



Early Learning Scholarships Program Evaluation Report

Fiscal Year 2016

Report

To the

Legislature

As required by

Minnesota Statutes,

section 124D.165

COMMISSIONER:

Brenda Cassellius, Ed. D.

**Early Learning Scholarships Program
Evaluation Report**

January 15, 2016

Fiscal Year 2016

Report to the Legislature

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Cost of Report Preparation

The total cost for the Minnesota Department of Education (MDE) to prepare this report was approximately \$307,538.68. Per statute, MDE contracted with two external contractors to evaluate the Early Learning Scholarships Program, which represents the majority of the cost the report. We have included all costs of involved staff time in coordinating and cleaning data in order for evaluator analysis as applicable. Incidental costs include paper, copying and other office supplies.

Estimated costs are provided in accordance with Minnesota Statutes 2011, section 3.197, which requires that at the beginning of a report to the Legislature, the cost of preparing the report must be provided.

Introduction

The Early Learning Scholarships Program was created in July 2013 following an initial \$2 million pilot in 2011. The purpose of the Early Learning Scholarships Program, as defined in statute 124D.165 (Minnesota Legislature), is to increase access to high-quality early childhood programs for children ages three to five. Scholarships are provided to families at or below 185 percent of the federal poverty level to support their children in attending a high-quality early care and education program as determined by the Parent Aware, Minnesota's Tiered Quality Rating and Improvement System. It is estimated that in fiscal year 2016 (dates July 1, 2015 to June 30, 2016) the program will serve approximately 5,700 children, which represents 11 percent of eligible three- and four-year-old children in Minnesota.

The Early Learning Scholarships Program was initially allocated \$23 million per year and was available in 44 counties. The maximum scholarship award amount was set at \$5,000 per child for a 12-month period. In 2015, the legislature appropriated \$104 million for the 2016-2017 biennium for the program. In July 2015, scholarships became available statewide and the maximum award amount per child was increased to \$7,500. Scholarships can be used in combination with other early childhood funding, including the Child Care Assistance Program (CCAP).

There are two pathways for allocating early learning scholarship funds. Pathway I funds are awarded directly to families who meet eligibility requirements through nine regional administrators in the 13 Economic Development Regions of the state. Pathway I funds are currently available to all Parent Aware Star Rating levels. Pathway II funds are awarded to eligible families through a designated Four-Star Parent Aware Rated program. Pathway II funds are allocated to Four-Star Parent Aware Rated programs through a competitive application process. More children receive Pathway II funds (59 percent) than Pathway I funds (41 percent), though each pathway has the same funding allocation. Both Pathway I and Pathway II funds are used in multiple early care and education settings, including Head Start, school districts, child care centers and family child care.

As outlined in the legislative charge, this report includes recommendations about appropriate scholarship amount, efficiency and effectiveness of administration, and impact on kindergarten readiness. The recommendations on appropriate scholarship amount as well as efficiency and effectiveness of administration were informed by a Management Analysis & Development (MAD) evaluation. An evaluation by SRI International provides information on the impact of scholarships on kindergarten readiness.

MDE reviewed MAD's analysis of the historic use of scholarships in mixed delivery settings alongside the results of the Department of Human Services' 2014 Child Care Market Rate Survey. The current maximum award of \$7,500 does not cover the cost of full-day, full-week programming in every setting, though it is an adequate scholarship maximum when layered with other funding sources to expand access.

The evaluation of efficiency and effectiveness of administration finds that the scholarships are reaching eligible families and connecting those families with the program of their choice. Recommendations focus on logistical considerations for scholarship implementation.

The evaluation of kindergarten readiness was completed on scholarship recipients who were four years old on September 1 and attending Three- or Four-Star Parent Aware Rated programs and similar non-scholarship children in One- or Two-Star Rated programs. The evaluation finds that all children attending Parent Aware Rated programs had growth through the pre-kindergarten year. The report also finds that awarded children in higher rated programs moderately exceed a similar group of children in lower rated programs on two components of early literacy skills.

Legislative Charge

MDE contracted with MAD and SRI International to conduct evaluations of the scholarships program in response to the statute 124D.165, Chapter 312, Article 20, Section 11, Subdivision 51, which states:

The commissioner shall contract with an independent contractor to evaluate the early learning scholarship program. The evaluation must include recommendations regarding the appropriate scholarship amount, efficiency, and effectiveness of the administration, and impact on kindergarten readiness. By January 15, 2016, the commissioner shall submit a written copy of the evaluation to the chairs and ranking minority members of the legislative committees and divisions with primary jurisdiction over kindergarten through grade 12 education. (Minnesota Legislature).

Analysis

The analysis includes recommendations about appropriate scholarship amount, efficiency and effectiveness of administration, and impact on kindergarten readiness as determined from evaluations conducted by Management Analysis & Development (Management Analysis & Development, December 15, 2015) and SRI International (SRI Education, 2015). The reports should be referenced for further detail.

Appropriate Scholarship Amount

MDE reviewed the results of the 2014 Child Care Market Rate Survey and the MAD memo regarding their analysis of invoices for early learning scholarships in fiscal year 2015 (July 1, 2014 to June 30, 2015) to determine the appropriate scholarship amount.

The Minnesota Department of Human Services (DHS) conducts a statewide survey of prices charged for child care by licensed family child care and licensed center child care providers. After analyzing the data, DHS groups counties with similar prices together and refers to these groups as “price clusters.” Average costs are reported by price cluster. Price data is reported separately for licensed family child care and licensed center-based child care. The results of the 2014 Child Care Market Rate Survey indicate that the average cost of care at the 50th and 75th percentiles for preschool age children are:

2014 Child Care Market Rates at 50th Percentile:

Price Cluster	Weekly Rate at 50 th Percentile for Child Care Centers	Annual Rate (52 weeks) at 50 th Percentile for Child Care Centers	Weekly Rate at 50 th Percentile for Family Child Care	Annual Rate (52 weeks) at 50 th Percentile for Family Child Care
1	\$125.00	\$6,500.00	\$100.00	\$5,200.00
2	\$145.00	\$7,540.00	\$115.00	\$5,980.00
3	\$170.00	\$8,840.00	\$130.00	\$6,760.00
4	\$248.00	\$12,896.00	\$150.00	\$7,800.00

2014 Child Care Market Rate Survey at 75th Percentile:

Price Cluster	Weekly Rate at 75 th Percentile for Child Care Centers	Annual Rate (52 weeks) at 75 th Percentile for Child Care Centers	Weekly Rate at 75 th Percentile for Family Child Care	Annual Rate (52 weeks) at 75 th Percentile for Family Child Care
1	\$142.00	\$7,384.00	\$110.00	\$5,720.00
2	\$160.00	\$8,320.00	\$125.00	\$6,500.00
3	\$182.00	\$9,464.00	\$145.00	\$7,540.00
4	\$267.00	\$13,884.00	\$170.00	\$8,840.00

(Department of Human Services, 2014)

MAD analyzed invoices for a 12-month period from a representative sample of 300 scholarships during fiscal year 2015 (July 1, 2014 to June 30, 2015). The maximum scholarship award during fiscal year 2015 was \$5,000 for Three- and Four-Star Rated programs. In fiscal year 2016 (July 1, 2015 to June 30, 2016) the maximum scholarship award increased to \$7,500.

According to the MAD analysis, only thirteen percent of children used the full scholarship amount allowable in fiscal year 2015. Variation among geography, program type and Parent Aware Star Rating is included in the below tables:

Average Scholarship Expenditure:

	Statewide	Greater MN	Metro
Mean	\$ 2,439	\$ 2,564	\$ 2,308
Median	\$ 2,051	\$ 2,272	\$ 1,720

Mean Scholarship Expenditure by Program Type:

	Head Start	Family Child Care	School Based	Child Care Center
Mean	\$ 3,423	\$ 3,190	\$ 2,312	\$ 2,292

Mean Scholarship Expenditure by Parent Aware Star Rating:

	One-Star	Two-Star	Three-Star	Four-Star
Mean	\$ 2,740	\$ 2,951	\$ 3,368	\$ 2,376

The current maximum scholarship award is \$7,500 per child per 12-month period. Based on the historic use of scholarships in mixed delivery settings and the results of the 2014 Child Care Market Rate Survey, a \$7,500 scholarship, while does not cover the full cost of full-day, full-week programming in every setting, is an adequate scholarship amount when layered with other funding sources to expand access to high-quality early education programming (Department of Human Services, 2014).

Detailed information is available on the Management Analysis & Development memo re: Early Learning Scholarships Invoice Analysis (Management Analysis & Development, 2015), attached as Appendix A.

Efficiency and Effectiveness of Administration

The Minnesota Department of Education (MDE) contracted with Management Analysis & Development (MAD) to evaluate the Early Learning Scholarships Program on the efficiency and effectiveness of the administration of the program. The report finds that the scholarships are reaching eligible families and connecting those families with high-quality programs. Generally, improvements are seen in the program and recommendations focus on logistical considerations for scholarship implementation.

The report highlights several areas of strength in efficiency and effectiveness of administration, and several recommendations in the areas of outreach, communications, and scholarship materials including application, invoicing, data, Parent Aware and Pathway II scholarships. The Early Learning Scholarships Program was created July 2013 and the evaluation began summer 2014. It is important to note that program implementation and growth happened concurrently with the evaluation. Because of this, several recommendations within the report have already been addressed and implemented by MDE.

One area where improvement has already been seen is in streamlining the parent application and Pathway II Award Form. MDE worked with stakeholders to reduce the application from ten pages to five pages and continues to work towards improvement to simplify the application process and identify children with multiple risk factors like homelessness and foster care.

Identified areas of strength in the report demonstrate that scholarships are meeting their intended outcomes, including:

- The scholarship program is reaching children from diverse families by race/ethnicity, economic background, and other risk factors.
- Providers generally report they have good relationships with their regional administrators.
- Families are either already attending their program of choice or find an eligible program quickly.
- Children are attending the program their parents wanted when they applied.
- Stakeholders indicated they saw improvements in the program implementation in the second year.

MDE has made intentional efforts to reach diverse and high-risk families. The application and all supplemental documents are available in four languages: English, Somali, Spanish and Hmong. In 2016, based on feedback, a second application was developed for children in foster care in order to simplify the application process for children in this unique situation. MDE also added questions to identify homeless families and required Regional Administrators to reserve scholarships for homeless applicants. Regional Administrators are charged by contract to reach diverse families and prioritize teen parents and children experiencing homelessness. As a result, MDE is proud that more children experiencing risk factors are accessing high-quality early childhood education and care experiences, including:

- Scholarships are serving a higher percentage of children of color and/or Hispanic compared to the same age children statewide.
- The racial breakdown of Pathway I and Pathway II scholarships was similar, but the majority of Hispanic children are in programs utilizing Pathway II funds.
- Eighteen percent of scholarships serve children from homes where English is not the primary language.
- Pathway II scholarships are more likely than to be awarded to children from non-English speaking homes than Pathway I scholarships.
- Forty-four percent of primary parents on the scholarship award had less than a college degree, and two-thirds of parents were employed part- or full-time.
- One percent of scholarship children are from teen parent households¹.

Recommendations within the report include the improvement of data coordination across systems and increased data sharing capacity, particularly with Parent Aware and Child Care Assistance. Included within most recommendations was the need for increased effectiveness of communications and training. MDE is working on many of the recommendations in a continuous improvement process and updating the program manual on a biannual basis. MDE will be exploring the need for legislative changes in order to respond to the following recommendations, which will ensure a more efficient and streamlined system for implementation and administration:

- Continuously improve the Early Learning Scholarship Administration System (ELSA) in order to increase the functionality of the system to ease the burden of Regional Administrators; the ease of requesting and receiving payments and making adjustments; the capacity to forecast and overall user experience within the system.
- Increase capacity at the state and local level to monitor claims and ensure the financial integrity of the program.
- Investigate opportunities for data sharing between MDE and the Department of Human Services to increase efficiency.

¹ With the exception of documenting a parent's age to determine priority award status, all child and parent demographics are optionally provided. Outside of teen parent households, demographic factors had no bearing on receiving a scholarship.

Detailed information is available on the Management Analysis & Development report, *Early Learning Scholarship Efficiency and Effectiveness Evaluation* (Management Analysis & Development, December 15, 2015), attached as Appendix B.

Impact on Kindergarten Readiness

MDE contracted with SRI International to evaluate the impact of the Early Learning Scholarships Program on kindergarten readiness. The analysis compared children awarded scholarships in Three- or Four-Star Parent Aware Rated programs to a similar group of children in One- or Two-Star Parent Aware Rated programs who did not receive a scholarship. The analysis also determined the kindergarten readiness outcomes at the completion of the pre-kindergarten year for children awarded scholarships.

The report finds that all children attending Parent Aware Rated programs showed growth through the pre-kindergarten year. The report also finds that awarded children attending higher quality programs made gains that moderately exceed a similar group of children in lower rated programs as evaluated in a range of school readiness domains.

In particular, children receiving early learning scholarships who attended a Three- or Four-Star Rated program had significantly better outcomes on two components of the early literacy skills, print knowledge and phonological awareness, compared with the comparison group attending One- or Two-Star Rated programs. They also had higher teacher-rated anxiety, which is a negative finding. However, this finding is no higher than what's expected nationally. The difference between the two groups is statistically small. The two groups of children did not differ on any components of other school readiness measures, including: early math, social competence, approaches to learning and health.

SRI conducted a secondary analysis to look at within-group changes in mean scores from fall to spring for each group separately. The results showed that early learning scholarship children attending higher rated programs had significantly better spring scores on six of nine measures in comparison to fall scores. Those measures were: expressive language, executive functioning, phonological awareness and print knowledge, early math, and teacher-rated social competence. The comparison group attending lower rated programs had significantly better spring scores on three of nine measures in comparison to fall scores, including: expressive language, executive functioning, and phonological awareness. Neither group showed better spring scores compared to fall scores on three measures: attention-persistence, anxiety, or anger-aggression.

An analysis of child assessment data by pathway type showed no statistically significant differences in outcomes between children attending a Three- or Four-Star Rated program through Pathway I or Pathway II. The mean pretest scores of the Pathway I group were higher than those for the Pathway II group on most assessments. This indicates that the Pathway I group started the preschool year with higher skill levels and was most likely a lower-risk group of children.²

² The evaluation had inherent limitations since the control group was receiving child care. The evaluation was based on outcomes of a Parent Aware rating with Early Learning Scholarships as a mechanism to receive access to programs.

Overall, these findings demonstrate that children's participation in Three- and Four-Star Rated programs resulted in improvements in measures of early literacy compared with participation in One- and Two-Star Rated programs, but no differences between the groups were found for other outcomes related to social competence and behavior. Within both groups, children are showing better scores in the spring on some of the domains, with scholarship children having better spring scores on more of the outcomes (six versus three outcomes). Whether scholarship children received their scholarship via Pathway I or Pathway II does not appear to make a significant difference in the results; the predominant difference in results comes from the quality of the program opposed to the funding mechanism to access that program.

It is important to note that there are several limitations to this study. First, because there were so few One- and Two-Star Rated programs in the Parent Aware Validation Study from which to sample children for the comparison group, SRI had to adapt their analysis techniques in order to create a well-matched comparison group. Second, because the samples had so few non-white and non-English speaking children, the study does not provide adequate information about the impact of the Three- and Four-Star Rated programs on more culturally and linguistically diverse populations.

While there were limited differentials in child outcomes between One-, Two-, Three- and Four-Star Rated programs, the SRI study gives evidence that quality early learning experiences are good for all children. While the trajectory seems promising, there is still work that needs to be done to improve quality of early childhood care and education experiences.

Detailed information is available on the SRI International report, *Minnesota State Early Learning Scholarships: Evaluation Report on Child Outcomes* (SRI Education, 2015), attached as Appendix C.

Conclusion

Just two and a half years old, the Early Learning Scholarships Program is still relatively young. Despite the expedited timeline in which the program was constructed and administered, the scholarships appear to be serving children from diverse families and supporting children's access to high-quality programs as they were intended.

Since the program's inception, considerable adjustments have been made to improve the effectiveness and efficiency of scholarship implementation and administration. The improvements reflect significant and intentional stakeholder feedback solicited by the Minnesota Department of Education (MDE). MDE will continue to make additional program improvements within its statutory authority, but legislative action will be necessary if certain recommendations contained within the report are to be made.

Key Recommendations include:

- Maintain the \$7,500 scholarship cap.

The mean scholarship expenditure in fiscal year 2015 was \$2,439. While the current \$7,500 scholarship cap does not cover the full cost of programming in every setting, it is an adequate cap when layered with other funding sources to expand access. When underspending of the scholarship occurs, Regional Administrators and programs receiving Pathway II funds utilize the

funds to award additional scholarships. It is important to recognize that 1 in 8 scholarships were used at the maximum award.

- Continued improvements of the Early Learning Scholarship Administration System (ELSA).

System enhancements will increase the functionality of the system and ease the burden of Regional Administrators; make it easier to request and receive payments and make adjustments; and improve forecasting capacity and overall user experience.

- Implement risk management protocols.

Regional Administrators report being ill-prepared to identify fraud. Therefore, capacity must be increased at the state and local levels to monitor and ensure public funds are used in an allowable and intended way.

- Investigate data sharing opportunities.

Investigate opportunities for data sharing agreements between MDE and DHS to impact efficiency by avoiding duplication in determining eligibility and monitoring public funds.

- Prioritize children with the greatest risk factors within the scholarship program.

To ensure that children who are at greatest risk of not being kindergarten ready are supported in attending high-quality programs, MDE recommends explicitly prioritizing children who are homeless or in foster care to receive Early Learning Scholarships.

While academic and developmental gains were made by all children attending Parent Aware Rated programs, children attending higher rated programs showed gains in more areas. These findings that show that all children benefit from quality early childhood experiences, that additional work must be done to increase the quality of experiences offered to children, and that expanded opportunities for more children to access high-quality early care and education programs are needed. Scholarships are an important component of a comprehensive system of high-quality early care and education, and one way to provide opportunity for children from low-income families is to attend programs with a focus on high quality.

Please see attached reports for a more detailed analysis of the Early Learning Scholarships Program.

Bibliography

Department of Human Services. (2014). *Results of the 2014 Child Care Market Rate Survey: Minnesota Child Care Provider Business Update*. Saint Paul: State of Minnesota.

Management Analysis & Development. (2015). *Early Learning Scholarship Invoice Analysis*. Saint Paul: State of Minnesota.

Management Analysis & Development. (December 15, 2015). *Early Learning Scholarship Efficiency and Effectiveness Evaluation*. Saint Paul, Minnesota: Minnesota Management & Budget, State of Minnesota.

Minnesota Legislature. (n.d.). 124D.165 EARLY LEARNING SCHOLARSHIPS.

SRI Education. (2015). *Minnesota State Early Learning Scholarships: Evaluation Report on Child Outcomes*. Menlo Park, California: SRI International.

Early Learning Scholarships Program Evaluation Report

Appendix A:

Early Learning Scholarship Invoice Analysis Memo

Minnesota Management Analysis & Development

November 2015

Memo

To: Lisa Barnidge and Sandy Myers, MDE

From: Demian Moore and Kirby Pitman, MAD

Date: December 7th, 2015- updated Dec. 15th

Subject: Early Learning Scholarship Invoice Analysis

Data Description and Methodology:

This memo contains tables summarizing the analysis of the invoice data provided by MDE to MAD. The MDE invoice data included 2290 scholarship children from all regions. A sample of 332 were pulled from this data for analysis. Regional administrators in each region were given a list of children in the sample and asked to pull all invoices submitted for those children over a 12 month period. Several of the cases in the sample were excluded for various reasons including they were duplicates in the data due to slight differences in spelling, they had what appeared to be data entry errors with parameters far exceeding those possible, the data entered for them exceeded the time frame requested. The total number of children that remained in the analysis was 288. (Note that ID numbers were created by MAD but included here in case you would like further information on an ID mentioned).

This analysis contains information on aggregated total award amounts by region, metro v. Great MN, pathway, program type and Parent Aware star rating. Information on results codes are also included by pathway, program type and star rating.

Note that while total award amounts analyzed here are all within a single 12-month period, the date ranges for those 12 months varies across IDs. That is, aggregated data for individual IDs do not encompass comparable 12-month periods. Further, the number of months covered for each individual ID varies greatly but the maximum is twelve. Thus, only aggregate totals, means, and medians should be compared. Number of days absent and attended were requested, however, because of the large variation in time reported this data is not comparable across all children. Thus, days absent/attended tables are not included here. As we discussed earlier, the table below provides a list of details for children who have more than 50 days absent. There are various possible explanations for this, including data entry error. But it may also be the case that all or some of these children experienced valid reasons for their high absent rates. Also, it is of course possible to have a high number of absences in a given year (e.g. 120) within the program parameters. One child exceed that threshold, with 150 days absent (ID 198). Another child (ID 199) had reported days absent of 97. Both of these children are from region 10. Out of the 288 unique IDs, there are 10 with more than 50 days absent.

IDs with More the 50 Days Absent

ID	Days Absent	Award	Region	Program Type	Pathway Type	STAR Rating
107	69	\$3,339	2	Head Start	II	Four
140	62	\$4,732	5	Public School Based	II	Four
173	54	\$2,949	10	Child Care Center	I	Four
198	150	\$1,711	10	Family Child Care	I	Four
199	97	\$550	10	Child Care Center	II	Four
304	78	\$3,355	11	Child Care Center	II	Four
341	65	\$3,984	11	Child Care Center	II	Four
348	54	\$2,269	11	Child Care Center	II	Four
370	61	\$1,170	10	Child Care center	II	Four

Data Tables:

Award Amount

Total Award Amount

Total	Mean	Median	Min	Max
\$699,448	\$2,429	\$2,051	\$13	\$5,000

(N=288 unique IDs with reported award amounts of \$5,000 or less for a single 12-month period).

Region 11 contains both the largest number of unique IDs (175) and the largest total award amount (\$371,788). Region 2 is at the other end of the spectrum, with only a single recipient, with a total award amount of \$3,339. The total award amounts in Region 11 range from \$13 to \$5,628. About 40% of Region 11 recipients are Pathway I students.

