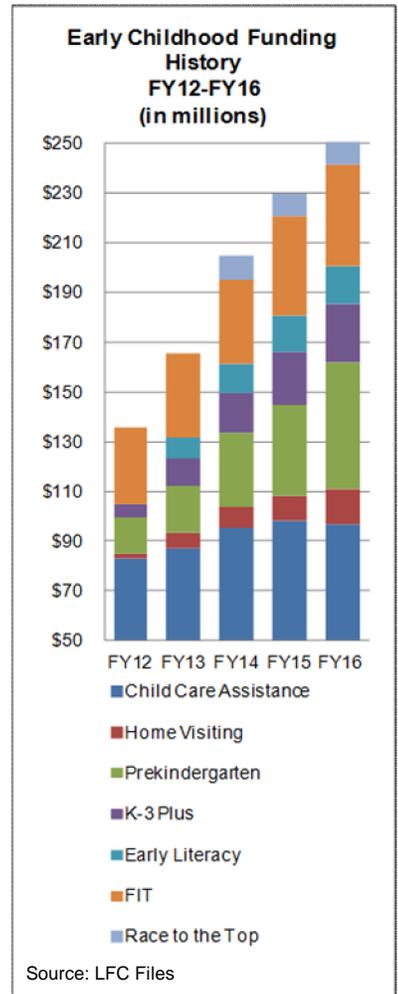
Additionally, in FY15 CYFD reported transferring \$1.3 million in child care assistance funding to meet the requests for PreK services for three-year-olds. Although CYFD did not use the provision of federal regulation that up to 30 percent of the child care development block grant funds for state match be used for PreK, CYFD responded to the overwhelming responses for extended day PreK services by shifting \$3 million in child care assistance funding to PreK. This approach partially met the intent of one of the evaluation recommendations. Appropriately, PreK enrollment approached 9 thousand in FY15.





Other programmatic improvements in the wake of the evaluation include the fact that CYFD no longer limits office hours at two of its largest enrollment offices. The evaluation found that the state’s largest regional office for child care enrollment was limiting office hours reducing the time during which families could enroll in child care. CYFD has extended hours and has directed the largest and second largest regional offices to be seen by CYFD Child Care Assistance staff beyond the 5:00pm scheduled closings in an effort to accommodate client’s schedules and allow for better access to services.

CYFD has implemented a data solution that provides possible sex offender address matches to child care providers for investigation by CYFD staff. CYFD also conducts site visits to determine if the sex offender is living in a registered or licensed home. However CYFD has not implemented several recommendations related to program integrity. For example, CYFD does not require attendance be recorded for audit purposes. Additionally, national best practices recommended for implementation by LFC staff such as expanding cross-checks of other data systems through the Public Assistance Reporting Information System (PARIS) were researched but not yet implemented by CYFD.

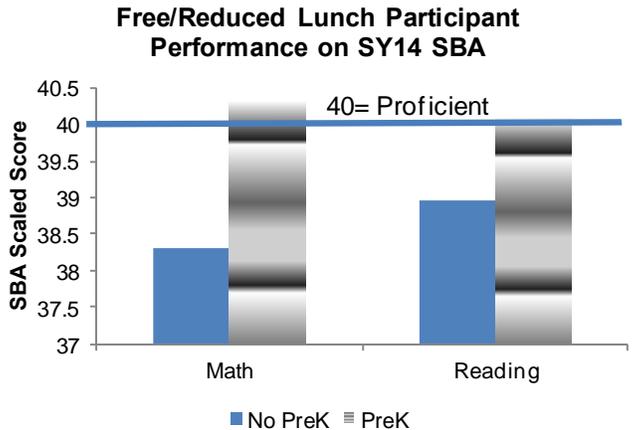


**The average high poverty PreK participant is proficient**

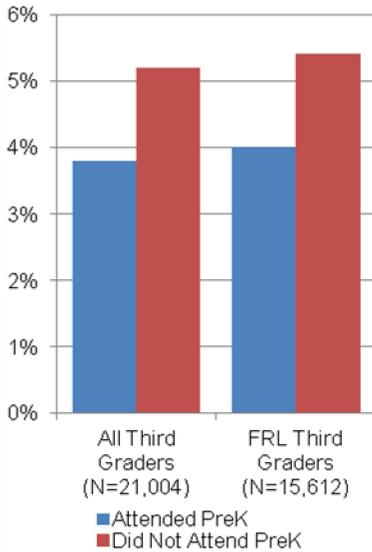
LFC staff updated analysis on 3rd grade performance. Previous LFC evaluations have shown that PreK pays for itself and provides gains for students in 3rd grade. This result holds true in the most recent standardized based assessment scores with participants in free and reduced price lunch who participated in PreK, (SY10) averaging a proficient score in reading and math in 3rd grade (SY14) whereas their peers are, on average, not reaching proficiency. There is no evidence for AIM High impacting 3rd grade academic achievement and it is too early to evaluate results for FOCUS. As child care regulations changed to improve standards, future updates will hopefully show improved DIBELS and SBA performance for FOCUS participants.

**LFC Development of an Early Childhood Education Database**

As a part of the 2013 evaluation, LFC staff linked outcomes of children participating in child care and PreK with public school data. The research followed participation in early childhood education, demographics, their progression through public school, and their individual outcomes including retention, special education participation, and standardized based assessment scores.



**Percentage of Third Graders in Special Education, FY14\***



\* Excludes students enrolled in gifted programs  
Source: LFC Analysis

The Early Childhood Environment Rating Scale-Revised (ECERS-R) and the Four Curricular Subscales Extension (ECERS-E) is a national evidence-based tool to assess quality of classrooms including adult-child interactions. However, concerns exist regarding the measurement of quality and PreK. Published standards agreed upon by PED and CYFD state that preschool programs must conduct a self-assessment using the ECERS and PED classrooms must achieve a minimum average score of 5 on these scales. Neither fully assessed all programs in FY13 and FY14 and have now discontinued validation of these tools due to cost. CYFD and PED are considering re-implementing validation and CYFD is considering implementing the same instrument used in Head Start, the Classroom Assessment Scoring System (CLASS), in PreK.

The Legislature continues to increase investments into PreK services. In FY16 PreK appropriations for CYFD include \$9.4 million for basic services, \$13.9 million for extended-day services, and \$3.3 million to early PreK for three-year-olds. As a result more attention will be needed to measure PreK quality as slots increase, and other PreK programs are expanded including early PreK extended day PreK.

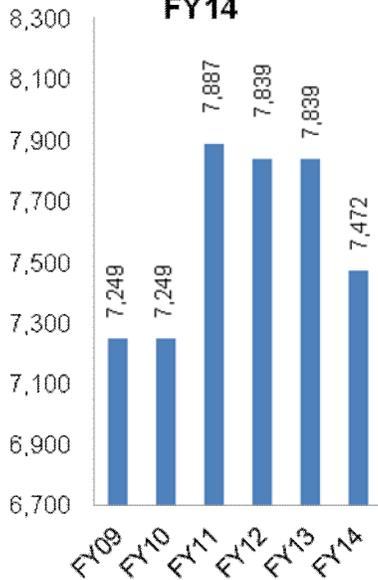
### Head Start Enrollment is Declining and Performance Lags

The 2013 evaluation noted Head Start performance in New Mexico lagged behind national averages and federal standards, and lack of coordination and cooperation hurt student performance and access to programming. The majority of Head Start providers also refused to share data with the LFC despite guidance from the federal Office of Head Start stating no federal law prevents the sharing of such data with the state to analyze outcomes of children who participated in the largest public preschool program in New Mexico.

Since 2012, the percentage of classroom teachers meeting the federal regulation that requires 50 percent of Head Start teachers have a bachelor's degree or higher in early childhood education has improved from 32 percent to 40 percent. However, New Mexico is still 10 percent under the federal requirement and 31 percent behind the national average. New Mexico is not maximizing Head Start funding. Since 2012, more classrooms have been added, however there are fewer teachers and enrollment has declined to 7,472 children.

Additionally, New Mexico Head Starts have now been scored on the CLASS, an observational instrument that assesses the quality of teacher-child interactions in classrooms. At the time of the evaluation only three Head Start providers had undergone testing with the CLASS. Since that time 14 programs have been evaluated. Only one head start program scored above the national average in all three areas (West Las Vegas), yet this program has to recomplete for funding due to shortcomings in other areas. El Grito Inc and Youth Development Inc. also have to recomplete. The remainder of Head Start programs scored below national averages in most and sometimes all three measured areas, with some providers scoring in the bottom 10th percentile in the country. No providers scored above benchmark on the three areas of CLASS.

**Head Start Enrollment FY09-FY14**



Source: LFC Files



### New Mexico Head Start Classroom Assessment Scoring System (CLASS) Pre-K Teacher-Child Observation Instrument Scores (2012-2014)\*

	Emotional Support	Classroom Organization	Instructional Support
Benchmark of consistent effective teacher-child interactions	6.00	6.00	6.00
National Average	5.99	5.63	2.72
Alamo Navajo School Board, Inc.	5.59	5.04**	1.90**
Child & Family Services, Inc.	5.84	5.74	2.76
Eastern Plains Community Action Agency, Inc.	6.01	5.45	2.88
El Grito, Inc.	6.03	5.83	2.17
HELP-New Mexico, Inc.	5.78	5.39	2.88
Las Cruces School District #2	5.82	5.33	2.2
Mid-West CAP	5.7	4.95**	3.63
Mora ISD	5.79	5.52	2.83
NMSU Education Research	5.59	5.04**	2.14
Presbyterian Medical Services	6.11	5.52	3.19
Region IX Education Cooperative	5.61	4.86**	1.62**
Southeast NM Community Action Corporation	5.8	5.26	2.2
West Las Vegas Head Start	6	5.72	3.12
Youth Development Inc.	6.11	5.83	2.65

Source: USDHHS ACF

\* Red is below benchmark Green indicates above benchmark

\*\* Indicates Lowest 10 Percentile

How is CLASS scored and what do those scores mean?