Total Award Amount by Region

	Total	Mean	Median
Region 1 (N=7)	\$21,344	\$3,049	\$3,207
Region 2 (N=1)	\$3,339	\$3,339	\$3,339
Region 3 (N=11)	\$23,518	\$2,138	\$1,537
Region 4 (N=7)	\$17,537	\$2,505	\$2,376
Region 5 (N=19)	\$46,689	\$2,457	\$2,002
Region 6E (N=5)	\$16,338	\$3,268	\$3,000

Region 6W (N=7)	\$19,525	\$2,789	\$1,980
Region 7E (N=9)	\$20,179	\$2,242	\$1,886
Region 7W (N=20)	\$54,474	\$2,724	\$2,208
Region 8 (N=2)	\$3,373	\$1,687	N/A
Region 9 (N=17)	\$46,086	\$2,711	\$2,389
Region 10 (N=31)	\$76,254	\$4,766	\$2,251
Region 11 (N=152)	\$350,792	\$2,308	\$1,720

Award Amount by Aggregated Regions

	Total	Mean	Median
Greater MN (N=136)	\$348,656	\$2,564	\$2,272
Metro (N=152)	\$350,792	\$2,308	\$1,720

Award Amount by Pathway

	Total	Mean	Median
Pathway I (N=138)	\$372,839	\$2,702	\$2,668
Pathway II (N=150)	\$326,609	\$2,177	\$1,782

Award Amount by Pathway by Aggregated Regions

	Total	Mean	Median
Regions 1-10, Pathway I (N=80)	\$211,850	\$2,648	\$2,528
Regions 1-10, Pathway II (N=56)	\$136,806	\$2,443	\$2,088
Region 11, Pathway I (N=58)	\$160,989	\$2,776	\$2,798
Region 11, Pathway II (N=94)	\$189,903	\$2,019	\$1,462

Award Amount by Program Type

One ID (#136) included an award total of \$400, but no program type or star rating.

	Total	Mean	Median
Child Care Center (N=144)	\$330,087	\$2,292	\$1,746
Family Child Care (N=16)	\$51,044	\$3,190	\$2,953
Head Start (N=41)	\$140,358	\$3,423	\$4,824
Public School Based Program (N=84)	\$168,900	\$2,312	\$1,786
Blank/"No Program" (N=3)	\$4,659		

Award Amount by Program Type by Aggregated Regions

	Total	Mean	Median
Great MN			
Childcare Center (N=37)	\$111,813	\$3,022	\$3,328
Family Child Care (N=14)	\$43,089	\$3,078	\$2,895
Head Start (N=19)	\$54,567	\$2,872	\$3,000
Public School Based Program (N=64)	\$134,128	\$2,096	\$1,870
Blank/"No Program" (N=2)	\$5,059	Min=\$400	Max=\$4,659
Metro			
Child Care Center (N=107)	\$218,274	\$2,040	\$1,455
Family Child Care (N=2)	\$7,955	Min=\$2,955	Max=\$5,000
Head Start (N=22)	\$85,791	\$3,900	\$4,912
Public School Based Program (N=20)	\$34,772	\$1,739	\$1,560
Blank/"No Program" (N=1)	\$4,000		

Award Amount by STAR Rating

	Total	Mean	Median
STAR 1 (N=3)	\$8,219	\$2,740	\$2,722
STAR 2 (N=9)	\$26,559	\$2,951	\$3,190
STAR 3 (N=8)	\$26,945	\$3,368	\$3,102
STAR 4 (N=265)	\$629,716	\$2,376	\$1,870
“Signed Participation” (N=1)	\$2,950		
Blank (N=2)	\$5,059		

Award Amount by STAR Rating by Aggregated Regions

	Total	Mean	Median
Greater MN			
STAR 1 (N=2)	\$5,497	Min=\$1,537	Max=\$3,960
STAR 2 (N=8)	\$25,104	\$3,138	\$3,259
STAR 3 (N=7)	\$21,945	\$3,135	\$2,547
STAR 4 (N=116)	\$288,101	\$2,484	\$2,122
“Signed Participation” (N=1)	\$2,950		
Blank/“No Program” (N=2)	\$5,059	Min=\$400	Max=\$4,659
Metro			
STAR 1 (N=1)	\$2,722		
STAR 2 (N=1)	\$1,455		
STAR 3 (N=1)	\$5,000		
STAR 4 (N=147)	\$341,615	\$2,293	\$1,699

Results Codes

If a code was listed on any invoice for a given ID then that code was counted once, but only once. For example, code 5 may have only been checked on one occasion out of many invoices for a particular ID, while code 1 may have been checked on multiple invoices for that same ID. For that unique ID, both code 1 and code 5 are only counted once. The percentages in the tables below sum to over 100 percent because multiple codes could be chosen for each invoice.

The results codes definitions as stated on the invoices form are:

- 1= an increase in access to quality ECE programs.
- 2= an increase in # of children served.
- 3= an increase in child's time in the program.
- 4= covers cost of parent fees, charges for attendance.
- 5= additional services (i.e. transportation, etc.).

Results Codes Total (count)

Code	Total	% of Total (288)
1	101	35%
2	74	26%
3	81	28%
4	238	83%
5	123	43%

Results Codes by Pathway (count)

Code	Pathway I (N=138)		Pathway II (N=150)	
	#	%	#	%
1	49	36%	52	35%
2	30	22%	44	29%
3	48	35%	33	22%
4	122	88%	116	77%
5	34	25%	89	59%

Results Codes by Program Type (count)

Code	Child Care Center (N=145)		Family Child Care (N=16)		Head Start (N=42)		Public School Based Program (N=84)	
	#	%	#	%	#	%	#	%
1	47	32%	7	44%	11	26%	35	42%
2	22	15%	6	38%	12	29%	33	39%
3	28	19%	8	50%	16	38%	27	32%
4	139	96%	14	88%	13	31%	70	83%
5	67	46%	2	13%	19	45%	34	40%

Results Codes by STAR Rating (count)

Code	STAR 1 (N=3)	STAR 2 (N=9)	STAR 3 (N=8)	STAR 4 (N=256)	“Signed Participation” (N=1)	Blank (N=2)
1	1	2	5	92	0	1
2	0	1	3	70	0	0
3	2	5	4	67	1	1
4	3	9	7	217	1	1
5	1	3	2	117	0	0

Percentages for Star 4 providers are in the table below. Due to the low numbers of providers in the other star levels, percentages are not included here.

Code	STAR 4 %
1	36%
2	27%
3	26%
4	85%
5	46%

Early Learning Scholarships Program Evaluation Report

**Appendix B:
Early Learning Scholarship Efficiency and Effectiveness
Evaluation**

Management Analysis & Development

December 15, 2015



Management
Analysis
& Development

**Minnesota Department of
Education**

**Early Learning Scholarship
Efficiency and
Effectiveness Evaluation**

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Executive Summary

Background

In 2011, following an initial pilot of a \$2 million scholarship program in ten communities, the Minnesota legislature enacted the Early Learning Scholarship Program¹ to increase access throughout the state to high quality early childhood programs and to support school readiness of three- to five-year old children with the highest needs in terms of income level.

In July 2013, the scholarship program was created with an initial \$23 million allocation per year and made available in 44 counties. In 2015, the legislature appropriated \$104 million for the biennium for the program. In July 2015, the program became available statewide. The Minnesota Department of Education (MDE) estimates the program will serve 5,700 children for fiscal year 2016, which represents 11 percent of eligible three- and four-year old children in Minnesota.

Scholarships are provided to income-eligible families for their children to attend high quality early care and education programs. The scholarship amount was originally set at \$5,000 per child for a 12-month period, but was increased to \$7,500 beginning July 1, 2015. The MDE administers the scholarship program through nine regional administrators in the 13 Economic Development Regions of the state. Until recently, the scholarships were only available in eligible counties. However, beginning July 1, 2015, they are available statewide. Scholarships can be used in combination with other early learning funding, such as the Child Care Assistance Program (CCAP).

Purpose

In the summer of 2015, the MDE contracted with Management Analysis & Development (MAD) to conduct an evaluation of the scholarship program in response to the following legislation:

Chapter 312, Article 20, Section 11, Subd. 5¹ states: The commissioner shall contract with an independent contractor to evaluate the early learning scholarship program. The evaluation must include recommendations regarding the appropriate scholarship amount, efficiency and effectiveness of the administration, and the impact on kindergarten readiness. By January 2016, the commission shall submit a written copy of the evaluation to the chairs and ranking minority members of the legislative committees and division with primary jurisdiction over kindergarten through grade 12 education.

This formative evaluation focuses on the efficiency and effectiveness of the administration of the scholarships through regional administrators. At the time the evaluation began, the scholarship program had been implemented for one year. It is important to note that the scholarship program is early in its development and, as is common with new programs, staff have and are continuously evaluating processes and polices and making changes as needed to improve the program. The legislation for the scholarship program was passed without specific guidance on the details of implementing and administering the program, allowing the MDE flexibility to make changes as

¹ Minnesota Statutes, section 124D.165

needed. The evaluation process found many instances of MDE staff responding to a myriad of complex issues related to administering the program. They clearly work hard to administer the program fairly and efficiently. The challenge of conducting an evaluation early on in a program's existence is that pieces are moving rapidly and tweaks are being implemented. The benefit of an early formative evaluation is that staff and stakeholders have the opportunity to take a comprehensive look at the program as a whole and understand what is working well and what changes could improve the program. The evaluation was conducted over the period of just over one year. While the evaluation was occurring, the MDE continued to make changes with the intent to improve the program. When those changes relate to findings or recommendations in this report, it is noted.

Methodology

The evaluation was conducted from September 2014 through August 2015. Quantitative and qualitative data from interviews, surveys, and the MDE was collected and analyzed. The following methods were used to collect data:

- Analysis of scholarship application data;
- Interviews with regional administrators;
- Online survey of all providers with scholarship children;
- Mail survey of a sample of parents with scholarship children;
- Interviews with various stakeholders, including provider trade organizations, state agencies (MDE and DHS), Child Care Aware, and the Minnesota Initiative Foundations.

Key Lessons Learned and Recommendations

The scholarship program is still a relatively new program. The value of evaluating the program at this point is to provide timely formative feedback to the MDE so components that are working well can be reinforced and supported, and those that need changing can be assessed. The evaluation provided insight into aspects of the program that are working smoothly, and other aspects that offer opportunities for improvement. This section highlights the main lessons learned from the evaluation. Recommendations developed from this evaluation are included because they support program improvement; however, they are not all cost-neutral and the degree to which some can be implemented may depend on the availability of funds or the ability to raise more funds for the program.

Please note that this evaluation was conducted concurrently with the program being administered. The MDE continued to make changes to the program in an effort of improvement as the evaluation was progressing. Therefore, some recommendations emerged that the MDE was already addressing. In these cases, a note is provided after the recommendation to highlight how the MDE has already addressed the recommendation.

Areas of Strength

- *The scholarship program is reaching children from diverse families.*
Application data shows that a higher percentage of children receiving scholarships are from communities of color compared to children of the same age statewide. In addition, some families receiving scholarships are from households whose primary language is a language other than English. The main languages other than English that these families speak include

Spanish, Somali, and Hmong. (In addition to English, MDE provides the scholarship application in these three languages).

- ***Providers generally report they have good relationships with their regional administrators.***
Providers reported they receive timely and accurate information from their regional administrators. In addition, they said Pathway II applications are approved in a timely fashion. In general, most regional administrators understand the invoicing and payment processes and are paid on time.
- ***Families are either already attending their program of choice or find an eligible program quickly.***
About one-third of the parents surveyed said they were already attending a program when they applied for a scholarship. Half of the parents said they found a program in less than one month, and only five percent said it took them more than two months.
- ***Children are attending the program their parents wanted when they applied.***
Nearly all (95%) of the parents indicated their children are attending the program of their choice.
- ***Stakeholders indicated they see improvements in the program in the second year.***
Providers and stakeholders expressed appreciation for the many changes the MDE has made to the program in its second year. They see improvement and are thankful for those changes.

Outreach

- ***Lesson: Families' main source of scholarship information is their provider.***
Most of the interviewees and survey respondents reported parents most commonly learn about scholarships through their provider. Regional administrators are charged with the main responsibility for conducting outreach in their regions and are supported by the MDE as needed. However, only some regional administrators are directly serving as the primary resource to parents. In most regions, the providers are the main information source on scholarships for parents, and parents have limited, if any, knowledge about the regional administrator. The parent survey results indicated many parents did not know there was a regional administrator they could contact for assistance. In light of providers functioning as the most common information source for scholarships in many regions, some regional administrators expressed concern that not all providers have a thorough understanding of the scholarships and may be providing incorrect information to parents in some cases.
1. **Recommendation:** Regional administrators should strengthen their outreach processes, particularly with providers in their region. The focus of this work should be to ensure that accurate information is reaching the providers. Regional administrators should also contact providers who assist families to complete their applications in the event that there are errors in the application. This would help educate providers about the program. The MDE should work

with regional administrators on developing methods for conducting this outreach in their regions.

Communication

- *Lesson: Regional administrators and providers understand the MDE needs time to assess questions and issues about the program, but they also struggle with needing more timely responses from the MDE on scholarship questions.*

The scholarship program is new and a significantly large program to implement in such a short period. The MDE has had to work quickly to resolve issues as the program is running. As with any new program, kinks must be worked out and unanticipated questions addressed. In the interviews and surveys, regional administrators and providers were sensitive to the demands MDE staff have been under in working through the implementation of the program and addressing issues as they arise. They acknowledged that in many cases the MDE responds quickly. However, many interviewees and survey respondents also reported they struggle with the time it can take the MDE to respond to their more complicated questions. They understand that often the MDE's answers to their questions have policy and process implications so they need to examine their responses. A tension exists for regional administrators when they need a quick response.

2. **Recommendation:** The MDE should continue to improve response times to regional administrators.

- *Lesson: The MDE communicates with regional administrators much useful information, but regional administrators find there are too many communications and they are not organized by a system. When they need specific information, they struggle to find it.*

3. **Recommendation:** The MDE should develop a process to communicate information in a way that is easily accessible to regional administrators and can be kept up to date. One example is to develop a portal that regional administrators have access to and can be updated on a scheduled timeline.

Scholarship Materials/Application

- *Lesson: Scholarship materials, including the application, are not easy for some parents to access.*

Although most providers surveyed reported parents are able to easily access scholarship materials, one-quarter of providers indicated that scholarship materials are not easy to access. In addition, about one-third of the parents reported they needed assistance from their provider to complete the application. Although these proportions may seem low, it warrants concern about the general ease of accessing the materials and completing the application. The results indicate that this is more likely to be an issue in the Metro area (seven county area), rather than Greater Minnesota. Language is likely a common barrier to completing the application. Over the life of the program, the MDE has worked with regional administrators to refine the

scholarship materials and application. As expected, when implementing a new program, the materials have gone through iterations in an effort to continuously improve the final products.

- ***Lesson: The income eligibility section of the application is particularly challenging for parents to complete accurately.***

Providers, regional administrators, and stakeholders indicated the income eligibility section creates the most problems for parents to complete. Some regional administrators reported that a large percentage of their time is spent tracking down missing or inaccurate information in this section of the application. Parents are frequently not sure what documentation to attach. By nature, the process to verify income can be onerous and complicated. The MDE is limited in their ability to simplify this section of the application while also collecting the information necessary to verify income. Therefore, a tension exist between simplifying this section and meeting requirements for income verification. This tension is common for programs requiring income verification; it is challenging and complex.

4. **Recommendation:** The MDE should continue their work finding areas where the scholarship materials and application can be simplified

Note: The MDE has made many changes to the applications since the first version based on feedback from regional administrators and providers. Some changes occurred after providers were surveyed in the fall of 2014. Changes included translation of applications, including renewal and supplemental information for both Pathways, into Hmong, Spanish, and Somali. The MDE has also shortened the application by requesting only the information required to award scholarships and legal information and consent language required by data practices. The number of pages has been reduced from ten in the original application to five in the current version.

5. **Recommendation:** The MDE should explore the benefits and costs of developing a system for applications to be completed and submitted online.

- ***Lesson: The timing of the release of the scholarship application and materials creates challenges for regional administrators and providers. However, the MDE's timing for releasing scholarship materials is constrained by the timing of the legislative session.***

The majority of providers, stakeholders, and regional administrators interviewed and surveyed strongly indicated the timing of distribution of the scholarship application and materials creates significant challenges for them. The timing affects the number of families that can be reached, the method of reaching them, and provider budgeting and planning. The timing has created staffing problems as well as problems communicating with parents. For context, since the scholarship program was created, there have been two additional legislative sessions. Each session could have changed policy language and both added funding, expanding the geographic scope of early learning scholarships. The timing of the end of the legislative sessions impeded updating materials in a timely enough fashion to be available prior to the July 1 start of a new fiscal year.

- 6. Recommendation:** The MDE should continue their work exploring options for releasing the applications and outreach materials earlier and use experience from each year to develop applications and materials that are less dependent on legislative changes.

Invoicing/Billing

- **Lesson: Providers need more detailed information on invoices so they can track billing per child.** The regional administrators do not provide invoice information at the per child level so providers often struggle to reconcile their records with the invoice. This makes it difficult to track the balance for each child.
- 7. Recommendation:** The MDE should ensure the Early Learning Scholarship Administration System (ELSA) is capable of accommodating invoicing that reports out at the per child level.

Note: The MDE developed ELSA with the capability to report out at the per child level. ELSA was distributed to regional administrators in January 2015.

- **Lesson: Providers appreciate flexibility in invoicing.** Although most regional administrators reported offering billing schedules other than monthly, some stakeholders in Greater Minnesota emphasized the importance of this flexibility to small providers in particular.
- 8. Recommendation:** Regional administrators should review their billing schedule to assess if they can increase flexibility, within reason.
- **Lesson: Regional administrators are challenged by forecasting scholarship funds.** The system of awarding the full scholarship amount is frustrating to many regional administrators because it ties up money that may not be spent and that could potentially fund more children. No regional administrator has a well-developed system for balancing awards versus actual spending. Most are managing it on a case-by-case basis, tracking balances monthly and assessing how much risk their own organization can take on while also tracking the waitlist. This was a major issue for most regional administrators in terms of efficiency.
- 9. Recommendation:** The MDE should work with the regional administrators to develop a system or guidelines for planning and forecasting scholarship funds more formally to ensure the most children are able to access the scholarships.

Note: The MDE provided forecasting guidance in the latest version of the regional administrator's manual which is in draft form to be finalized and made available January 2016.

- **Lesson: Regional administrators want more training on how to verify income and identify fraud on applications and provider claims.**
- 10. Recommendation:** The MDE should develop and provide training for regional administrators on verifying income and identifying fraud.

Data Issues

- **Lesson: *The Parent Aware renewal data does not include information on which providers have scholarship children.***

This was a major concern among staff at the Minnesota Department of Human Services (DHS) in terms of how it impacts their ability to specifically reach out to scholarship providers with expiring ratings. The concern is that some scholarship providers may not understand that their rating status affects their scholarship eligibility and the scholarship children they serve. If a provider with scholarship children loses their Parent Aware rating, the family must find another provider. There are two databases: one maintained by the DHS that tracks the Parent Aware facilities, and the other maintained by the MDE that tracks the scholarship children. The DHS has a system in place for alerting all Parent Aware providers well in advance as their rating nears expiration. However, the Parent Aware database does not track which providers have scholarship children due to data privacy laws; therefore, they are not able to specifically reach out to scholarship providers in addition to the general notice they receive.

- 11. Recommendation:** The MDE and DHS should work together within data practice standards to identify improvements in their systems and messaging to ensure scholarship providers are communicated with when their ratings are expiring.
- 12. Recommendation:** The MDE should develop a system for notifying regional administrators as scholarship providers in their region are approaching their Parent Aware renewal date. Based on this system, regional administrators should contact each scholarship provider with expiring Parent Aware ratings directly to ensure they are aware that their rating status affects their scholarship eligibility and the scholarship children they serve.
- 13. Recommendation:** Regional administrators should ensure scholarship providers are, in general, aware that their rating status affects their scholarship eligibility and the scholarship children they serve.

- **Lesson: *Regional administrators want a database that will manage all the scholarship information required to run the program and produce required reports.***

Note: ELSA (made available to regional administrators in January 2015) has the capability to report at the child and program levels. In addition, ELSA has filter and sort options specifically for reporting scholarship information.

- 14. Recommendation:** As ELSA is made available to regional administrators, the MDE should ensure there is sufficient training for regional administrators.

Note: The MDE has provided training at each regional administrator meeting since January 2015 and conducted frequent webinars for all ELSA users.

- 15. Recommendation:** The MDE should establish a system to gather feedback on ELSA from regional administrators and consider making changes based on that feedback.

Note: The MDE has actively sought feedback on ELSA at quarterly meetings. In addition, the MDE added an ELSA project manager in December 2014 who is responsible for coordinating user experience with the development of software timelines, protocol, and capabilities.

Parent Aware

- **Lesson: *Small childcare providers in less populated areas may be particularly challenged with maintaining their Parent Aware rating or may be less motivated to pursue a rating given their staffing challenges.***

Given the lack of providers in some areas of Minnesota, it will be important for the MDE to understand exactly how the Parent Aware rating system is incentivizing small childcare providers in Greater Minnesota to participate in Parent Aware and scholarships.

16. **Recommendation:** The MDE should develop a plan with Parent Aware for gathering input from small childcare centers and family providers in Greater Minnesota to learn how the Parent Aware program is affecting them.

- **Lesson: *There is confusion about which organization needs to have a Parent Aware rating when in a provider partnership.***

Some providers may partner with other organizations to provide care. The stakeholders who raised this issue were concerned about how it will affect the efforts already underway for aligning programs, especially in Greater Minnesota, where there has been a considerable effort in aligning programs. The MDE has developed and communicated guidelines to handle these situations; however, some confusion remains.

17. **Recommendation:** The MDE should work with the DHS to ensure providers are aware of and understand Parent Aware rating within partnerships.

Pathway II

- **Lesson: *Regional administrators need more training and communication on Pathway II.***

Regional administrators expressed difficulties with administering Pathway II. Their main concern was they do not have the answers to many of the questions providers ask them.

Regional administrators are instructed to direct these questions to the MDE. However, regional administrators find that providers often contact them for assistance, rather than the MDE. They also perceive that when the MDE does work directly with a provider or with other regional administrators to clarify an issue, the MDE often does not communicate the resolution to the regional administrators.

18. **Recommendation:** When working through Pathway II issues, the MDE should communicate the issue and the resolution with regional administrators so information is consistent and the regional administrators are informed when they do get Pathway II calls.

Background

Early Learning Scholarship Program Summary

In 2011, following an initial pilot of a \$2 million scholarship program in ten communities, the Minnesota legislature enacted the Early Learning Scholarship Program² to increase access throughout the state to high quality early childhood programs and to support school readiness of three- to five-year old children with the highest needs in terms of income level.

In July 2013, the scholarship program was created with an initial \$23 million allocation per year and made available in 44 counties. In 2015, the legislature appropriated \$104 million for the biennium for the program. In July 2015, the program became available statewide. The Minnesota Department of Education (MDE) estimates the program will serve 5,700 children for fiscal year 2016, which represents 11 percent of eligible three- and four-year old children in Minnesota.

Scholarships are provided to income-eligible families for their children to attend high quality early care and education programs. The scholarship amount was originally set at \$5,000 per child for a 12-month period, but was increased to \$7,500 beginning July 1, 2015. The MDE administers the program through nine regional administrators in the 13 Economic Development Regions of the state. Until recently, the scholarships were only available in eligible counties. However, beginning July 1, 2015, they are available statewide. Scholarships can be used in combination with other early learning funding, such as the Child Care Assistance Program (CCAP).

Scholarship Requirements

A child must meet the following requirements to qualify for a scholarship:

1. A child meets income requirements by:
 - A. Participation in one of the following programs:
 - Minnesota Family Investment Program (MFIP)
 - Child Care Assistance Program (CCAP)
 - Free and Reduced-Price Lunch Program (FRLP)
 - Child and Adult Care Food Program (CACFP)
 - Food Distribution Program on Indian reservations
 - Food Support (SNAP)
 - Head Start
 - Foster Care
 - B. Or the family's income must be equal to or less than 185% of the federal poverty level in the current calendar year.
2. The child meets one or more of the following criteria:
 - A. The child must be age three or four as of September 1 of the current year and not yet eligible for kindergarten.

² Minnesota Statutes, section 124D.165

- B. The child is between the ages of zero and five of a parent under age 21 who is pursuing a high school or general education equivalency diploma and meets the income eligibility guidelines.
 - C. The child is a sibling between the ages of zero and five of a child who has been awarded a scholarship and attends the same childcare program.
3. The family must choose a provider that participates in Parent Aware, Minnesota's Quality Rating and Improvement System.

Parent Aware Rating

Parent Aware is a rating tool designed to establish standards for quality childcare. Parent Aware provides ratings (one to four stars) based on criteria for each star level. Providers must renew with Parent Aware every two years, meeting criteria established for the star rating they are seeking. Scholarship may only be used at Parent Aware rated providers. Beginning in July 2016, scholarships may only be used at three- or four-star-rated providers. Parent Aware maintains a searchable database of rated providers on their website that parents can access.

Scholarship Pathways

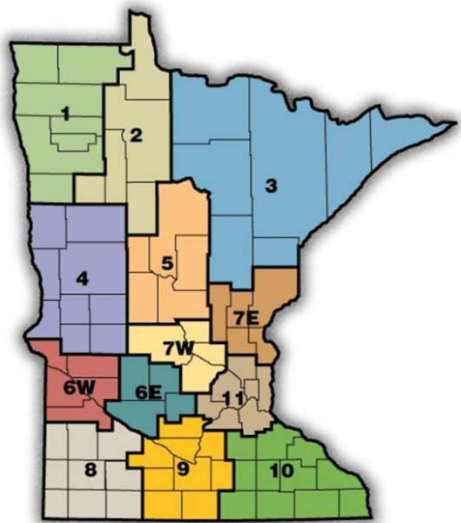
The scholarship can be accessed through one of two pathways:

- **Early Learning Scholarships Pathway I**
Pathway I scholarships are awarded directly to families who meet eligibility requirements. Pathway I scholarship funds are paid to the early childhood provider the family chooses. The provider must participate in the Parent Aware Quality Rating and Improvement System and may include Head Start, school district prekindergarten and preschool programs, and childcare programs. Pathway I scholarships are portable so families can change providers and take the scholarship with them. As of July 1, 2016, the program must have and maintain a three- or four-star Parent Aware rating in order to continue to receive scholarships. Until then, a provider can have a one- or two-star rating; however, they receive less than the full scholarship amount (up to \$4,000).
- **Early Learning Scholarships Pathway II**
Pathway II scholarships are awarded to families through an eligible four-star Parent Aware-rated program. These include Head Start, school district prekindergarten and preschool programs, and childcare programs. Pathway II scholarships are not portable and stay with the provider.

Regional Administrators

Nine regional administrators administer scholarships through the 13 Economic Development Regions of the state. Figure 1 contains a map that illustrates these regions. Some regional administrators administer the program for two regions. The following regions are combined: regions 3 and 11, regions 6E and 6W, and regions 9 and 10. Regional administrators are selected by the MDE based on a competitive process.

Figure 1: Economic Developments Regions of Minnesota



Regional administrators are charged with the following (excerpt pulled from the Request for Proposal of Regional Administrators, 2013):

- 1) Follow the policies and procedures as provided by MDE in the scholarship implementation manual found here: [website address was provided here but is no longer live].
- 2) Create an outreach plan, in coordination with the eligible counties, to identify potential families with children eligible for Early Learning Scholarships. Outreach plans must include specific strategies for reaching parents under age 21, culturally and linguistically diverse families, and all types of early childhood programs that may be eligible to receive Early Learning Scholarships.
- 3) Disseminate and customize marketing materials in coordination with MDE.
- 4) Reach the most at-risk children and families through connections with home visits, local school districts, resource and referral agencies, providers of early care and education, Minnesota Family Investment Program offices, Women, Infants, and Children (WIC) program, Child Care Assistance Program offices, Community Action Programs, employment service providers, food shelves, clinics, libraries and other local community agencies.
- 5) Identify a process to ensure that all eligible communities in the Region receive a distribution of scholarships.
- 6) Assist families through the process of accessing Early Learning Scholarships including:
 - a. Inform potential families about the Early Learning Scholarships, its benefits and requirements;
 - b. Assist applicants in completing applications for Early Learning Scholarships, using the standard application form to be developed by MDE;
 - c. Verify applicants' eligibility, under the process determined by MDE; and inform applicants of their Early Learning Scholarship award and assist families in selecting and enrolling in an eligible Parent Aware early childhood program. This includes providing families with information about Pathway I and Pathway II Early Learning Scholarships.
- 7) Develop an internal process for verifying applicant eligibility that ensures the integrity of the program.
- 8) Work collaboratively with a variety of early childhood programs to ensure a successful working relationship.

- 9) *Develop a process for making payments to programs participating in Parent Aware that will receive funds from Pathway I and Pathway II Early Learning Scholarships.*
- 10) *Collect and maintain records of applicants and early childhood program payments for monitoring efforts in order to submit data to MDE on a schedule to be determined by MDE.*
- 11) *Maintain records of approved and not approved family scholarship applications for Pathway I, approval notification documentation, and expenditures charged against each scholarship. Grantees will work with MDE in the transition to a state-wide database for the Early Learning Scholarship Program starting in FY2015.*
- 12) *Ensure compliance with data privacy practices as required by MDE.*
- 13) *Establish agreements with school districts in the areas where Pathway I and Pathway II Early Learning Scholarships are available in order to ensure that all children with Pathway I and Pathway II Scholarships are reported to MDE through the state Early Education Student (EE Student) System. These agreements must be in place if the applicant is a recipient of this grant award. This requirement will likely require a financial relationship with the school district/s. Administrators should plan to reimburse school districts approximately \$50 per Pathway I and Pathway II Scholarship available for data reporting to MDE through the EE Student System. Applicants should allocate those funds to the 305 budget line item when completing the budget. This allocation would be a portion of the 8% administrative grant award funds. A listing of the total number of Pathway II Scholarships per region will be available on MDE's Early Learning Scholarship site will be available by going to MDE's Early Learning Services site: <http://education.state.mn.us/MDE/StuSuc/EarlyLearn/index.html> after July 25, 2013. MDE will notify each grantee regional administrator of the number of Pathway II Early Learning Scholarships available to families through programs in their region and the dollar amount associated with the award.*
- 14) *Ensure children that receive an Early Learning Scholarship complete a developmental screening within 90 days of first attending an eligible early childhood program. A child who has not completed Early Childhood Health and Developmental Screening (Early Childhood or Preschool Screening) under Minnesota Statutes, section 121A.16 to 121A. 19, and who receives a scholarship must complete the screening within 90 calendar days of first attending an eligible program. If a child is currently attending an eligible program when they receive a scholarship, the child must complete the screening within 90 calendar days of receiving the scholarship award.*
- 15) *Participate in all evaluation requirements set forth by the state. The state is committed to funding services that produce a measurable result for children and families. MDE will contract with an independent contractor to evaluate the Early Learning Scholarship Program. The evaluation will include recommendations regarding the appropriate scholarship amount, efficiency, and effectiveness of the administration, and impact on kindergarten readiness.*
- 16) *Develop an internal process for ensuring that grant activities are completed efficiently and effectively and performance measures are achieved.*
- 17) *Track and report the number and amount of Pathway I and Pathway II Scholarships spent in a manner and timeline as determined by MDE.*
- 18) *Make payments to and track all Pathway II expenditures for the designated Pathway II programs in their region. MDE will be providing fiscal guidance to programs through the application process for budgets for Pathway II. Eligible Pathway II programs will be submitting a plan and budget to MDE for review.*

MDE will notify the administrators within a Region of the early learning programs that have been designated as a Pathway II program.

Purpose of Evaluation

In the summer of 2014, the MDE contracted with Management Analysis & Development (MAD) to conduct an evaluation of the scholarship program in response to the following legislation:

Chapter 312, Article 20, Section 11, Subd. 5¹ states: The commissioner shall contract with an independent contractor to evaluate the early learning scholarship program. The evaluation must include recommendations regarding the appropriate scholarship amount, efficiency and effectiveness of the administration, and the impact on kindergarten readiness. By January 2016, the commission shall submit a written copy of the evaluation to the chairs and ranking minority members of the legislative committees and division with primary jurisdiction over kindergarten through grade 12 education.

This formative evaluation focuses on the efficiency and effectiveness of the administration of the scholarships through the regional administrators. At the time the evaluation began, the scholarship program had been implemented for one year. It is important to note that the scholarship program is early in its development and, as is common with new programs, staff have and are continuously evaluating processes and policies and making changes as needed to improve the program. The legislation for the scholarship program was passed without specific guidance on the details of implementing and administering the program, allowing the MDE flexibility to make changes as needed. The evaluation process found many instances of MDE staff responding to a myriad of complex issues related to administering the program. They clearly work hard to administer the program fairly and efficiently. The challenge of conducting an evaluation early on in a program's existence is that pieces are moving rapidly and tweaks are being implemented. The benefit of an early formative evaluation is that staff and stakeholders have the opportunity to take a comprehensive look at the program as a whole and understand what is working well and what changes could improve the program. The evaluation was conducted over the period of just over one year. While the evaluation was occurring, the MDE continued to make changes with the intent to improve the program. When those changes relate to findings or recommendations in this report, it is noted.

Profile of Scholarship Children

In the spring of 2015, the MDE provided MAD with data collected on the applications of children who had received a scholarship before April 15, 2015 and whose parents had consented to participate in evaluation activities. Note that this timeframe overlaps two fiscal years. The total number of children in the dataset was 8,689. MAD analyzed the data by demographic factors to illustrate whom the scholarship program is serving. See Appendix A for a copy of the application.

Overall, the distribution of children receiving a scholarship by region was nearly identical to the distribution of funds by region for the program. Scholarships were evenly split by gender. Forty percent of the children (3,488) received Pathway I scholarships and 60 percent (5,201) received Pathway II.

Application Data Highlights

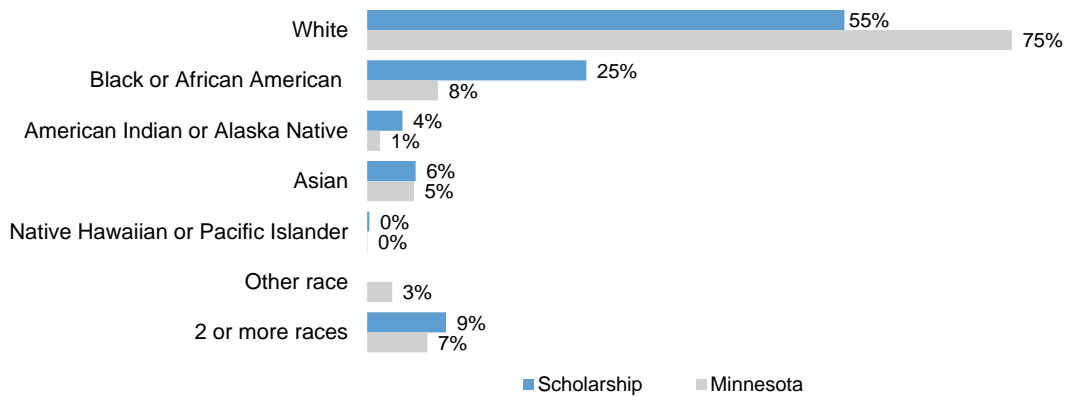
- A higher percentage of children receiving scholarships are from communities of color compared to same age children statewide.
- A higher percentage of scholarship children are Hispanic than the comparable age group statewide.
- Some families are from non-English-speaking households. The most common non-English languages of scholarship children were Spanish and Somali.
- Less than one-fifth of scholarship primary parents had a college degree (two- or four-year) and 44 percent had a high school degree or less.
- The majority of primary parents had a full- or part-time job at the time they completed the scholarship application.
- Most parents were income qualified for scholarship through participation in other assistance programs.
- In terms of type of program, scholarship children are most likely to attend a school-based program (50%) or a childcare center (30%).

Race/Ethnicity

Data on race and ethnicity were available for 82 percent of the scholarship children. The remaining 18 percent did not specify their race on their application. Of all the scholarship children, 44 percent were non-White or more than two races and just over half (55%) were White. Of the nine percent who were two or more races, the majority were White and Black or African American (66%) and 12 percent were American Indian and White. (In charts throughout this report, “n” is the total number of people or responses in the chart on which the percentages are based. For example, in Chart 1 below, “n” is the total number of children in the scholarship application data who reported their race.)

Chart 1: Scholarship Children by Race Compared to Minnesota Children*

(n=7164)



* American Community Survey (ACS) 2013 estimates of children under five years of age.

In terms of race by region, the majority of White (75%) and American Indian children (73%) were in Greater Minnesota. The majority of children who were Black, Asian, and those of two or more races were in the Metro area³ (85%, 86%, and 63% respectively). When looking at the percentage breakdown by race of the scholarship children who identified race in Greater Minnesota, 21 percent were non-White. When looking at the same percentage breakdown for the Metro Area, 71 percent were non-White. The racial breakdown within each Pathway was very similar between Pathway I and Pathway II.

Fifteen percent of the scholarship children were Hispanic compared to nine percent of the state population of children under the age of five as estimated by the 2013 American Community Survey. Of those Hispanic scholarship children, the majority (70%) were in Pathway II programs.

Language at Home

Data on primary language spoken at home were missing for 23 percent of the scholarship children. An analysis of the missing information by region revealed that the Metro area comprised a disproportionate amount of these missing data. Therefore, the information in this section may understate the number of children from homes where English is not the primary language. The available data provided important insights, but should be viewed with this missing information in mind.

After English, Spanish was the language most often spoken at home, with 10 percent of the children from a Spanish-speaking household. Somali was the next most frequent language spoken, with three percent of children from Somali speaking households. The scholarship application is currently available in English, Spanish, Somali, and Hmong.

³ Throughout this report, the “Metro area” is defined as the seven county Metro area.

Table 1: scholarship Children's Language Spoken at Home

	# of scholarship children	% of scholarship children
English	5,423	82%
Spanish	662	10%
Somali	201	3%
Hmong	96	1%
Karen	59	1%
Oromo	41	1%
Arabic	22	0%
Amharic	12	0%
Other	134	2%
Total	6,650	100%

The majority of children from English-speaking households were in Greater Minnesota (64%) compared to those in the Metro area (36%). Children from Spanish-speaking households were more often in the Metro area (73%) than Greater Minnesota (27%). Children from Somali-speaking households were more evenly dispersed geographically, with 44 percent in Greater Minnesota and 56 percent in the Metro area.

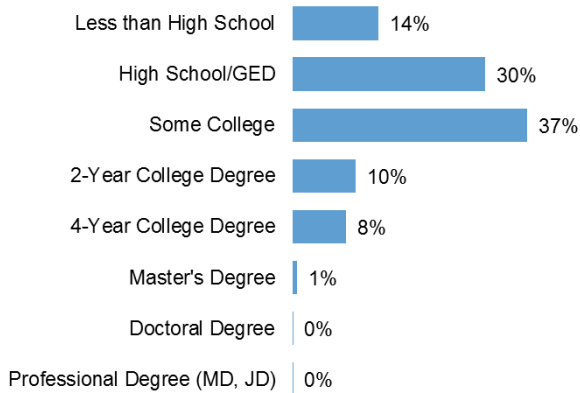
Children from homes where English is not the primary language were more likely to receive a Pathway II scholarship than a Pathway I scholarship. Slightly more than half (52%) of children from English-speaking households received a Pathway I scholarship.

Education of Parent/Guardian

On the application, each family must identify a primary parent or guardian. Forty-four percent of the scholarship primary parents had less than a college degree (30% of these parents completed high school and 14% did not). Over one-third (37%) had completed some college but not a full degree. Eighteen percent of the parents completed either a two- or four-year college degree. There was little variation by geography.

Chart 2: Education Level of Primary Parent

n=7761



Work Status of Primary Parent/Guardian

Two-thirds (67%) of the primary parents were employed either full- or part-time when they applied for the scholarship.

Chart 3: Work Status of Primary Parent

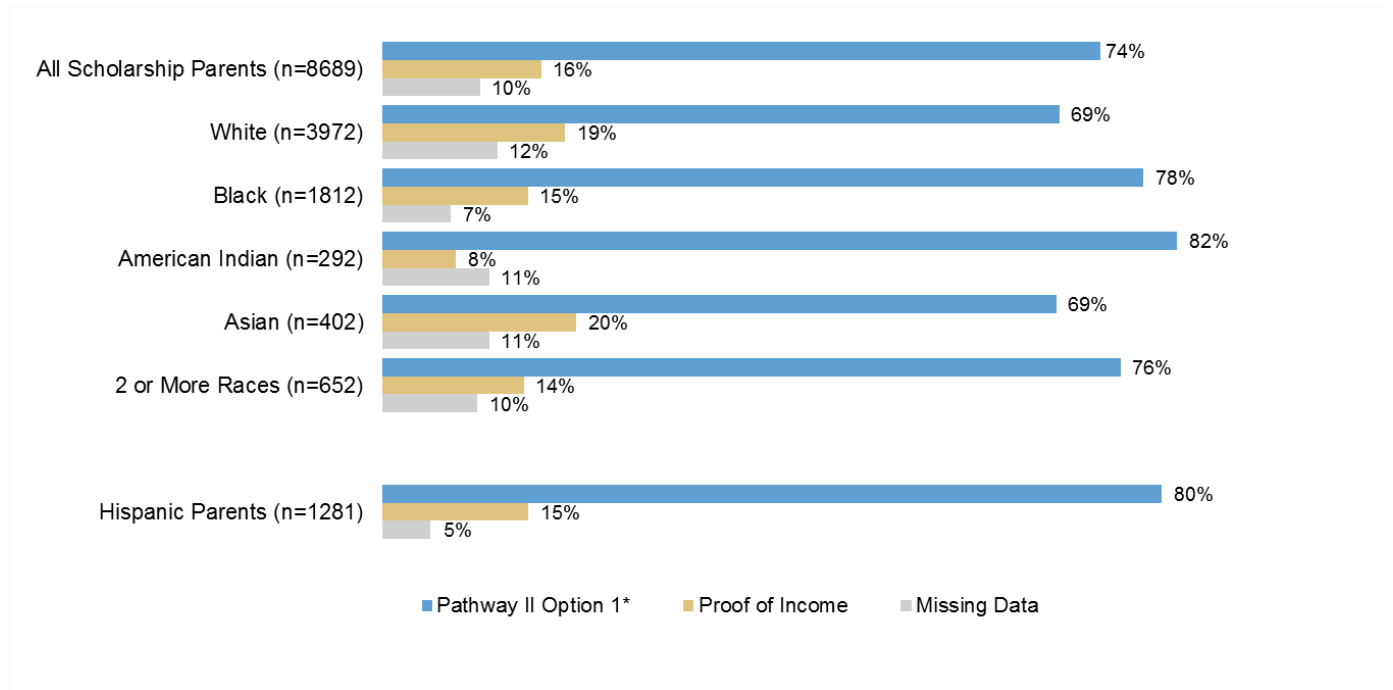
n=7544



Income Qualification

The application includes a section for verifying income. Most family income (74%) was verified for income eligibility through public programs the families already participated in, such as the Child Care Assistance Program (CCAP), Head Start, foster care, Minnesota Family Investment Program (MFIP), Supplemental Nutrition Assistance Program (SNAP), or Child and Adult Care Food Program (CACFP). This method of verification is called Option 1. The other 26 percent of the families proved their income by submitting documents such as tax returns to regional administrators. In terms of ethnicity, Hispanic families had a higher rate of income verification through other programs than scholarship families overall (80% versus 74%).