CLASS is scored by trained and certified observers using a specific protocol. Following their observations of teacher-child interactions, CLASS observers rate each dimension on a 7-point scale, from low to high.

- Scores of 1-2 mean the quality of teacher-child interactions is low. Classrooms in which there is poor management of behavior, teaching that is purely rote, or that lack interaction between teachers and children would receive low scores.
- Scores of 3-5, the mid-range, are given when classrooms show a mix of effective interactions with periods when interactions are not effective or are absent.
- Scores of 6-7 mean that effective teacher-child interactions are consistently observed throughout the observation period.

## Child Care Assistance Act Was Vetoed

During the 2015 session, the Legislature introduced and passed the Child Care Assistance Accountability Act. The Act required CYFD to support a voluntary statewide child care assistance infrastructure for families receiving child care subsidies and would establish a voluntary statewide child care assistance infrastructure for qualifying children. This common framework would have provided a way to develop and codify accountability measures and program standards across all child care providers who accept funding through the child care assistance program, as was recommended by the 2013 evaluation. The Act also required CYFD convene a workgroup to include representatives from the LFC, Department of Finance and Administration, and child care providers to develop an outcome measure plan to monitor outcomes for children and families receiving services through child care assistance programs.

The Act also would have required CYFD to report annually on a variety of child care indicators including student performance, staff retention, and demographic information. Both the House and Senate passed the Child Care Assistance Accountability Act during the 2015 session, however the bill was “pocket vetoed” by the governor’s failure to sign it. The Act would have address several of the key findings included in the 2013 evaluation , such as tracking the educational performance of child care recipients. Without the Child Care Assistance Act, New Mexico will remain unable to fully assess the program’s performance.

**Report: Impact of Child Care and Head Start on Student Achievement**

**Key Findings:**

- Despite significant investments, childcare assistance for low income children fails to improve school readiness and early literacy.
- A lack of Head Start cooperation and coordination results in inefficient resource allocation and potentially hinders school readiness.
- New Mexico needs to better target resources to children who need them most and improve access to early childhood services.
- Current childcare program integrity threatens the effective allocation of resources and potentially endangers children.

Key Recommendations	Status			Comments
	No Action	Progressing	Complete	
Use the provision of federal regulation that up to 30 percent of the funds for state match be used for PreK.				CYFD shifted child care assistance funding to meet the requests for extended day PreK services.
Plan on implementing FOCUS as intended in the original RTT grant to enroll all providers by 2016.				Target is now January 2018
Follow federal best practices for preventing and finding fraud, waste and abuse (i.e., participate in PARIS, review attendance and billing records of providers, audit provider records, conduct on-site visits to review enrollment and attendance records for audit purposes).				CYFD is positioning itself to be able to implement PARIS when neighboring states begin utilization.
Expand the number of hours that staff members are available to child care clients at ECS regional office to better meet client needs (Central Region).				CYFD no longer limits times clients, and potential clients can visit our Central Region offices for child care services.
Make information available to parents regarding childcare quality and licensing reports on paper in addition to referring parents to online resources.				No change in methods used to distribute information.
CYFD as a Race-to-the-Top agency should establish data sharing requirements with Head Start agencies by December 2013.				Head Start programs have been instructed to collaborate with the State's efforts in the implementation of the Race to the Top plan.
Implement quality indicators in FOCUS consistently across star levels to align with national best practices.				CYFD set the deadline of December 31, 2017 for programs accredited through non-approved bodies.
Develop performance measures that track provider transitions to FOCUS and kindergarten-readiness rates of child care participants.				CYFD developed performance measures that will track provider transitions to FOCUS for SFY2016.
Publicly post registered home health, safety, and registration information in compliance with proposed ACF rules regarding provider-specific information about the quality of all providers receiving CCDF subsidies.				The Early Childhood Services Data Unit is in the process of automating the regulatory oversight of registered homes.
Cross-reference sex offender registries when conducting background checks of childcare providers.				All phases of the project are complete.
Link waste, fraud, and abuse to the state's QRIS to prevent significant offenders from participating in the state's rating system				The EPICS system will allow for person identification numbers to be flagged
Though regulation, enable lifetime bans for child care providers guilty of child endangerment or fraud.				The EPICS system will allow for person identification numbers to be flagged