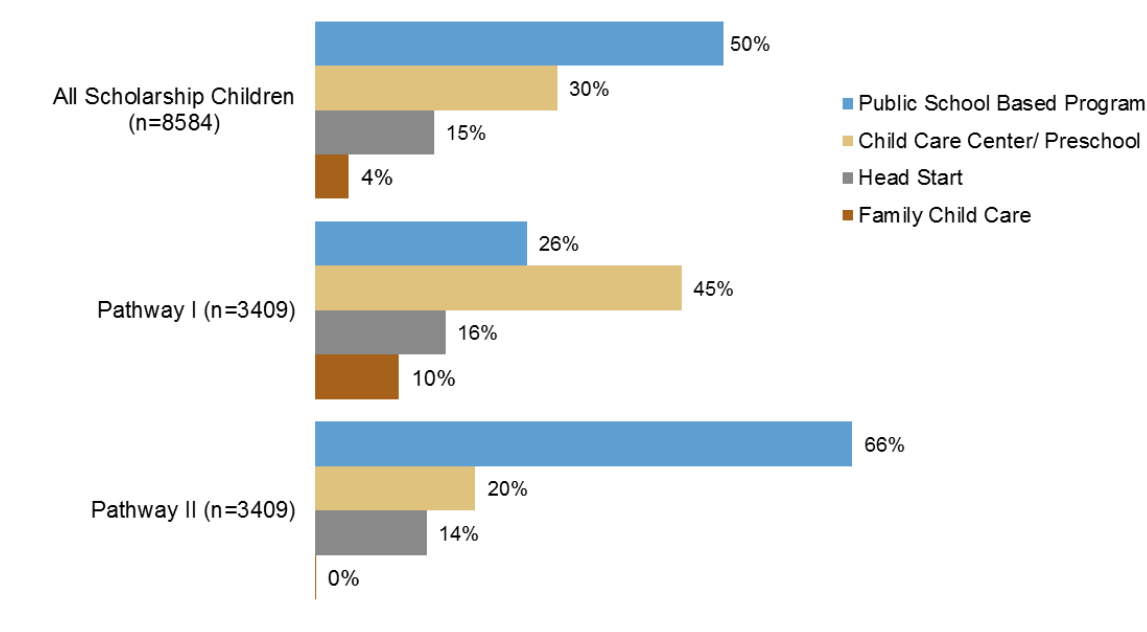
Chart 4: Income Qualification Method by Race and Ethnicity



Program Type

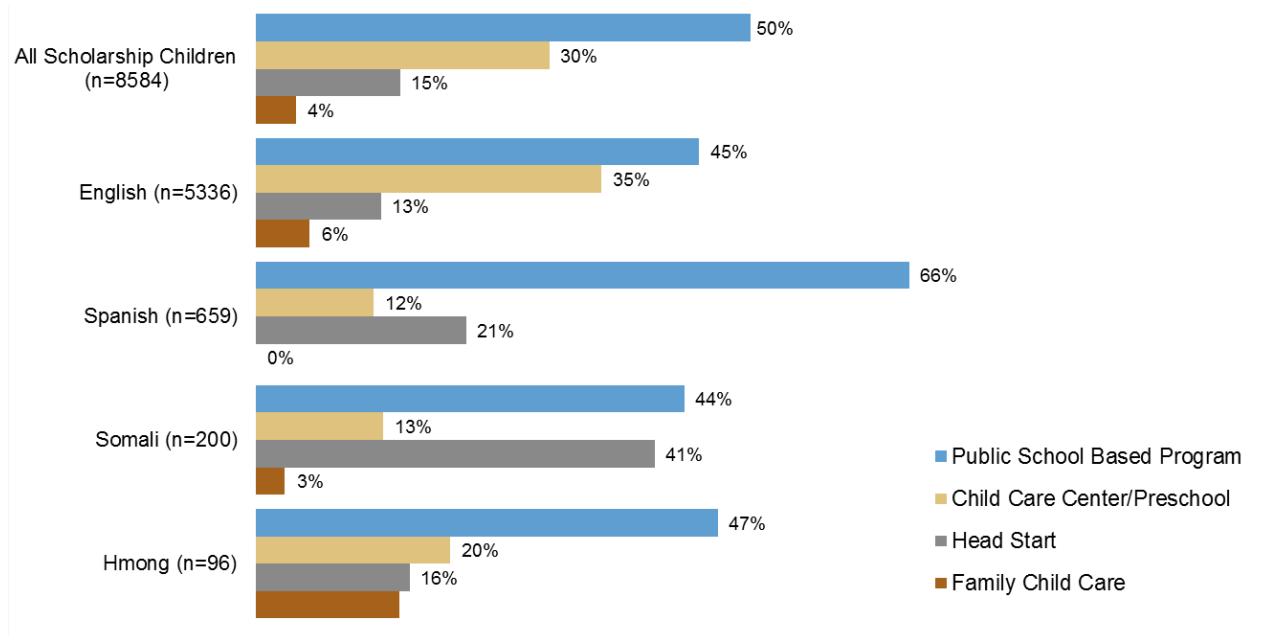
Overall, half of the scholarship children attended public school-based childcare programs and 30 percent attended childcare center programs. Fifteen percent of the children participated in Head Start programs. Family childcare was the least attended program type, with only four percent of children. Pathway I children were most likely to attend a childcare center program (45% of Pathway I children), and one-quarter (26%) attended a public school based program. Pathway II children were the most likely to attend a public school based program (66% of Pathway II children).

Chart 5: Program Type by Pathway



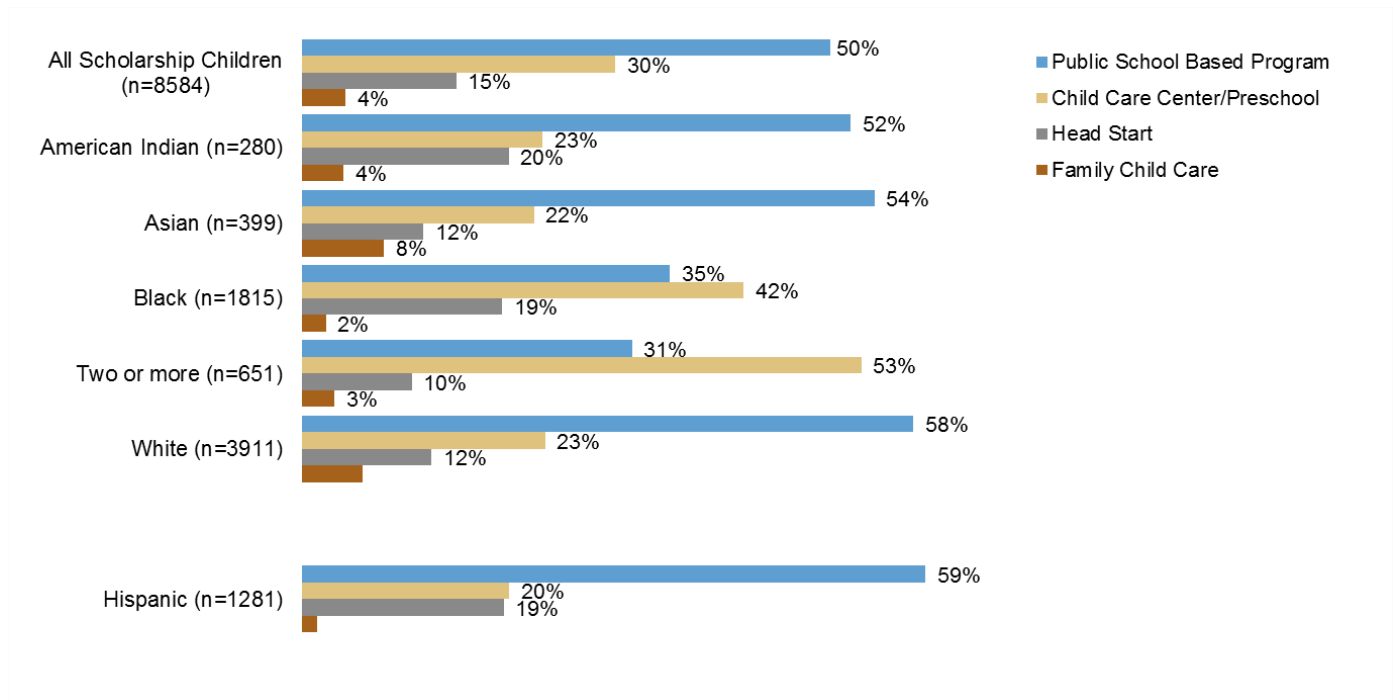
Looking at program type by primary language at home revealed some differences between groups. Children from homes where Spanish is the primary language were the most likely group to attend a public school-based program (66%). Children from Hmong-speaking households were the most likely to attend family childcare (15%). Children from Somali-speaking households had the highest proportion of children attending Head Start (41%).

Chart 6: Program Type by Primary Language



American Indian, Asian, and White children were more likely to attend public school-based programs than Black or African American children or those identifying with two or more races, who were more likely to attend childcare center programs.

Chart 7: Program Type by Race and Ethnicity



Teen Parent Households

Ninety-four of the scholarship children were from teen parent households (1% of all scholarship children). Most of these children (64%) were in the Metro area. They predominately had Pathway I scholarships (87%) and attended childcare center programs (54%). Twenty percent of these children attended Head Start, 14 percent attended public school based programs, and 11 percent attended family childcare.

Summary of Experiences with the Scholarship

Regional Administrators' Experience

In the fall of 2014, MAD interviewed all of the Early Learning regional administrators by phone. One or two staff from each region were interviewed, for a total of 16 interviewees. Some regional administrators oversee multiple regions and include regions 9 and 10, regions 6E and 6W, and regions 3 and 11. Interviews lasted from one to two hours. (See appendix A for interview questions.) This section summarizes the information gathered from those interviews.

Regional Administrator Interviews Highlights

- Regional administrators were positive about the program. There was a general sense that it is a new program and any challenges will be resolved with time and more experience.
- Most regional administrators indicated the scholarship materials from the MDE are helpful but need more detail, specifically more information on income eligibility. They also said that the materials should be developed and released on a schedule more consistent with when they conduct their outreach.
- Some regions in Greater Minnesota described their challenges with the lack of Parent Aware-rated providers, or any providers at all, in their region.
- Providers in their regions deliver most of the application assistance to parents.
- Most regional administrators reported a substantial amount of their time is spent on tracking down missing or incorrectly entered information once the application is submitted. The sections they reported as being the most problematic are income eligibility, the number of children in the household, and the program their child is enrolled in currently.
- Regional administrators are all struggling to balance funds without leaving any unspent or overcommitted. Forecasting award amounts is a major challenge for them.
- Regional administrators reported good communication with providers in general.
- Regional administrators have varying degrees of contact with families. Some regional administrators communicate mostly with providers and the providers communicate with families. Some regional administrators reported more direct contact with families. Some regional administrators expressed concern over the level that some parents are educated about the scholarship program. They indicated some providers have misinformation about scholarships and pass that misinformation on to parents.
- Regional administrators reported most providers understand the invoicing/billing processes after an initial learning curve.
- Malfeasance in invoicing is rare according to the regional administrators.
- Regional administrators had varying opinions about the eight percent administration fee. Many regional administrators specifically had concerns about their ability to work with the eight percent fee as the program grows.
- Regional administrators offered several suggestions for improving the scholarship program including:
 - Consolidated communication from the MDE;
 - A uniform database that will manage all data required to run the scholarship program; and
 - Clarification on regional administrators' role in Pathway II.

The following provides detailed information supporting the highlights above.

Strengths of scholarship

Regional administrators were positive about the program. There was a general sense that it is a new program and any challenges will be resolved with time and more experience. When asked to list the strengths of the scholarships, regional administrators said that they:

- Give families a choice;
- Help large numbers of children;
- Provide an opportunity to engage parents;
- Change the way families live;
- Promote professionalism and quality in providers;
- Help families stay in high quality early child care and education programs; and
- Fit the needs of families.

Marketing and outreach

MDE materials

The MDE provides regions with marketing materials for the scholarships. The expectation for regional administrators as described in the request for proposals specifies that they are expected to distribute these materials and may customize them. Most regional administrators reported the materials from the MDE did not include enough detail and have not been released early enough to be useful.

Some regional administrators find the materials useful and modify them to meet their needs. Some regional administrators said more information about eligibility and information specific to the region should be included. Several regional administrators said they received the MDE flier in the fall and had already made most of their awards.

Outreach efforts

A tension exists for many regional administrators who want to do more outreach but at the same time know they do not have enough scholarships to offer all the families who are already applying. One regional administrator talked about not wanting to instill false hope in the families applying and that the need far exceeds the supply of scholarship funds in their region. Another regional administrator said providers are doing most of the outreach without the regional administrators' involvement.

In terms of reaching culturally and linguistically diverse families, most regional administrators are partnering with other community-based organizations to conduct outreach. Most often, they mentioned reaching out to these families through Head Start, public health partners, social service partners, or other groups serving diverse communities.

Most regional administrators reported having a distribution plan to ensure scholarships are being distributed to all counties. They have systems in place to check the distribution geographically. Regional administrators in two Greater Minnesota regions expressed frustration over the lack of any childcare providers in some counties. One regional administrator expressed feeling conflicted over holding funds for a county with few provider options while children in other counties are on the waitlist. This regional administrator also highlighted a timing issue concerning the six-month lag in

obtaining a Parent Aware rating when the providers in the region are not yet rated. They would like to see this lag time shortened in these counties so scholarship scholarships can be implemented more quickly.

Application

Assistance completing the scholarship application

Regional administrators reported that the amount of assistance families need completing the scholarship application and their time spent on this activity varied greatly. Four regional administrators indicated they spend minimal time assisting families with their applications and that providers are conducting the bulk of the work. The rest of the regional administrators said anywhere from 25 to 60 percent of families need assistance.

Regional administrators reported wide variation in the amount of time they spent tracking down missing information on incomplete applications. One regional administrator said 30 percent of applications in her region arrive with incomplete income eligibility information. One regional administrator reported 80 percent of her time was spent finding missing documentation in July and August, when the bulk of the applications were submitted. In contrast, two other regional administrators said the providers track down all the missing information so applications arrive completed.

Most regional administrators indicated two sections of the application were difficult for parents to complete correctly. The section of the application requiring the most assistance was income eligibility. Regional administrators commented that the income eligibility page is complex and has too much information. Another problematic section was the section for reporting the number of children in the household. Often, parents report the number of children eligible for the scholarship and not the total number of children. In addition, regional administrators find that parents frequently enter government assistance information in the section for what program their child is enrolled.

Application Potential Malfeasance

Most regional administrators said they have not seen any malfeasance on applications. However, a few regional administrators said they would not necessarily know how to spot it and would like some training on this.

Forecasting award amounts

Regional administrators are all struggling to balance funds without leaving any unspent or overcommitted. Forecasting award amounts is a major challenge for them. They often encumber the full scholarship amount for each child when the award is made; however, sometimes families do not need the full amount. The MDE has given the regions the option of holding scholarships at lower amounts. But doing this can present a degree of risk to the regional administrator. Regional administrators indicated frustration that money is tied up when they could be reaching more children with those funds. However, they also indicated concern about the risk of underfunding scholarships.

Communication

Notification of award

Regional administrators generally notify families that they will receive a scholarship through a letter. They also send a letter to the provider if the family has identified one. The letter the families receive includes information about Parent Aware and how to find a provider if they do not have one.

Providers

Regional administrators generally reported they have good communication with providers and find their main role with providers is to answer questions. One regional administrator has developed a welcome packet with scholarship information for new providers.

Parents

Regional administrators have varying degrees of contact with families. Some regional administrators predominately communicate with providers while some have more contact with families. Those regional administrators who communicate with families find one of the biggest issues they encounter is keeping family contact information up-to-date because these families are likely to move frequently.

Most regional administrators expressed concern about parents who are not well educated about the program. Regional administrators reported that many families are getting all their information about the scholarships from providers who may not fully understand the program themselves. Several regional administrators have discovered that some families do not know they can take the Pathway I scholarships with them if they change providers. One regional administrator said she would like the families in her region to be required to contact her for the application so she can educate them, rather than relying on the providers.

Providers adhering to approved uses

Regional administrators reported that providers are funding approved uses with the scholarships. They also reported they receive many Pathway II questions from providers on approved uses, and answer many questions for providers with Pathway II scholarships. Many regional administrators said providers and administrators should be better educated about how to use Pathway II funds.

Invoicing

Frequency of billing

Most regional administrators invoice monthly; however, several offer other options in addition to monthly. Two regional administrators allow providers to propose what works best for them. One regional administrator invoices school districts and Head Start quarterly. One regional administrator invoices family childcare providers weekly because she finds they will not participate unless they are paid weekly.

Providers' level of understanding of the invoicing process

Regional administrators generally reported that after an initial learning curve, providers understand the invoicing process. Some regional administrators have created written guides. One regional administrator has held workshops and travelled to providers' facilities to conduct orientations on the program.

Timely payments

All regional administrators reported that they are able to make timely payment to providers.

Potential Malfeasance

Regional administrators were asked if they have encountered malfeasance in any claims. Most regional administrators commented they commonly find that providers make mistakes on claims, but only three said they have encountered potential malfeasance. These regional administrators all worked with the MDE to resolve the potential issues.

Follow-up on required forms

Developmental screening

Providers are required to submit documentation to the regional administrators to verify that each child has had a developmental screening within 90 days of receiving the scholarship award. Regional administrators have various tracking systems, but reported several issues that make collecting this information challenging. A few regional administrators reported that some school districts simply do not have the capacity to meet the 90-day requirement. Many school districts contract this out, which has made it more challenging in some cases for regional administrators to know the status of the screenings due to layers of communication. Sometimes, public health departments may be involved. Some districts only test twice per year, so they may not meet the 90-day deadline because of timing. In addition, there is no consequence for not providing the information. Regional administrators generally reported that there is not a well-defined process for receiving developmental screening documentation.

Participation agreement

Providers must sign a participation agreement outlining their responsibilities related to the scholarship, which regional administrators track in a database. Most regional administrators indicated they withhold payments until this form is completed and received.

Adequacy of eight percent administration fee

About half of the regional administrators reported that the eight percent fee did not cover the cost of administering the program. One regional administrator indicated the reporting was onerous. Several regional administrators said they were managing with the eight percent fee now, but as the program grows, it will become harder. For comparison, the eight percent administration fee is consistent with the DHS' Child Care Aware funds.

Improvements

When asked to provide suggestions on improving the program, regional administrators offered the following suggestions:

1. Improve communication from the MDE

a) Consolidate communication

Most regional administrators noted the MDE communicates often and thoroughly with them. However, they would like the MDE to consolidate their communication. Some regional administrators suggested a listserv or portal for communication and storing documents so they can be searched.

b) Implementation manual

Many regional administrators also indicated they would like the MDE to update the implementation manual so it is more detailed and conclusive. Regional administrators also said the decision log used in the past was very helpful and they would like it to be reestablished.

c) Improve response time

Regional administrators are sensitive to the fact that MDE staff are working hard to respond to situations and answer questions in a comprehensive manner as they arise. They also realize the program is new and requires thoughtfully working through questions to be consistent and have the appropriate impact on policy. However, most indicated, when at all possible, that they need faster responses from the MDE.

2. Implement a uniform database

All regional administrators expressed some level of frustration over the lack of a standardized way to track scholarship data. Some regional administrators have developed their own systems. Many regional administrators have purchased a database developed by ThinkSmall. But they reported they need something more comprehensive that can track financial and demographic data and simplify the reporting.

The MDE developed a new database for scholarship administration, the Early Learning Scholarship Administration System (ELSA). This database was made available to scholarship administrators in January 2015. The database addresses many concerns voiced by regional administrators in this evaluation. The MDE has incorporated training and included many features in ELSA that ease reporting. In addition, the MDE hired an ELSA project manager in December 2014 who is responsible for coordinating user experience with the development of software timelines, protocol, and capabilities.

3. Provide more clarity about the regional administrators' role with Pathway II

Regional administrators generally expressed frustration over administering Pathway II scholarships. They have found school districts in general do not understand Pathway II and have far more questions (and more involved questions) than they anticipated. The MDE's instruction to regional administrators has been to send all Pathway II questions to the MDE. However, Pathway II administration takes much more time than regional administrators expected. They find the school districts see the regional administrators, not the MDE, as the main information source for Pathway II. Therefore, regional administrators have received most of the calls with Pathway II questions. Because they interact with some Pathway II providers, many regional administrators expressed a need to be better informed about Pathway II.

To address some of this frustration, changes to the administration of Pathway II scholarships have been made. Beginning in July 2016, school districts and Head Start will be invoiced and paid by the MDE for Pathway II scholarships. Regional administrators will continue to reimburse Pathway II scholarships for childcare center providers.

4. Provide more training for regional administrators

Regional administrators indicated wanting more training on how to verify income and identify malfeasance on applications and provider claims.

Providers' Experience

The MDE provided MAD with contact information for all providers in the state serving scholarship children. The online provider survey link was emailed to all these providers (475). The MDE was unable to locate accurate email addresses for 19 providers; therefore, 456 providers received the survey. Of these providers, 51 percent (233) responded. Surveys were emailed out in early February 2015. The initial email was followed up by two reminder emails. The survey closed in late February. (See Appendix B for a list of the survey questions.)

Provider Survey Highlights

- Respondents to the online provider survey reported families most commonly learn about the scholarships through their providers.
- They generally found the scholarship materials are easy for families to access; however, providers in the Metro area were less likely to report this.
- Most respondents said families are able to complete the scholarship application on their own. Metro area providers were less likely than Greater Minnesota providers to report their families did not need assistance.
- Respondents indicated they refer few families to the regional administrator for assistance.
- Respondents generally reported they have a good relationship with and adequate communication from their regional administrator. They reported they receive timely and accurate technical assistance. They also reported they understand the invoicing process.
- In terms of Pathway II communication, respondents reported they contact their regional administrator before the MDE with Pathway II questions.
- Nearly all Pathway II respondents indicated scholarship funds help them provide extended or improved services to children.
- Over one-third of Pathway II respondents said they use 75 percent or more of their scholarship funds on expansion, and one-third said they use 75 percent or more of their scholarship funds on enhancement.
- About one-third of respondents (34%) said all or most of their scholarship children would not be able to attend their program without the scholarship.

The following provides detailed information supporting the highlights above.

Analysis of Survey Respondents' versus Recipients' Attributes

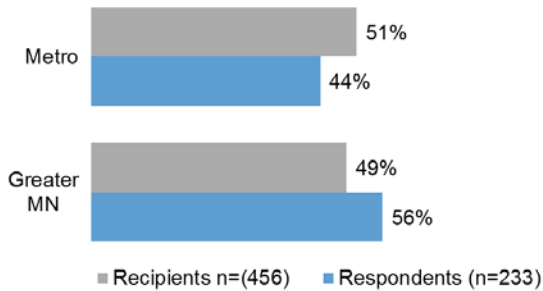
The following describes certain attributes of the providers who responded to the online survey compared to those of all the providers who received the survey (the respondents and the non-respondents together). The information illustrates how representative the respondents are of the entire population of scholarship providers and where there may be differences. Because the survey was distributed to the entire population of scholarship providers and not a random sample, the results describe the population but are not statistically generalizable to the entire scholarship provider population.

Region

In general, the proportions of respondents in each region were similar to the proportions of providers who received the survey. However, the survey results somewhat underrepresent the Metro area

providers. The Metro area had the largest variation with 51 percent of the survey recipients but 44 percent of the respondents. The rest of the regions were within three percentage points of those receiving the survey compared to those responding. Overall, 44 percent of the respondents were in the Metro Region and 56 percent were in Greater Minnesota.

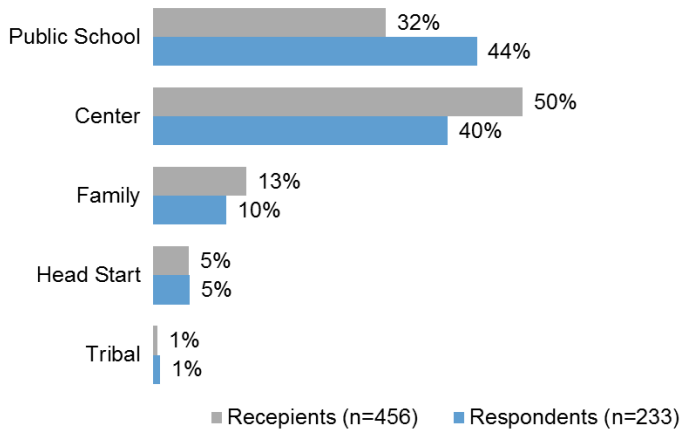
Chart 8: Respondents versus Recipients by Region



Program Type

The survey results over represent public school providers and under-represent childcare center and family providers. Forty-four percent of the respondents were public school providers compared to 32 percent of the recipients. Half of the recipients were childcare center providers but 40 percent of the respondents were this type. The proportion of Head Start recipients and respondents was the same (5%), as was the proportion of Tribal providers (1%).

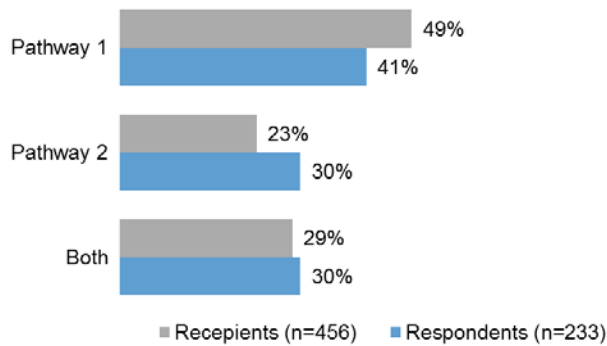
Chart 9: Respondent versus Recipient by Program Type



Pathway

The survey results slightly under-represent Pathway I providers and over-represent Pathway II providers. Forty-one percent of the respondents were Pathway I providers compared to 49 percent of the survey recipients. Thirty percent of respondents were Pathway II providers compared to 23 percent of the survey recipients. The percent of providers with both Pathway I and II children was nearly the same for respondent and recipients.

Chart 10: Respondent versus Recipient by Pathway Type



Summary of Respondent versus Recipient Attributes

In general, the attributes described above do not have large variances between respondents and recipients. However, the differences are important to consider in the context of the survey results. Therefore, the survey data for providers somewhat over-represents Greater Minnesota, public school providers, and Pathway II providers, and under-represents Metro providers, Pathway I providers, and childcare center and family providers.

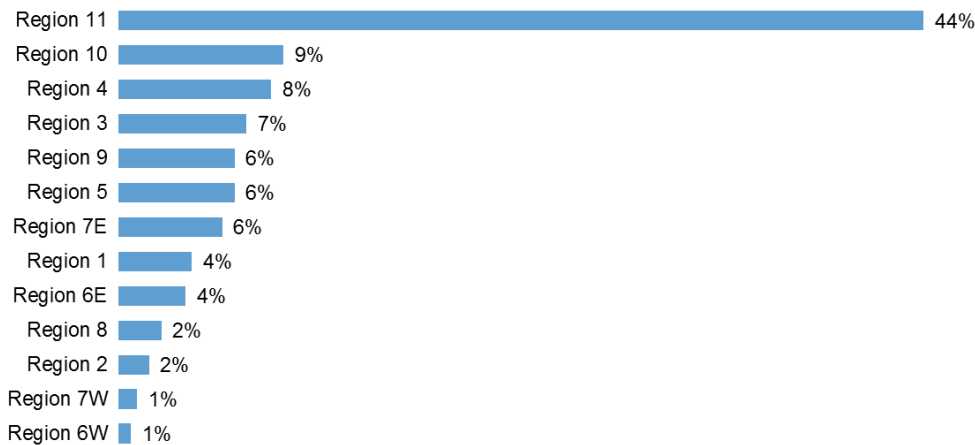
Results of the Provider Survey

Region

As discussed above, 44 percent of the respondents were Metro area providers. The chart below details the distribution of respondents across all the regions.

Chart 11: Respondents by Region

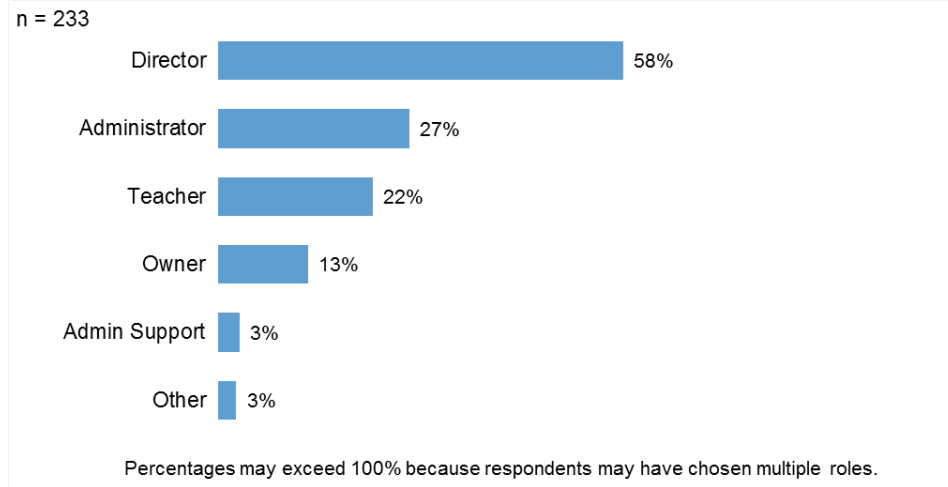
n=233



Respondent Role

Survey respondents were most often directors of the facilities (58%).

Chart 12: Role of Respondent



Number of Sites and Number of scholarship Children

Respondents represented many different types and sizes of childcare programs. Of the Pathway I respondents, the majority (76%) has only one site and, of these, the majority (77%) has fewer than ten scholarship children. Of the Pathway II respondents, the majority (69%) has only one site and, of these, the majority (61%) has fewer than ten scholarship children.

Parent Aware Rating

An overwhelming majority (91%) of respondents indicated they had a four-star Parent Aware rating. Most respondents (81%) were Parent Aware-rated before participating in the scholarships. Fifteen percent said they pursued a Parent Aware rating in order to participate in the scholarship program. Most respondents (79%) indicated they were aware that on July 1, 2016 only programs with active three- or four-star ratings would be eligible to receive scholarship.

Application Process

Providers were asked several questions about families' experiences accessing the scholarship program. The survey included questions about how families learn of the scholarships, how easy the scholarship materials are to access, how much assistance families generally need completing the scholarship application, and how often they are referred to a regional administrator.

Awareness of the scholarships

From the providers' perspectives, most families learn about both Pathway I and Pathway II scholarships through their providers.

Chart 13: How Pathway I Families Learn about the Scholarships

n=164

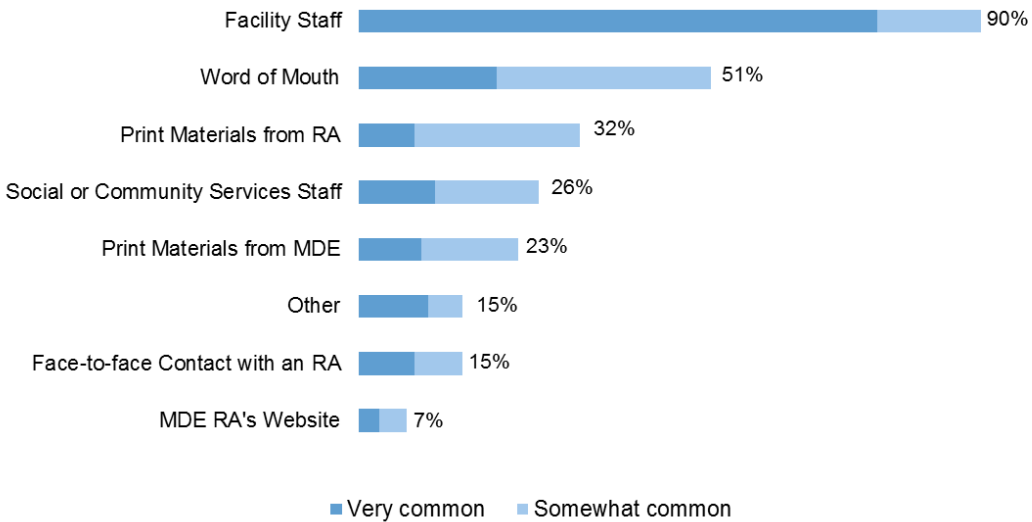
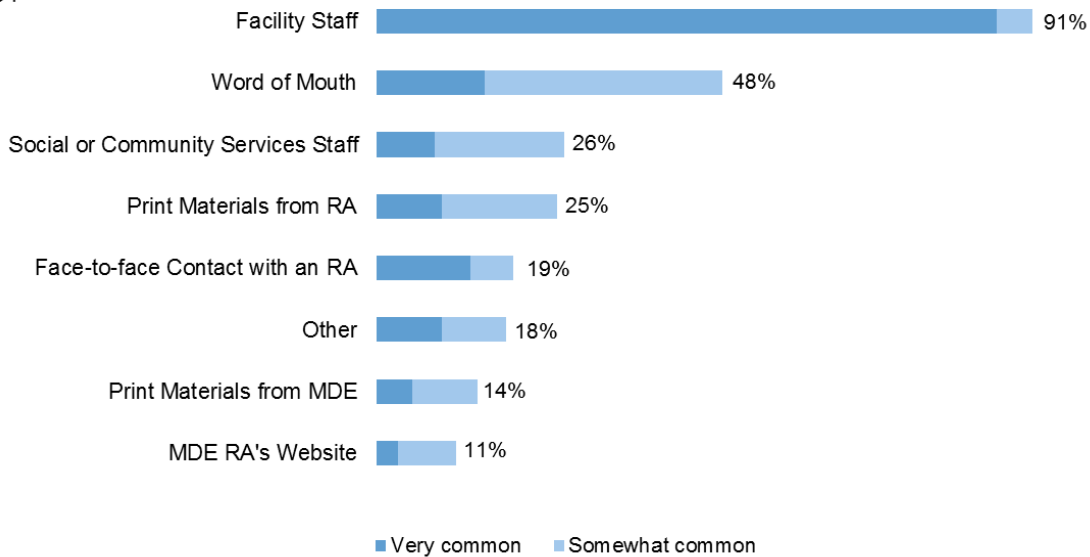


Chart 14: How Pathway II Families Learn about the Scholarships

n=134



Ease of accessing materials

Respondents were asked to rate their perception of the ease of accessing scholarship materials⁴. Most respondents (62%) agreed the scholarship program and materials were easy for families and providers

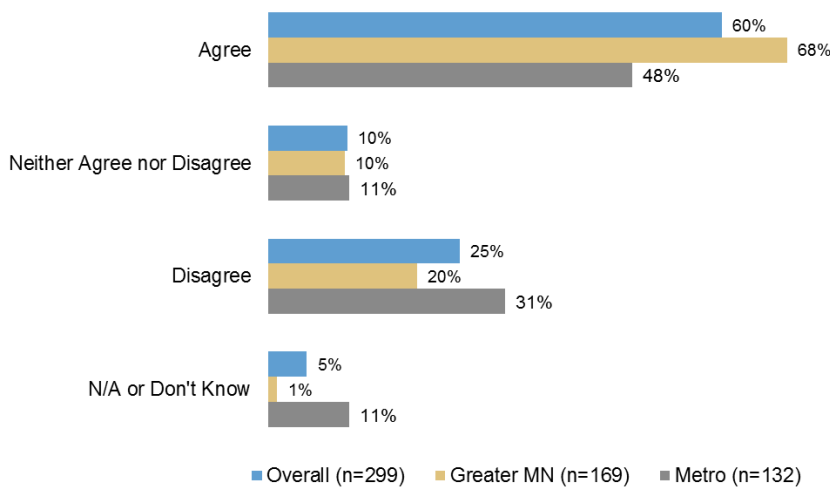
⁴ Respondents were asked to rate their level of agreement with several statements. All agreement-rating scales on the provider survey were comprised of the following choices: Strongly Agree, Agree, Neutral, Disagree, Strongly Disagree, I Don't Know, Not Applicable.

to access. Eighteen percent were neutral and 15 percent disagreed. There was little variation by Pathway type. The one difference by geography to note is the high percentage of Pathway II Metro area providers who indicated they disagree (33% of these providers) compared to Pathway II Greater Minnesota providers who disagree (7%).

Ease of completing the scholarship application

Overall, most respondents (60%) agreed families were able to complete the scholarship application on their own; however, one-quarter (25%) disagreed. A larger proportion of Pathway II (30%) versus Pathway I (21%) respondents disagreed. By geography, respondents from Greater Minnesota were more likely to agree than Metro respondents (68% versus 48%, respectively).

Chart 15: Families Are Able to Complete the Scholarship Application on Their Own⁵

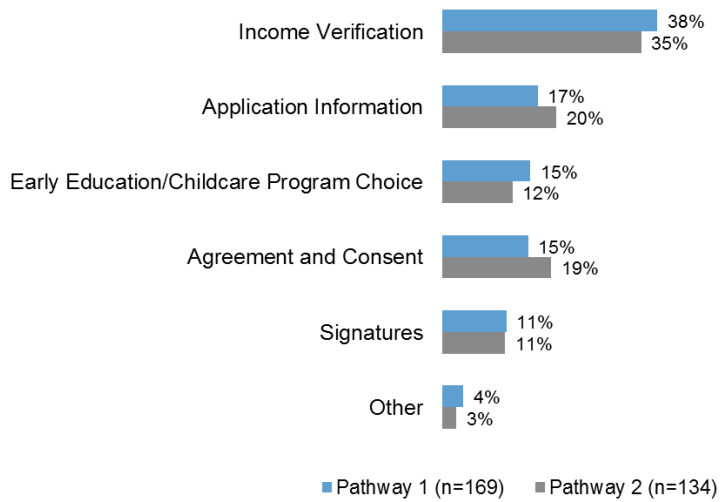


Respondents were asked to report the percentage of families at their facility who needed help with the scholarship application. Pathway II providers were more likely than Pathway I providers to indicate their families needed help with the scholarship application. Only nine percent of Pathway II providers versus 22 percent of Pathway I providers said none of their families need help. Of the Pathway I providers, 30 percent said more than half of their families need assistance, and for Pathway II providers, the proportion was 55 percent. There was little difference by geography.

Respondents from both Pathways most frequently identified the income verification section of the application as the section families most often need help completing.

⁵ Many of the questions on the provider survey asked those who participate in both Pathways to answer the questions twice: once for their experience with Pathway I and once for Pathway II. Therefore, many charts in this section include the number of *responses* to questions rather than the number of *respondents*, which double counts respondents who serve both Pathway I and Pathway II children. In these cases, the “overall” total numbers are more than the total number of respondents to the survey (233).

Chart 16: Section of the Application with which Families Needed Help



Percentage of assistance referred to regional administrator

Of the respondents who indicated their families need assistance with the scholarship application, respondents said a small percentage of families were referred to the regional administrator for assistance. About one-third of respondents said they refer between 1 to 25 percent of families, and approximately 40 percent reported sending no families to the regional administrator for assistance.

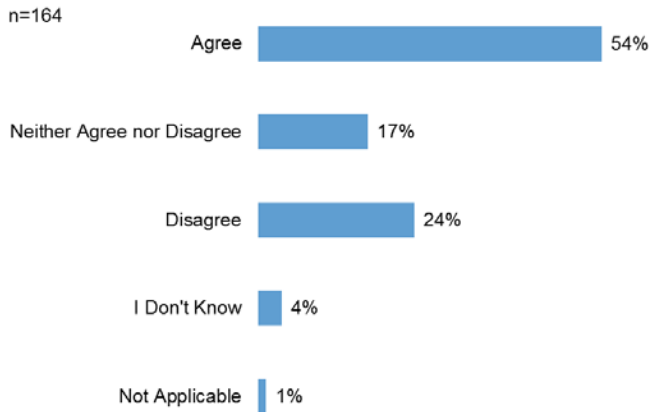
Percentage of families already attending program

Slightly fewer than half of the respondents said 75 to 100 percent of their scholarship families were already attending their facility when they applied. One-quarter of respondents reported only around 25 percent or less of their scholarship families were attending their program when they applied.

Percentage of eligible families receiving scholarship

Pathway I providers were asked if they agreed that eligible families received scholarship funds when they applied for them. Slightly over half (54%) agreed and almost one-quarter (24%) disagreed. Providers in the Metro area were twice as likely to disagree compared to those in Greater Minnesota (36% versus 15%, respectively).

Chart 17: Eligible Families Receive Scholarship When They Apply



Ability to determine Pathway type

Respondents who have both Pathway I and Pathway II scholarship children (n=69) were asked if they agreed that they had the ability to determine which Pathway type is most appropriate for each family. The majority agreed (70%), 12 percent neither agreed nor disagreed, and 12 percent disagreed.

Providers' Experience with Regional Administrators

Relationship with regional administrator

The majority (77%) of respondents agreed they have a good relationship with their regional administrator. Only six respondents indicated they did not have a good relationship with their regional administrator. Fourteen percent neither agreed nor disagreed, and six percent said they did not know. There was little variation by geography or Pathway type.

Communication from regional administrator

The majority (70%) of respondents indicated they have adequate communication from their regional administrator about the scholarship program. Sixteen percent neither agreed nor disagreed, and five percent said they did not know. Only seven percent indicated their regional administrator does not communicate well with them. There was little variation by geography or Pathway type.

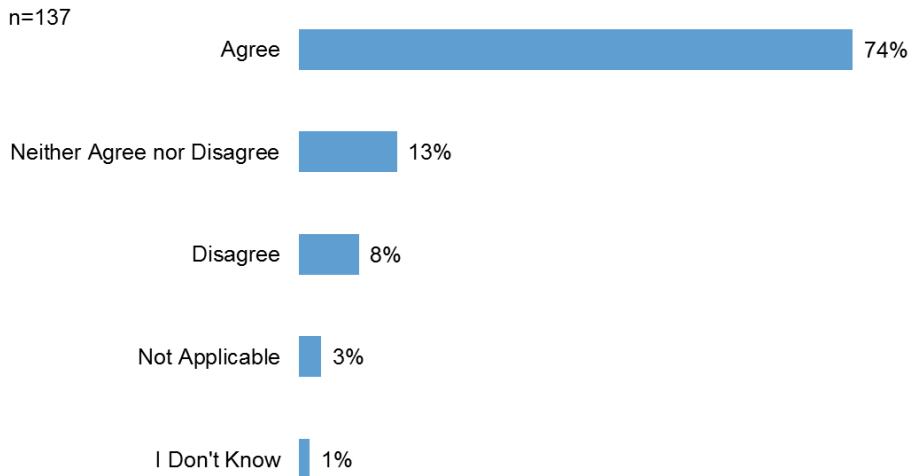
Technical assistance received

Most respondents agreed they receive timely (77%) and accurate (79%) technical assistance in a professional manner from their regional administrator. Only five percent disagreed with each statement and about 10 percent neither agreed nor disagreed. There was little variation by geography or Pathway type.

Timely confirmation of Pathway II applicant eligibility

Most of the Pathway II providers (74%) indicated they receive timely confirmation from their regional administrators on applicant eligibility.

Chart 18: Regional Administrators are Timely in their Confirmation of Pathway II Applications



Invoice process

Most of the respondents (70%) agreed the invoice and payment process established by their regional administrator is clear to them. Ten percent disagreed the process was clear. Most of the respondents (76%) also agreed the payments they received from their regional administrators were timely. Only three percent disagreed. Neither geography nor Pathway had an impact on the results.

Pathway II assistance

Pathway II respondents were asked whom they call when they have questions or issues related to Pathway II scholarships. The majority (70%) said they call their regional administrator and 14 percent said MDE staff.

Percentage of providers administering multiple assistance programs

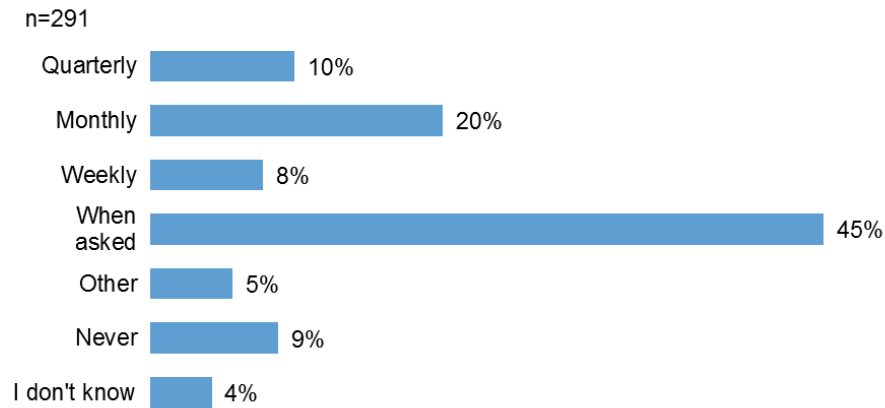
Respondents were asked to indicate the percentage of scholarship children in their program who participate in an assistance program in addition to the scholarship. The majority of respondents (55%) said less than 25 percent of their scholarship children receive other subsidies. One-quarter of respondents said more than half of their scholarship children receive another subsidy. Pathway I respondents were more likely to indicate a higher percentage of their scholarship children participated in multiple assistance programs (28% of Pathway I respondents compared to 13% of Pathway II respondents said more than half of their scholarship children received multiple subsidies.)

In terms of the ease of administering assistance programs in addition to scholarship, slightly over half of the respondents indicated the process was straightforward. Twenty percent neither agreed nor disagreed and 11 percent disagreed. Public school providers were more likely to indicate they disagreed (19%). Geography and Pathway had little impact on results.

Providers' Communication with Parents about scholarship Fund Balance

Slightly more than one-quarter of the providers reported they inform families of their scholarship fund balance on a regular basis. Another 45 percent said they inform parents when they ask.

Chart 19: Frequency Provider Communicates Scholarship Fund Balance to Parents



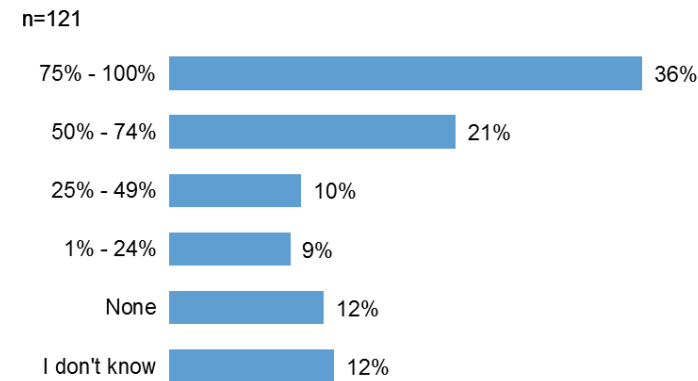
Pathway II funding and eligible uses

Nearly all Pathway II respondents (93%) agreed the Pathway II funds help their facilities provide expanded and/or improved service to children.

Funding expansion versus enhancement

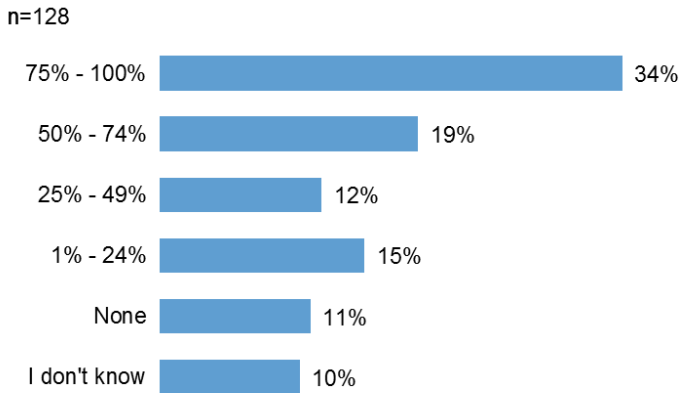
Over half of Pathway II respondents (57%) said they use 50 percent or more of scholarship funds to pay for expansion activities.

Chart 20: Percent Funds Spent on Expansion



Over half of Pathway II respondents (53%) also said they use 50 percent or more of scholarship funds to pay for enhancement activities.

Chart 21: Percentage of Funds Spent on Enhancement

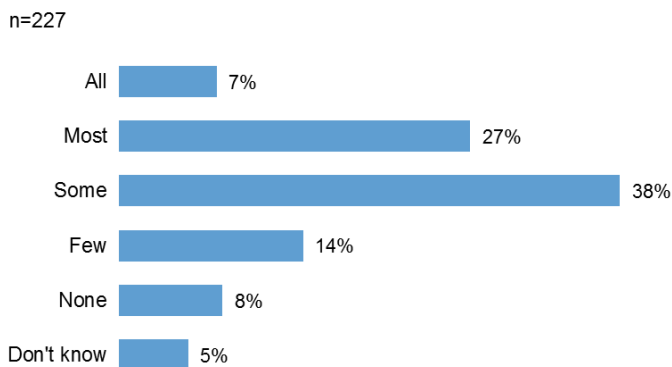


Those Pathway II respondents who indicated they use scholarship funds for enhancement (n=101) were asked which of the eligible enhancement activities they fund. The majority of respondents fund all three eligible uses:

- 77% funded comprehensive services responsive to children's needs to improve learning outcomes focused on opportunities for family engagement and parent education;
- 76% funded compensatory instructional services to accelerate literacy and language development; and
- 68% funded coordination of transition to kindergarten/early grades.

All respondents were asked how many of the children they serve would not be able to attend their facility without some form of assistance, such as a scholarship or CCAP. More than one-third said all or most of their children would not be able to do so. Less than one-quarter (22%) said few or none requires assistance. By program type, large childcare centers (48%) and public schools (40%) were the most likely to indicate all or most of their children would not be able to attend their program without some assistance.

Chart 22: Percentage of Families Who Need the Scholarship to Attend Childcare



What is working well

All respondents were asked in an open-ended format to write about what they felt was working well with the administration of the scholarship program.

Pathway I

One hundred and eleven respondents provided comments about the administration of Pathway I. More than half of the comments referenced good communication from and/or a good relationship with their regional administrator. About one-fifth of the comments were about the invoicing/payment process working well. A few comments highlighted the application itself and/or the application process as working well. The following are a few sample comments:

Friendly staff to work with. A lot of hoops to jump through, but staff are willing to work with you and explain. (Metro Area Public School)

Payment comes in a timely manner. Vouchers are getting easier. I like receiving copies of the letters that are sent to parents, it helps me keep on top of things. (Greater Minnesota Child Care Center)

Pathway II

The 99 respondents who provided comments mostly focused on the helpfulness of the regional administrator, the benefit of the scholarships to families, and the ease of the application process. Respondents reported that there is good communication from regional administrators and the MDE. Respondents generally reported that the second year of the scholarship program is running better than the first one. They see improvements and are appreciative.

What needs improvement

Respondents were also asked to provide written comments about what aspects of the scholarship program administration could be improved. Ninety-one respondents provided feedback on Pathway I improvement and 93 respondents provided comments on Pathway II.

Invoicing/Billing

One-fifth of the responses focused on difficulties with invoicing and billing. Many of these comments stated that the billing cycle is inconsistent with their own financial systems, creates more paperwork for them, and increases staff time needed. Others said the start of the payment is delayed and creates a hardship on some programs that require prepayment. Most of these comments were from centers or family childcare providers.

Our programs are pre-pay programs, so parents are expected to pay a week in advance. This scholarship payment is not in line with our policy of prepayment. (Greater Minnesota Child Care Center)

I get paid every week by all other families. It is a struggle for me to wait to get paid at times. (Greater Minnesota Family Child Care)

Several responses were about not knowing the balance of funds for each child or not knowing how many scholarships are remaining. Some examples:

December 15, 2015

There should be a monthly tally of the monies spent and the remaining balance of each scholarship and ample notice needs to be sent out to the providers before the scholarship expires. (Greater Minnesota Family Child Care)

I would like to be able to readily have access to how much funding a particular family has left -- was a problem last year as money ran out before the end of a year. Also, there seemed to be discrepancies between my figures (which is limited to how much I requested) and administration's. (Greater Minnesota Child care Center)

Application process

Several comments focused on issues with the application process. Some examples:

Parents don't have the resources or means to print off the scholarship forms or mail them in, we have to always do that for them. (Greater Minnesota Child Care Center)

The main thing that is difficult for our population is getting the information to them and getting forms back from the families because of 2nd language barriers and homelessness. (Metro Area Public School)

Clarification of requirements/processes

Several respondents wanted more clarification about the application and payment processes as well as a better understanding of the scholarship rules. Some examples:

Preparing the budget was and still is somewhat confusing. (Greater Minnesota Child Care Center)

It gets confusing knowing what exactly can be covered and differentiating between I and II. (Greater Minnesota Public School)

Timing of application process

A few respondents (all of them school districts) were frustrated about the challenges they face with budgeting and staffing due to the applications coming out in the summer. Some examples:

I understand we have to wait until after July 1 to start enrolling families for the coming school year, but this really ties our hands. By the time we get the forms submitted in July/August, the preschool spots may be filled. This also causes a problem with programming. I can't determine how I'm going to use the Scholarship funds until I know how many students will qualify...can I hire another staff member? Can I extend the school year? Can I provide a healthy snack? These decisions can't be made until I know how many children will qualify for Scholarships. I end up making those decisions after the school year begins. I wish families could fill out enrollment forms in the spring instead of waiting until the fall. (Greater Minnesota School District)

It would really be nice to have the scholarship information for the following year out well before June. Registration tends to start as early as February for some districts and that is when you have more face to face contact with families and get lots of questions about scholarships for the following year. (Metro Area School District)

Parents'/Guardians' Experience

MAD developed a parent mailed survey with input from the MDE. The MDE provided MAD with a database of approximately 5,000 parent addresses of parents of children who received the scholarship from October 1, 2013 through February 10, 2015 and who had consented to participate in an evaluation related to the scholarship. A random sample of 1,002 parent addresses was selected. The sample was pulled by region based on the percentage of scholarship funding for each region. To increase the likelihood parents would respond to the survey, MAD asked the childcare providers of the parents in the sample to distribute a flier explaining the survey and alerting the parents that they would be receiving it in the mail.

Of the surveys mailed, 84 were sent to families whose preferred language was Spanish, Somali, or Hmong. These parents received the flier and survey materials in their preferred language. Two slightly different versions of the survey were developed, one for each Pathway, and parents were mailed the survey specific to the Pathway scholarship their child received.

The survey was mailed in late March, a reminder postcard was sent to non-responders in mid-April and the survey was sent out once again to non-responders at the end of April. The survey was open for a total of eight weeks. Common in mailed surveys, some surveys (121) were returned to MAD as undeliverable. Therefore, the total surveys mailed to accurate addresses was 881 and 234 were returned completed for a response rate of 27 percent. Of the surveys received, 18 were in Spanish, two in Hmong, and the remainder in English. (See Appendix C for a copy of the parent surveys.)

Parents' Experience Highlights

- Three-quarters of the parents who responded to the parent survey indicated they knew their child received a scholarship. Pathway II parents were less likely than Pathway I parents to know their children received the scholarship.
- Of those who were aware their children received the scholarship, most (85%) learned about scholarship from their provider. Only 12 percent of those with a Pathway I scholarship learned about the scholarship from their regional administrator.
- Slightly over half of Pathway I respondents were aware there was a regional administrator.
- Most parents reported they completed the application on their own (69%). One-quarter received help from their provider and few from their regional administrator (5%).
- Most indicated they found the application very or somewhat easy to complete and only three percent said it was hard to complete.
- Nearly all respondents said their child attends the program they indicated on their application they wanted their children to attend.
- Pathway I parents reported that they were able to find an eligible provider fairly quickly: 30 percent said they already attended their current provider's program when they applied for scholarship, half said it took them less than a month to find an eligible provider, and only five percent indicated they needed more than two months to find a provider.
- Parents are generally unaware of the balance of their scholarship funds. About one-third of respondents said they never got information on the balance and one-quarter said they got a balance only when they asked. Pathway I respondents were more likely than Pathway II respondents to report that they got information on the balance of funds.

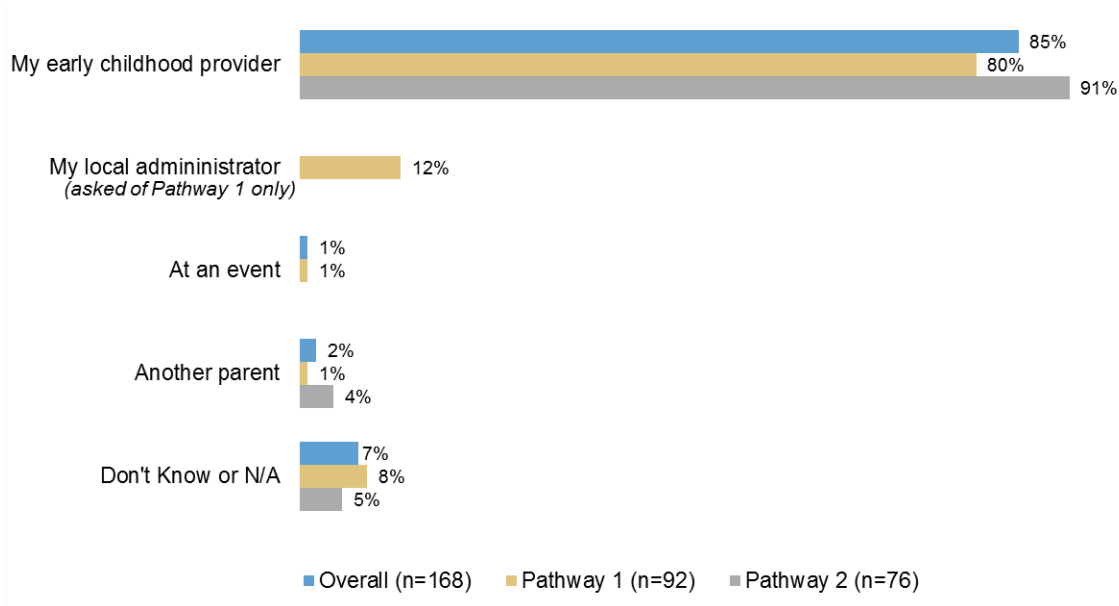
The following provides detailed information supporting the highlights above.

Awareness of Scholarship and Regional Administrator

The first question the survey asked parents was if they knew their children received a scholarship. The majority (73%) of parents indicated they were aware their children received the scholarship. However, 27 percent were not aware they were receiving the scholarship. Pathway I recipients were more likely than Pathway II recipients to be aware their children received a scholarship (89% versus 60%, respectively). The following analysis includes only those respondents who indicated they knew their child received the scholarship because the questions related directly to their experience of applying for scholarship.

Of those who knew their children were receiving a scholarship, most learned about scholarship from their early childhood provider (85%). That percentage was higher for Pathway II respondents (91%) compared to Pathway I respondents (80%). Respondents were least likely to learn about scholarship from an event or another parent. Twelve percent of Pathway I respondents indicated they learned about scholarship from their local administrator (Pathway II respondents were not given this option on their survey because it was not relevant to them due to the fact that they would have applied through their provider).

Chart 23: How Parents Learned of the Scholarship

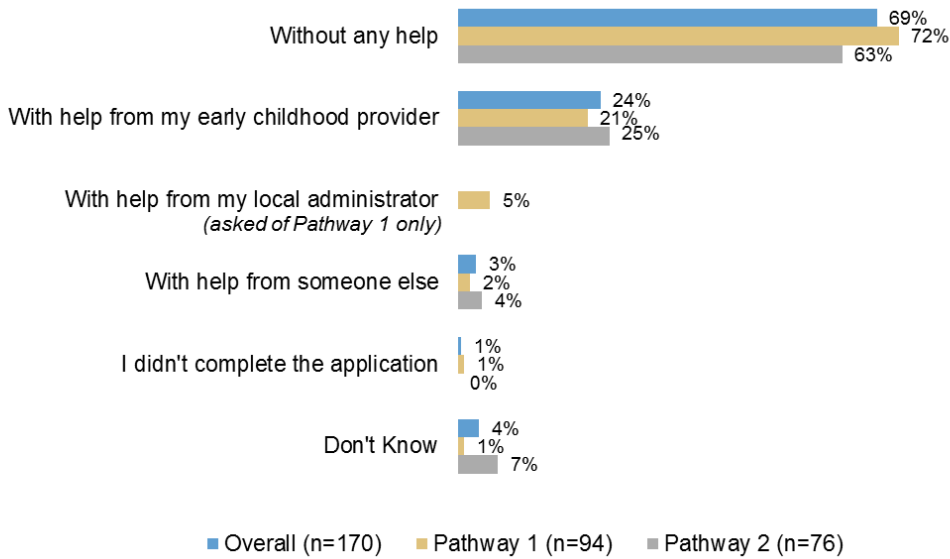


Slightly over half (54%) of Pathway I respondents indicated they knew there was a local administrator who could help them with scholarship processes and questions (e.g., completing an application or choosing an early childhood provider). This question was not asked of Pathway II respondents.

Experience with the Scholarship Application Process

Most parents (69%) said they completed the application without any help. Some (24%) received help from their early childhood provider. Very few respondents indicated they got help from their regional administrator.

Chart 24: How Parents Completed the Scholarship Application



Ease of Completing the Scholarship Application

Overall, most of the respondents indicated the application was “very easy” or “somewhat easy” to complete (81%) and only three percent said it was “somewhat hard” (none said it was “very hard”). Thirteen percent reported it was neither easy nor hard. Respondents from both Pathways reported similar ratings.

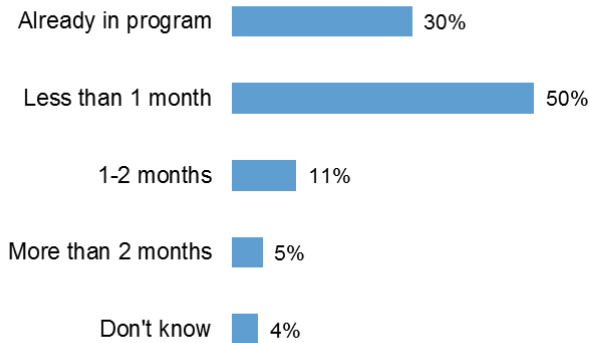
Choice of Provider

Respondents were asked if their child attends the program they wanted when they applied for scholarship. Overall, 95 percent said that at the time they completed the survey their child was attending the program they wanted when they applied for the scholarship. There was little variation by Pathway type.

Pathway I respondents were asked how long it took them to find an eligible provider. Thirty percent reported they were already attending an eligible program when they applied and 50 percent said it took them less than one month to find an eligible program. Only five percent said it took them more

Chart 25: Time to Find an Eligible Program

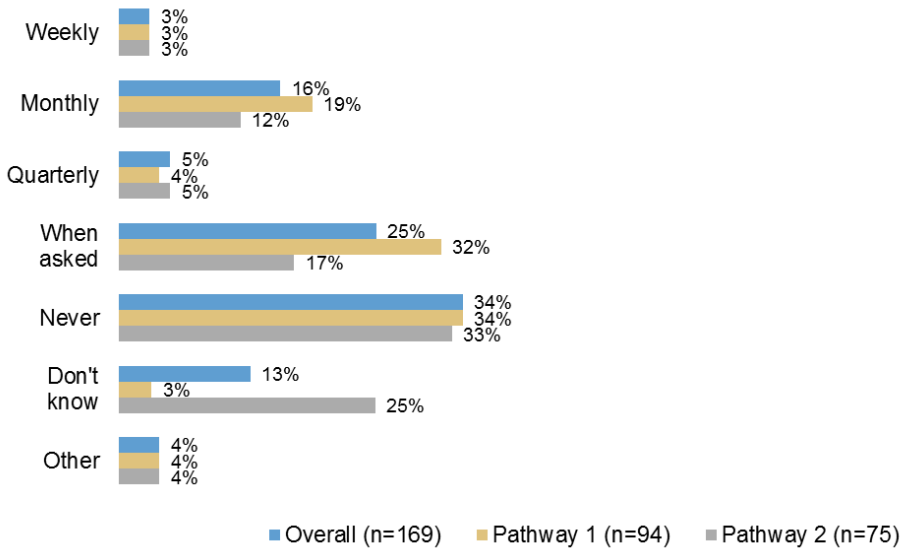
n=94



Provider Communication on Scholarship Balance

Overall, respondents reported not receiving regular or any updates on the balance of their scholarship funds. About one-third of the respondents reported they never get an update and one-quarter (26%) of respondents reported they get updates only when they ask. Pathway II respondents were much more likely than Pathway I respondents to report they do not know if they get updates (25% versus 3%, respectively).

Chart 26: Frequency of Provider Updates on Scholarship Balance

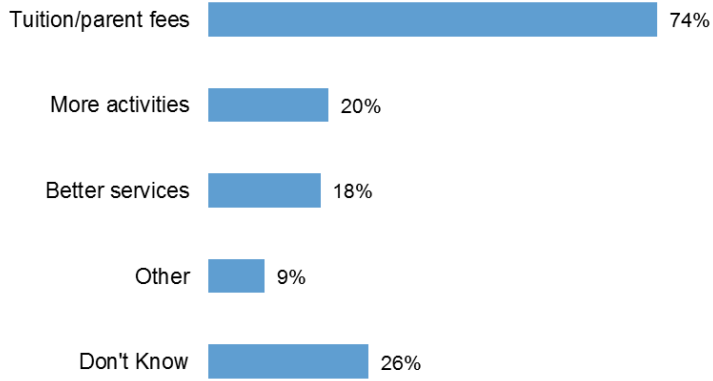


Expenses Funded by Scholarship

Pathway II parents were asked what expenses they think their scholarships fund. Most parents (74%) said tuition/parent fees. One-quarter (26%) said they did not know.

Chart 27: Parents Think their Scholarship Pays for...

n=76



Total sums to over 100% because respondents could choose more than one option.

Stakeholders' Experience

In the fall of 2014, MAD conducted thirteen one-on-one and small group interviews with 27 stakeholders selected by the MDE. Interviews were in person or by phone and lasted from one to two hours each. (See appendix D for interview questions.)

Types of providers interviewed included:

- Minneapolis Public Schools
- St. Paul Public Schools
- New Horizons Academy
- KinderCare Learning Centers
- Minnesota Head Start Association
- YWCA of Minneapolis Early Childhood Education
- Independent childcare providers in Greater Minnesota

Other organizations interviewed included:

- Minnesota Association for Family and Early Education (MNAFEE)
- Minnesota Community Education Association (MCEA)
- Minnesota Initiative Foundations
- Child Care Aware
- Minnesota Department of Human Services (DHS)
- Minnesota Department of Education (MDE)

Stakeholder Interviews Highlights

Stakeholders indicated:

- They have positive relationships with regional administrators. Communication was frequent and accurate. They reported regional administrators are helpful and responsive.
- Families most often learn about scholarships through their providers.
- Parents need assistance completing the application and they get this from providers and regional administrators. The income eligibility section is the most problematic.
- Payments are timely.
- They would like more detail on the billing statement so providers can track funds by child.
- Scholarship materials from the MDE come too late to be useful to them. The timing also creates staffing problems and communication issues with parents.
- The challenge of forecasting the needs of a family is a balancing act for regional administrators.
- Due to data practice standards, the Parent Aware database does not track which providers have scholarship children so there is no way to specifically reach out to scholarship providers in addition to the general notice they receive to ensure they understand how their rating status impacts their scholarship eligibility.

The following provides detailed information supporting the highlights above.

What's working well

When asked what is working well with the scholarships, most provider interviewees cited their relationship with their regional administrator. Many said they appreciate their regional administrator's

responsiveness and communication. Some said great partnerships and collaboration are a positive result of the scholarship program. Interviewees also discussed the huge impact of the scholarships for families. They reported parents are very appreciative and are able to choose higher quality childcare than without a scholarship. They also stressed that the scholarships have helped stabilize attendance at their facilities.

Non-provider interviewees had many positive comments about the scholarships. One interviewee highlighted the extent that the scholarships have helped smaller districts serve more families. Another commented on the importance of choice (center versus school district) for families, especially in small towns where there may not be any childcare providers. Interviewees generally reported that regional administrators are doing a good job with the resources they have. One interviewee commented that most issues with the program are related to it being a new program.

How do families generally learn about the Early Learning Scholarship?

The overwhelming consensus from providers is that families predominately learn about the scholarships from provider staff. According to interviewees, few families come to providers with a scholarship already in hand. Provider staff are educating parents about the scholarships and often helping them with the application process. Some interviewees talked about wanting to do more education with families about the scholarships, but holding off because supply is currently not meeting demand. Some providers also discussed their process of looking holistically with the family at their options and helping them piece together funding for childcare and make a plan.

Outreach issues

Some interviewees said it is not possible for regional administrators to interact with families because they are generally too far away. Regional administrators are effective, but they do not have enough resources to conduct outreach in large geographic areas. There is a need to identify additional sources to assist with outreach and interact with these parents in their communities. Several interviewees said there should be an interagency approach utilizing other systems, such as social services and public health. Providers are often conducting the outreach, but they do not always have a good understanding of scholarship.

Application Process

Assistance needed by parents

Most interviewees indicated families often need some amount of assistance completing the application, which they mainly get from provider staff or regional administrators. Several interviewees said language is the largest barrier to completing the applications. One interviewee indicated nearly 100 percent of the English Language Learner families require help with the application. In addition, several interviewees reported the new application, although an improvement, is still visually and contextually challenging and too long.

Interviewees' experiences with families completing the application varied depending on the type of provider. Larger childcare providers reported families did not necessarily need assistance with the application but often want someone to look it over and make sure it is completed correctly. Some

providers said they generally complete the application with families and use it as a family engagement tool.

The overall length and complexity of the language on the application is difficult for non-native English speakers. One interviewee reported some parents have not printed or spelled their child's name before. Some interviewees said some providers complete applications for families and highlight sections they need to finish. The income verification section in particular is hard for many families to understand.

Issues with timing

One main complaint about the application process was the timing of when the application materials are made available. Interviewees reported that the materials come out too late, creating staffing problems as well as communication issues with families. In addition, schools plan in the spring for the following year, but cannot plan accurately because they do not know how many scholarships will be available.

Related to timing, one school district indicated a large barrier in getting parents to complete the application is a lack of personal contact because most of the children take the bus to school. One school district reported they need the application forms in the spring when parents come into their offices to enroll for the fall because this may be the only time they see the parents. In contrast to the school districts, the large childcare providers generally see parents twice a day.

When an application is completed and signed but staff find errors, they have 30 days to fix the errors. This 30-day deadline can be challenging for school districts to meet with a transient population and when staff has limited face-to-face contact with parents. The school districts in particular suggested that if the applications came out in the spring, the process would allow them more time to connect with parents and resolve issues.

Problematic sections of the application

When asked what specifically about the application was difficult, many said the income eligibility section was where most families need assistance. Many families also struggle with how to complete the ethnicity section. Other issues included knowing how to complete the application for a parent living with extended family or when there are siblings in the household over 18 years old.

One interviewee provided the following detailed feedback for improving the invoice form format:

- Reformat the claim form with page breaks to make it more readable;
- Add a column for an end date when dis-enrolling; and
- Reformat to make the form less confusing when there is one program with multiple sites.

Scholarship qualification streamlined

Many interviewees reported that the scholarship application is redundant when families have already been approved for other assistance programs. For example, most scholarship families have also applied for Free and Reduced Priced Lunch, and some interviewees suggested that the scholarship application for these families be tied to their qualification for the FRPL program. One interviewee asked whether the application process could somehow be tied to other assistance programs that also have the same income requirements. They suggested this may be a way to reduce the redundancy for families and for

staff in these situations where families have already been approved for other assistance programs with similar income requirements.

Interaction with Regional Administrators

Interviewees were very positive about their experience with their regional administrator. They reported communication is productive and collaborative. Providers indicated their regional administrators are generally helpful and prompt. One provider said they are “confident what their regional administrator says is accurate and they are willing to explain things.” Another said their regional administrator is “very open and helpful.”

Invoice Process

Timeliness of Payment

All interviewees indicated they are paid on time.

Timing of payments

The main issue that arose around invoicing was about timing. Interviewees explained family providers in particular need payments more than once per month and cannot handle slow cash flow as easily as centers. They also indicated school districts are challenged because their current system does not report expenses per child, and the scholarships are unlike most other funding school districts receive.

More details on billing statements

A major challenge nearly all interviewees raised was the need for more detailed remittance sheets. They want a breakdown by child for the payments so they know the balance of scholarship funds for each child. They reported often spending hours trying to balance the payment they receive for each child. Also, some interviewees with both Pathway I and Pathway II scholarships said it is hard to track Pathway I versus Pathway II billing when the checks combine payments for both Pathway types.

Interviewees provided the following suggestions for improving the invoice process:

- Get all regional administrators on the same billing cycle to eliminate confusion for those providers who work in multiple regions.
- Conduct billing online.
- Eliminate redundancies in completing the invoice forms from month to month. For many providers, the same information is repeated each month, but the invoice has to be re-completed each month.
- Allow providers to submit invoices on a schedule other than monthly. Some providers said monthly invoicing is hard for them to align with their internal finances and the billing system of the counties. Regional administrators vary in the flexibility of their billing cycles.
- Develop a consistent system to handle the situation when counties change their co-pay rates. Since counties commonly change the amount they will cover, providers regularly must go back to the regional administrators and reconcile payments.
- Refine the invoice process and document it in one place.

Planning/Budgeting Issues

Several planning and budgeting issues were raised. One interviewee described the difficulty of holding spaces for families wanting to attend their program during the scholarship application process. That

process generally takes about two weeks and during that time, the provider, although not required to do so by the MDE, often holds a spot for the family while their scholarship application is in process. During this time, revenue for this spot is not generated but they still have the same expenses. Another issue was the challenge of not being able to plan for when Pathway I families change providers. Also creating challenges for providers, especially school districts, is the timing of when they learn the amount of Pathway II scholarships they will receive for the coming year. Schools do their budgeting in the spring and have to do it without knowing how many Pathway II scholarships they will receive.

Combining the scholarships with other assistance programs

Some interviewees reported that working with the CCAP and the scholarships was complicated and time consuming. One small childcare provider explained that it takes the local CCAP staff a long time to process paperwork, causing the invoices to be delayed and making it hard to determine when to charge. In comparison, a larger provider said they have systems in place so they are able to keep families up to date.

Parent Aware

Scholarships as an incentive to obtain a rating

In general, interviewees were positive about the Parent Aware rating system and reported scholarships have been an incentive for providers to obtain a rating. However, some said the incentive has been minimal. One interviewee commented that most providers only want the one-star rating because they get some financial benefit but do not have the stringent requirements and costs required to maintain a four-star rating. Another interviewee reported parents do not care about the rating and providers are obtaining ratings in order to access more funds, not to attract more families. Many said the two-year cycle for being re-rated is too short. Several interviewees indicated family childcare providers are not applying for the rating because it is one more thing to track and they often do not have openings anyway.

Parent Aware renewal issues

Due to data privacy standards, Parent Aware renewal data does not include information on which providers have scholarship children. This was a major concern among staff at the DHS in terms of how it affects their ability to specifically reach out to scholarship providers with expiring ratings. The concern is that some scholarship providers may not understand their rating status affects their scholarship eligibility and the scholarship children they serve. If a provider with scholarship children loses their Parent Aware rating, the family must find another provider. There are two databases: one maintained by the DHS that tracks the Parent Aware facilities, and the other maintained by the MDE that tracks the scholarship children. The DHS has a system in place for alerting all Parent Aware providers well in advance as their rating nears expiration. However, due to data privacy standards, the Parent Aware database does not track which providers have scholarship children, so there is no way to specifically reach out to scholarship providers in addition to the general notice they receive.

Issue of rating provider partnerships

Most interviewees had comments about how programs working with partners are rated. The scholarships cannot be split between multiple programs. Stakeholders indicated there is still confusion about how to handle a situation where a childcare program is in partnership with a Head Start or a

school program. They are not always clear which entity should be rated, although the MDE has communicated guidelines on how to handle these situations in the latest version of the regional administrator manual. This is often an issue in Greater Minnesota, where many communities have worked to align the few programs they have. They wondered if ratings would need to be at the classroom level rather than the facility level.

Parent Aware rating requirements

One provider in Greater Minnesota discussed their ability to maintain their Parent Aware rating, given staffing challenges. They indicated that in Greater Minnesota it is frequently a challenge to find qualified teachers, which affects a provider's ability to continue their Parent Aware rating. They highlighted that scholarships have drastically increased the number of low-income children they serve, but keeping scholarship children depends on their ability to maintain their Parent Aware rating.

Child Care Aware

Child Care Aware indicated they feel somewhat disconnected and unclear about the scholarships. They would like to see the relationship between Parent Aware and the scholarships strengthened, possibly by having Parent Aware coaches regularly attend the regional administrator meetings and having regional administrators attend the Child Care Aware district planning meetings.

Lack of waitlists in some areas

When asked why some areas of the state do not have a waitlist for the scholarships, interviewees most often described the lack of providers in more remote areas. Many children in Greater Minnesota live significant distances from eligible providers.

Administrative issue

Some interviewees explained that some Pathway I providers are overwhelmed when managing multiple programs. The scholarships create much paperwork so those providers that need it the most may not be participating. One interviewee said scholarships are not creating additional but replacement funds. The benefit to the providers is they are consistently paid when working with the scholarships.

Key Lessons Learned and Recommendations

The scholarship program is still a relatively new program. The value of evaluating the program at this point is to provide timely formative feedback to the MDE so components that are working well can be reinforced and supported and those that need changing can be assessed. The evaluation provided insight into aspects of the program that are working smoothly and some aspects that offer opportunities for improvement. This section highlights the main lessons learned from the evaluation. Recommendations developed from this evaluation are included because they support program improvements. However, they are not all cost-neutral and the degree to which some can be implemented may depend on the availability of funds or the ability to raise more funds for the program.

Please note that this evaluation was conducted concurrently with the program being administered. The MDE continued to make changes to the program in an effort of improvement as the evaluation was progressing. Therefore, some recommendations emerged that the MDE was already addressing. In these cases, a note is provided after the recommendation to highlight how the MDE has already addressed the recommendation.

Areas of Strength

- *The scholarship program is reaching children from diverse families.*
Application data shows that a higher percentage of children receiving scholarships are from communities of color compared to children of the same age statewide. In addition, some families receiving scholarships are from households whose primary language is a language other than English. The main languages other than English that these families speak include Spanish, Somali, and Hmong. (In addition to English, MDE provides the scholarship application in these three languages).
- *Providers generally report they have good relationships with their regional administrators.*
Providers reported they receive timely and accurate information from their regional administrators. In addition, they said Pathway II applications are approved in a timely fashion. In general, most regional administrators understand the invoicing and payment processes and are paid on time.
- *Families are either already attending their program of choice or find an eligible program quickly.*
About one-third of the parents surveyed said they were already attending a program when they applied for a scholarship. Half of the parents said they found a program in less than one month, and only five percent said it took them more than two months.
- *Children are attending the program their parents wanted when they applied.*
Nearly all (95%) of the parents indicated their children are attending the program of their choice.

- *Stakeholders indicated they see improvements in the program in the second year.*
Providers and stakeholders expressed appreciation for the many changes the MDE has made to the program in its second year. They see improvement and are thankful for those changes.

Outreach

- *Lesson: Families' main source of scholarship information is their provider.*
Most of the interviewees and survey respondents reported parents most commonly learn about scholarships through their provider. Regional administrators are charged with the main responsibility for conducting outreach in their regions and are supported by the MDE as needed. However, only some regional administrators are directly serving as the primary resource to parents. In most regions, the providers are the main information source on scholarships for parents, and parents have limited, if any, knowledge about the regional administrator. The parent survey results indicated many parents did not know there was a regional administrator they could contact for assistance. In light of providers functioning as the most common information source for scholarships in many regions, some regional administrators expressed concern that not all providers have a thorough understanding of the scholarships and may be providing incorrect information to parents in some cases.

- 19. Recommendation:** Regional administrators should strengthen their outreach processes, particularly with providers in their region. The focus of this work should be to ensure that accurate information is reaching the providers. Regional administrators should also contact providers who assist families to complete their applications in the event that there are errors in the application. This would help educate providers about the program. The MDE should work with regional administrators on developing methods for conducting this outreach in their regions.

Communication

- *Lesson: Regional administrators and providers understand the MDE needs time to assess questions and issues about the program, but they also struggle with needing more timely responses from the MDE on scholarship questions.*
The scholarship program is new and a significantly large program to implement in such a short period. The MDE has had to work quickly to resolve issues as the program is running. As with any new program, kinks must be worked out and unanticipated questions addressed. In the interviews and surveys, regional administrators and providers were sensitive to the demands MDE staff have been under in working through the implementation of the program and addressing issues as they arise. They acknowledged that in many cases the MDE responds quickly. However, many interviewees and survey respondents also reported they struggle with the time it can take the MDE to respond to their more complicated questions. They understand that often the MDE's answers to their questions have policy and process implications so they need to examine their responses. A tension exists for regional administrators when they need a quick response.

20. Recommendation: The MDE should continue to improve response times to regional administrators.

- *Lesson: The MDE communicates with regional administrators much useful information, but regional administrators find there are too many communications and they are not organized by a system. When they need specific information, they struggle to find it.*

21. Recommendation: The MDE should develop a process to communicate information in a way that is easily accessible to regional administrators and can be kept up to date. One example is to develop a portal that regional administrators have access to and can be updated on a scheduled timeline.

Scholarship Materials/Application

- *Lesson: Scholarship materials, including the application, are not easy for some parents to access.*

Although most providers surveyed reported parents are able to easily access scholarship materials, one-quarter of providers indicated that scholarship materials are not easy to access. In addition, about one-third of the parents reported they needed assistance from their provider to complete the application. Although these proportions may seem low, it warrants concern about the general ease of accessing the materials and completing the application. The results indicate that this is more likely to be an issue in the Metro area (seven county area), rather than Greater Minnesota. Language is likely a common barrier to completing the application. Over the life of the program, the MDE has worked with regional administrators to refine the scholarship materials and application. As expected, when implementing a new program, the materials have gone through iterations in an effort to continuously improve the final products.

- *Lesson: The income eligibility section of the application is particularly challenging for parents to complete accurately.*

Providers, regional administrators, and stakeholders indicated the income eligibility section creates the most problems for parents to complete. Some regional administrators reported that a large percentage of their time is spent tracking down missing or inaccurate information in this section of the application. Parents are frequently not sure what documentation to attach. By nature, the process to verify income can be onerous and complicated. The MDE is limited in their ability to simplify this section of the application while also collecting the information necessary to verify income. Therefore, a tension exist between simplifying this section and meeting requirements for income verification. This tension is common for programs requiring income verification; it is challenging and complex.

22. Recommendation: The MDE should continue their work finding areas where the scholarship materials and application can be simplified

Note: The MDE has made many changes to the applications since the first version based on feedback from regional administrators and providers. Some changes occurred after providers were surveyed in the

fall of 2014. Changes included translation of applications, including renewal and supplemental information for both Pathways, into Hmong, Spanish, and Somali. The MDE has also shortened the application by requesting only the information required to award scholarships and legal information and consent language required by data practices. The number of pages has been reduced from ten in the original application to five in the current version.

23. Recommendation: The MDE should explore the benefits and costs of developing a system for applications to be completed and submitted online.

- **Lesson: *The timing of the release of the scholarship application and materials creates challenges for regional administrators and providers. However, the MDE's timing for releasing scholarship materials is constrained by the timing of the legislative session.***

The majority of providers, stakeholders, and regional administrators interviewed and surveyed strongly indicated the timing of distribution of the scholarship application and materials creates significant challenges for them. The timing affects the number of families that can be reached, the method of reaching them, and provider budgeting and planning. The timing has created staffing problems as well as problems communicating with parents. For context, since the scholarship program was created, there have been two additional legislative sessions. Each session could have changed policy language and both added funding, expanding the geographic scope of early learning scholarships. The timing of the end of the legislative sessions impeded updating materials in a timely enough fashion to be available prior to the July 1 start of a new fiscal year.

24. Recommendation: The MDE should continue their work exploring options for releasing the applications and outreach materials earlier and use experience from each year to develop applications and materials that are less dependent on legislative changes.

Invoicing/Billing

- **Lesson: *Providers need more detailed information on invoices so they can track billing per child.*** The regional administrators do not provide invoice information at the per child level so providers often struggle to reconcile their records with the invoice. This makes it difficult to track the balance for each child.

25. Recommendation: The MDE should ensure the Early Learning Scholarship Administration System (ELSA) is capable of accommodating invoicing that reports out at the per child level.

Note: The MDE developed ELSA with the capability to report out at the per child level. ELSA was distributed to regional administrators in January 2015.

- **Lesson: *Providers appreciate flexibility in invoicing.*** Although most regional administrators reported offering billing schedules other than monthly, some stakeholders in Greater Minnesota emphasized the importance of this flexibility to small providers in particular.

26. Recommendation: Regional administrators should review their billing schedule to assess if they can increase flexibility, within reason.

- **Lesson: Regional administrators are challenged by forecasting scholarship funds.**
The system of awarding the full scholarship amount is frustrating to many regional administrators because it ties up money that may not be spent and that could potentially fund more children. No regional administrator has a well-developed system for balancing awards versus actual spending. Most are managing it on a case-by-case basis, tracking balances monthly and assessing how much risk their own organization can take on while also tracking the waitlist. This was a major issue for most regional administrators in terms of efficiency.

27. Recommendation: The MDE should work with the regional administrators to develop a system or guidelines for planning and forecasting scholarship funds more formally to ensure the most children are able to access the scholarships.

Note: The MDE provided forecasting guidance in the latest version of the regional administrator's manual which is in draft form to be finalized and made available January 2016.

- **Lesson: Regional administrators want more training on how to verify income and identify fraud on applications and provider claims.**

28. Recommendation: The MDE should develop and provide training for regional administrators on verifying income and identifying fraud.

Data Issues

- **Lesson: The Parent Aware renewal data does not include information on which providers have scholarship children.**

This was a major concern among staff at the Minnesota Department of Human Services (DHS) in terms of how it impacts their ability to specifically reach out to scholarship providers with expiring ratings. The concern is that some scholarship providers may not understand that their rating status affects their scholarship eligibility and the scholarship children they serve. If a provider with scholarship children loses their Parent Aware rating, the family must find another provider. There are two databases: one maintained by the DHS that tracks the Parent Aware facilities, and the other maintained by the MDE that tracks the scholarship children. The DHS has a system in place for alerting all Parent Aware providers well in advance as their rating nears expiration. However, the Parent Aware database does not track which providers have scholarship children due to data privacy laws; therefore, they are not able to specifically reach out to scholarship providers in addition to the general notice they receive.

29. Recommendation: The MDE and DHS should work together within data practice standards to identify improvements in their systems and messaging to ensure scholarship providers are communicated with when their ratings are expiring.

30. Recommendation: The MDE should develop a system for notifying regional administrators as scholarship providers in their region are approaching their Parent Aware renewal date. Based on this system, regional administrators should contact each scholarship provider with expiring Parent Aware ratings directly to ensure they are aware that their rating status affects their scholarship eligibility and the scholarship children they serve.

31. Recommendation: Regional administrators should ensure scholarship providers are, in general, aware that their rating status affects their scholarship eligibility and the scholarship children they serve.

- **Lesson:** *Regional administrators want a database that will manage all the scholarship information required to run the program and produce required reports.*

Note: ELSA (made available to regional administrators in January 2015) has the capability to report at the child and program levels. In addition, ELSA has filter and sort options specifically for reporting scholarship information.

32. Recommendation: As ELSA is made available to regional administrators, the MDE should ensure there is sufficient training for regional administrators.

Note: The MDE has provided training at each regional administrator meeting since January 2015 and conducted frequent webinars for all ELSA users.

33. Recommendation: The MDE should establish a system to gather feedback on ELSA from regional administrators and consider making changes based on that feedback.

Note: The MDE has actively sought feedback on ELSA at quarterly meetings. In addition, the MDE added an ELSA project manager in December 2014 who is responsible for coordinating user experience with the development of software timelines, protocol, and capabilities.

Parent Aware

- **Lesson:** *Small childcare providers in less populated areas may be particularly challenged with maintaining their Parent Aware rating or may be less motivated to pursue a rating given their staffing challenges.*

Given the lack of providers in some areas of Minnesota, it will be important for the MDE to understand exactly how the Parent Aware rating system is incentivizing small childcare providers in Greater Minnesota to participate in Parent Aware and scholarships.

34. Recommendation: The MDE should develop a plan with Parent Aware for gathering input from small childcare centers and family providers in Greater Minnesota to learn how the Parent Aware program is affecting them.

- **Lesson:** *There is confusion about which organization needs to have a Parent Aware rating when in a provider partnership.*

Some providers may partner with other organizations to provide care. The stakeholders who raised this issue were concerned about how it will affect the efforts already underway for aligning programs, especially in Greater Minnesota, where there has been a considerable effort in aligning programs. The MDE has developed and communicated guidelines to handle these situations; however, some confusion remains.

- 35. Recommendation:** The MDE should work with the DHS to ensure providers are aware of and understand Parent Aware rating within partnerships.

Pathway II

- **Lesson:** *Regional administrators need more training and communication on Pathway II.*

Regional administrators expressed difficulties with administering Pathway II. Their main concern was they do not have the answers to many of the questions providers ask them.

Regional administrators are instructed to direct these questions to the MDE. However, regional administrators find that providers often contact them for assistance, rather than the MDE. They also perceive that when the MDE does work directly with a provider or with other regional administrators to clarify an issue, the MDE often does not communicate the resolution to the regional administrators.

Recommendation: When working through Pathway II issues, the MDE should communicate the issue and the resolution with regional administrators so information is consistent and the regional administrators are informed when they do get Pathway II calls.

December 15, 2015

Appendix A: Scholarship Application

EARLY LEARNING SCHOLARSHIP

APPLICATION FOR PATHWAY I - EARLY LEARNING SCHOLARSHIP

CHILD INFORMATION (CHILDREN APPLYING FOR SCHOLARSHIP)

Complete tables below for all children applying for a scholarship who live at the same address. Make copies of this page to add more children. Siblings are children who share one or both parents through blood, marriage or adoption, including siblings as defined by the child's tribal code or custom.

CHILD ONE

*LEGAL FIRST NAME:	*LEGAL MIDDLE NAME ("N/A" if none):	*LEGAL LAST NAME:
*BIRTHDATE (MM/DD/YYYY):		*GENDER (Check one): <input type="checkbox"/> Male <input type="checkbox"/> Female
RACE (Optional – Check all that apply): <input type="checkbox"/> Asian <input type="checkbox"/> Pacific Islander or Native Hawaiian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Other		ETHNICITY (Check one): <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Not Hispanic / Latino
Name the Early Learning Program your child is enrolled in now? (if any):		Early Learning Program Phone Number:
Do you need help choosing a program? <input type="checkbox"/> Yes <input type="checkbox"/> No		Is this child currently In Foster Care? <input type="checkbox"/> Yes <input type="checkbox"/> No

CHILD TWO (Younger sibling must attend same program as a 3- or 4-year old sibling.)

*LEGAL FIRST NAME:	*LEGAL MIDDLE NAME ("N/A" if none):	*LEGAL LAST NAME:
*BIRTHDATE (MM/DD/YYYY):		*GENDER (Check one): <input type="checkbox"/> Male <input type="checkbox"/> Female
RACE (Optional – Check all that apply): <input type="checkbox"/> Asian <input type="checkbox"/> Pacific Islander or Native Hawaiian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Other		ETHNICITY (Check one): <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Not Hispanic / Latino
Is this child currently enrolled in the same Early Learning Program as CHILD ONE? <input type="checkbox"/> Yes <input type="checkbox"/> No		Is this child currently In Foster Care? <input type="checkbox"/> Yes <input type="checkbox"/> No

CHILD THREE (Younger sibling must attend same program as a 3- or 4-year old sibling.)

*LEGAL FIRST NAME:	*LEGAL MIDDLE NAME ("N/A" if none):	*LEGAL LAST NAME:
*BIRTHDATE (MM/DD/YYYY):		*GENDER (Check one): <input type="checkbox"/> Male <input type="checkbox"/> Female
RACE (Optional – Check all that apply): <input type="checkbox"/> Asian <input type="checkbox"/> Pacific Islander or Native Hawaiian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Other		ETHNICITY (Check one): <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Not Hispanic / Latino
Is this child currently enrolled in the same Early Learning Program as CHILD ONE and CHILD TWO? <input type="checkbox"/> Yes <input type="checkbox"/> No		Is this child currently In Foster Care? <input type="checkbox"/> Yes <input type="checkbox"/> No

PARENT / LEGAL GUARDIAN INFORMATION

Complete the information on this page if you are the parent or legal guardian of the child applying for a **Pathway I - Early Learning Scholarship**. Note: If the child is in foster care, please list the name and address of the agency overseeing the foster care placement in the "Home Address" section below.

*LEGAL FIRST NAME:	MIDDLE INITIAL:	*LEGAL LAST NAME:
*RELATIONSHIP TO CHILD: <input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Agency <input type="checkbox"/> Worker <input type="checkbox"/> Other:		
*HOME ADDRESS:	*CITY:	*ZIP CODE:
MAILING ADDRESS (if different from home address):	CITY:	ZIP CODE:
*DATE OF BIRTH (if under 21) (MM/DD/YYYY):	*COUNTY:	
*PHONE NUMBER:	OTHER PHONE NUMBER:	
EMAIL ADDRESS:		

RESIDENTIAL STATUS

Is your family currently residing in any of the following? Check any that apply.

- Shelter Doubling up temporarily with other family or friends due to economic hardship
 Car, outside, public space, hotel, or motel due to lack of accommodation

EDUCATION INFORMATION

What is the highest level of education you have completed? Check one:

- Less than high school High School or GED
 Some college, no degree College degree or more

EMPLOYMENT INFORMATION

What is your current employment status? Check one:

- Employed Full-Time (at least 25 hours/week) Employed Part-Time (less than 25 hours/week)
 Unemployed, seeking employment Unemployed, not seeking employment

ADDITIONAL INFORMATION

What language does your family speak most at home?

- English Spanish Somali Hmong Vietnamese
 Other:

Do you need an interpreter?

- Yes No

Is there another adult you want to list on this award form? (By listing this person, you give your consent for the Regional Administrator to contact this adult to discuss the information on this award form.)

FIRST NAME:	MIDDLE INITIAL:	LAST NAME:
PHONE NUMBER:	RELATIONSHIP TO YOU:	

FAMILY INCOME INFORMATION

IMPORTANT - BEFORE YOU BEGIN THIS SECTION –

- If you indicate you are participating in one of the public program listed under “OPTION 1” - YOU MUST ATTACH TO THIS FORM THE REQUIRED DOCUMENTS THAT DEMONSTRATES PARTICIPATION IN A PUBLICLY FUNDED PROGRAM (i.e. a copy of an official letter or authorization form from the public program).
- if you elect to validate your income eligibility by completing “OPTION 2” - YOU MUST ATTACH TO THIS FORM THE REQUIRED DOCUMENTS THAT DEMONSTRATIONS VALID PROOF OF INCOME (i.e., a recent tax form, W-2 form, two most recent pay stubs, a financial aid statement/document, or a document from an employer on company letterhead).

OPTION 1: DO YOU ALREADY RECEIVE ONE OF THE PROGRAMS LISTED BELOW?

- | | |
|--|---|
| <input type="checkbox"/> Minnesota Family Investment Program (MFIP)
<input type="checkbox"/> Child Care Assistance Program (CCAP)
<input type="checkbox"/> Food Support (SNAP)
<input type="checkbox"/> Free and Reduced-Price Lunch Program (FRLP) | <input type="checkbox"/> Child and Adult Care Food Program (CACFP) by family income
<input type="checkbox"/> Head Start
<input type="checkbox"/> Food Distribution Program on Indian Reservations
<input type="checkbox"/> Foster Care |
|--|---|

IF YOU CHECKED ANY BOXES ABOVE FOR OPTION 1 AND CAN PROVIDE DOCUMENTATION, THEN GO TO PAGE 5.

OPTION 2: IF YOU OPTED TO VALIDATE YOUR INCOME ELIGIBILITY, THEN COMPLETE SECTION BELOW:

Step A. List all children in your household. Total Children _____

Use this option ONLY if your children are NOT currently participating in one of the programs listed in OPTION 1 above.

List all sources of income in the tables below. Include all children and adults living in your household, even if they are not related; include yourself; include a household member who is temporarily away, such as a college student. Write in how often each income is received: weekly (W), biweekly (BW), twice per month (TM), monthly (M), or yearly (Y). **Do not write in an hourly wage.** If the income fluctuates, write in the amount normally received. For farm or self-employment income only, list net income (take-home pay).

First Name	Last Name	Age	Regular income received for this child (e.g., Social Security Income)
			\$ per
			\$ per
			\$ per

Step B. List all adults in your household, related or not. Total Adults _____

First Name	Last Name	√ if No Income	Gross Wages/Salaries (before deductions)	Pension, SSI, Retirement, Social Security	Public Assistance, Child Support, Alimony	Unemployment, Worker's Comp, Strike Benefits	Other Income, including net Farm/Self-Employment
			\$ per	\$ per	\$ per	\$ per	\$ per
			\$ per	\$ per	\$ per	\$ per	\$ per

First Name	Last Name	√ if No Income	Gross Wages/ Salaries (before deductions)	Pension, SSI, Retirement, Social Security	Public Assistance, Child Support, Alimony	Unemployment, Worker's Comp, Strike Benefits	Other Income, including net Farm/ Self-Employment
			\$ per	\$ per	\$ per	\$ per	\$ per

Step C. Proof of Income. Attach proof of all income for each household member listed in the table above. Acceptable proof of income includes a recent tax form, W-2 form, two most recent pay stubs, a financial aid statement, or a statement from an employer on company letterhead.

AGREEMENT AND CONSENT

AGREEMENT TO COMPLY WITH REQUIREMENTS

Please initial each item below to confirm that you have read and agree to the requirements.

All items must be initialed in order to qualify for an Early Learning Scholarship.

- _____ My three- to five-year-old must complete an Early Childhood or preschool screening within 90 calendar days of receiving or starting a program using a scholarship. I understand screening is not required for children younger than three years old, unless the child turns three while receiving the scholarship. ***How will you verify screening has taken place? (choose one of the two options below):***
- _____ Regional Administrator will contact the school district office to validate the screening location and date.
- _____ My child's screening was completed at: _____ (location) on _____ (date).
- _____ My child will remain eligible to receive a scholarship until he/she is age-eligible for kindergarten, as long as state funding is available. (No child may be awarded more than one scholarship in a 12-month period.)
- _____ I will notify the Regional Administrator when my child stops attending the program where we are using a scholarship and will comply with the required notification period per contract/agreement with the program.
- _____ I will notify the Regional Administrator if I move.
- _____ My child must be enrolled in a participating Parent Aware program within 10 months of being awarded an Early Learning Scholarship or scholarship will be canceled. Effective July 1, 2016, programs must have a rating of 3 or 4 stars to be eligible to receive scholarships.
- _____ If my Provider is no longer participating in Parent Aware, or does not receive a rating of 3 or 4 stars by July 1, 2016, I may not be able to continue to use the Early Learning Scholarship for that program. If this happens, the Regional Administrator can help me choose a new program.
- _____ The information on this application is true, and all household members' income is reported. I understand that if I purposely give false information, my child may lose the scholarship and I may need to reimburse the state for funds already paid.

REQUIRED CONSENT TO RELEASE INFORMATION

You **must** consent to all three of the following to participate in the scholarship program. Please **initial each one** to confirm that you have read and agree with each statement.

- _____ Regional Administrator may share my child/children's name, address, date of birth and gender, and my name and address as listed on the application, as well as any scholarship amount my child is deemed eligible for and the award date, with the Provider.
- _____ Regional Administrator may share my child/children's name, address, date of birth and gender, and my name and address as listed on the application with my local school district, for purposes of assigning my child a unique Statewide Student Identification (SSID) number to be used by the Regional Administrator and the Minnesota Department of Education (MDE) to identify my child and validate scholarship payments.
- _____ Regional Administrator may share information from this application with MDE including my name and address; demographic information; parent education; income information; my child's eligibility for and the amount of any Early Learning Scholarship; the program where I am using my scholarship; my child's SSID number; and whether or not I have complied with program requirements.

Note: I do not have to consent to this sharing of my information, but if I choose not to, I understand my child/children will not be able to participate in the Pathway I - Early Learning Scholarship Program. Information to be released does not include supporting documents attached to this application.

OPTIONAL CONSENT TO RELEASE INFORMATION AND PARTICIPATE IN AN EVALUATION

Please initial to confirm that you have read and agree to the following. ***This consent is optional and is not required to receive a scholarship.***

- _____ Regional Administrator or MDE may share information from my application, my child's eligibility for and amount of any Early Learning Scholarship, and the program where I use my scholarship, with MDE authorized program evaluators for purposes of analyzing how funds are spent, how families are informed about the program, and the program's impact on child development or school readiness, the quality of early learning programs where

scholarships are used, and other evaluations deemed relevant by MDE. No public report will include specific identifying information about any individual child.

TENNESSEN WARNING FROM THE MINNESOTA DEPARTMENT OF EDUCATION

What information are we requesting?

We are requesting all information on the Pathway I - Early Learning Scholarships program application, some of which may be considered private data under Minnesota law.

Why do we ask you for this information?

Information on this application is required to apply for the Pathway I - Early Learning Scholarships program. We will use the information collected here, and any additional related information, to determine eligibility for the program. This information is necessary to comply with the state law authorizing the program.

Am I required to provide this data?

There is no legal obligation for you to provide the data requested; however, without it, we cannot determine your child's eligibility and your child will not receive a scholarship.

Who else may see this information?

You need to consent to us sharing your information with the provider that you choose your resident school district, and the Minnesota Department of Education. If you provide your optional consent, a third-party entity will evaluate the effectiveness of the scholarship program for us. The evaluator is bound by Minnesota's data practices and privacy laws and must not share your data with anyone except MDE.

We may also give the data you've provided to the legislative auditor, the Minnesota Department of Human Services, and/or other agencies with the legal authority to access the information, or anyone authorized by a court order.

How else may this information be used?

We may use or release this information only as stated in this notice, unless you give us your written permission to release the information for another purpose or to another individual or entity. The information may be used for another purpose if the U.S. Congress or the Minnesota Legislature passes a law allowing or requiring it.

How long will my data be kept?

Your data will be kept for a minimum of seven years.

AGREEMENT AND CONSENT: SIGNATURE REQUIRED

By initialing one or more of the items in the Agreement and Consent section above, I agree to the program requirements and/or release of information, and agree that I have read and understand the above Tennessee Warning.

SIGNATURE OF PARENT, LEGAL GUARDIAN OR FOSTER CARE AGENCY REPRESENTATIVE:

DATE:

FIRST NAME (print):

LAST NAME (print):

FOSTER CARE AGENCY NAME (if applicable):

CHILD (RENS) RESIDENT SCHOOL DISTRICT (ONLY IF CHILD IS IN FOSTER CARE):

REGIONAL ADMINISTRATOR

Mail completed Pathway I scholarship application and REQUIRED documents (as indicated at the top of page 3) to:

EARLY LEARNING SCHOLARSHIP

AWARD FORM FOR **PATHWAY II** - EARLY LEARNING SCHOLARSHIP

CHILD INFORMATION (CHILDREN APPLYING FOR SCHOLARSHIP)

Complete tables below for all children applying for a scholarship who live at the same address. Make copies of this page to add more children. Siblings are children who share one or both parents through blood, marriage or adoption, including siblings as defined by the child's tribal code or custom. **Your children must be enrolled in a Pathway II - Early Learning Scholarship Program.**

CHILD ONE

*LEGAL FIRST NAME:	*LEGAL MIDDLE NAME ("N/A" if none):	*LEGAL LAST NAME:
*BIRTHDATE (MM/DD/YYYY):		*GENDER (Check one): <input type="checkbox"/> Male <input type="checkbox"/> Female
RACE (Optional – Check all that apply): <input type="checkbox"/> Asian <input type="checkbox"/> Pacific Islander or Native Hawaiian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Other		ETHNICITY (Check one): <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Not Hispanic / Latino
IS THIS CHILD CURRENTLY IN FOSTER CARE? <input type="checkbox"/> Yes <input type="checkbox"/> No		

CHILD TWO (Younger sibling must attend same program as a 3- or 4-year old sibling.)

*LEGAL FIRST NAME:	*LEGAL MIDDLE NAME ("N/A" if none):	*LEGAL LAST NAME:
*BIRTHDATE (MM/DD/YYYY):		*GENDER (Check one): <input type="checkbox"/> Male <input type="checkbox"/> Female
RACE (Optional – Check all that apply): <input type="checkbox"/> Asian <input type="checkbox"/> Pacific Islander or Native Hawaiian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Other		ETHNICITY (Check one): <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Not Hispanic / Latino
IS THIS CHILD CURRENTLY IN FOSTER CARE? <input type="checkbox"/> Yes <input type="checkbox"/> No		

CHILD THREE (Younger sibling must attend same program as a 3- or 4-year old sibling.)

*LEGAL FIRST NAME:	*LEGAL MIDDLE NAME ("N/A" if none):	*LEGAL LAST NAME:
*BIRTHDATE (MM/DD/YYYY):		*GENDER (Check one): <input type="checkbox"/> Male <input type="checkbox"/> Female
RACE (Optional – Check all that apply): <input type="checkbox"/> Asian <input type="checkbox"/> Pacific Islander or Native Hawaiian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> White <input type="checkbox"/> Black or African American <input type="checkbox"/> Other		ETHNICITY (Check one): <input type="checkbox"/> Hispanic / Latino <input type="checkbox"/> Not Hispanic / Latino
IS THIS CHILD CURRENTLY IN FOSTER CARE? <input type="checkbox"/> Yes <input type="checkbox"/> No		

PATHWAY II PROGRAM NAME WHERE MY CHILD/ CHILDREN WILL ATTEND:	PROGRAM PHONE NUMBER:
---	-----------------------

PARENT / LEGAL GUARDIAN INFORMATION

Complete the information on this page if you are the parent or legal guardian of the child applying for a Pathway II - Early Learning Scholarship. Note: If the child is in foster care, please list the name and address of the agency overseeing the foster care placement in the "Home Address" section below.

*LEGAL FIRST NAME:	MIDDLE INITIAL:	*LEGAL LAST NAME:
*RELATIONSHIP TO CHILD:		
<input type="checkbox"/> Mother <input type="checkbox"/> Father <input type="checkbox"/> Agency <input type="checkbox"/> Worker <input type="checkbox"/> Other:		
*HOME ADDRESS:	*CITY:	*ZIP CODE:
MAILING ADDRESS (if different from home address):	CITY:	ZIP CODE:
*DATE OF BIRTH (if under 21) (MM/DD/YYYY):	*COUNTY:	
*PHONE NUMBER:	OTHER PHONE NUMBER:	
EMAIL ADDRESS:		

RESIDENTIAL STATUS

Is your family currently residing in any of the following? Check any that apply.

- Shelter
 Doubling up temporarily with other family or friends due to economic hardship
 Car, outside, public space, hotel, or motel due to lack of accommodation

EDUCATION INFORMATION

What is the highest level of education you have completed? Check one:

- Less than high school
 High School or GED
 Some college, no degree
 College degree or more

EMPLOYMENT INFORMATION

What is your current employment status? Check one:

- Employed Full-Time (at least 25 hours/week)
 Employed Part-Time (less than 25 hours/week)
 Unemployed, seeking employment
 Unemployed, not seeking employment

ADDITIONAL INFORMATION

What language does your family speak most at home?

- English
 Spanish
 Somali
 Hmong
 Vietnamese
 Other:

Do you need an interpreter? Yes No

Is there another adult you want to list on this award form? (By listing this person, you give your consent for the Regional Administrator to contact this adult to discuss the information on this award form.)

FIRST NAME:	MIDDLE INITIAL:	LAST NAME:
PHONE NUMBER:		RELATIONSHIP TO YOU:

FAMILY INCOME INFORMATION

IMPORTANT - BEFORE YOU BEGIN THIS SECTION –

- If you indicate you are participating in one of the public program listed under “OPTION 1” - YOU MUST ATTACH TO THIS FORM THE REQUIRED DOCUMENTS THAT DEMONSTRATES PARTICPATION IN A PUBLICLY FUNDED PROGRAM (i.e. a copy of an official letter or authorization form from the public program).
- if you elect to validate your income eligibility by completing “OPTION 2” - YOU MUST ATTACH TO THIS FORM THE REQUIRED DOCUMENTS THAT DEMONSTRATIONS VALID PROOF OF INCOME (i.e., a recent tax form, W-2 form, two most recent pay stubs, a financial aid statement/document, or a document from an employer on company letterhead).

OPTION 1: DO YOU ALREADY RECEIVE ONE OF THE PROGRAMS LISTED BELOW?

- | | |
|--|---|
| <input type="checkbox"/> Minnesota Family Investment Program (MFIP) | <input type="checkbox"/> Child and Adult Care Food Program (CACFP) by family income |
| <input type="checkbox"/> Child Care Assistance Program (CCAP) | <input type="checkbox"/> Head Start |
| <input type="checkbox"/> Food Support (SNAP) | <input type="checkbox"/> Food Distribution Program on Indian Reservations |
| <input type="checkbox"/> Free and Reduced-Price Lunch Program (FRLP) | <input type="checkbox"/> Foster Care |

IF YOU CHECKED ANY BOXES ABOVE FOR OPTION 1 AND CAN PROVIDE DOCUMENTATION, THEN GO TO PAGE 5.

OPTION 2: IF YOU OPTED TO VALIDATE YOUR INCOME ELIGIBILITY, THEN COMPLETE SECTION BELOW.

Step A. List all children in your household. Total Children _____

Reminder: Use this option ONLY if your children are NOT currently participating in one of the programs listed in OPTION 1 above.

List all sources of income in the tables below. Include all children and adults living in your household, even if they are not related; include yourself; include a household member who is temporarily away, such as a college student. Write in how often each income is received: weekly (W), biweekly (BW), twice per month (TM), monthly (M), or yearly (Y). **Do not write in an hourly wage.** If the income fluctuates, write in the amount normally received. For farm or self-employment income only, list net income (take-home pay).

First Name	Last Name	Age	Regular income received for this child (e.g., Social Security Income)
			\$ per
			\$ per
			\$ per

Step B. List all adults in your household, related or not. Total Adults _____

First Name	Last Name	√ if No Income	Gross Wages/ Salaries (before deductions)	Pension, SSI, Retirement, Social Security	Public Assistance, Child Support, Alimony	Unemployment, Worker's Comp, Strike Benefits	Other Income, including net Farm/ Self-Employment
			\$ per	\$ per	\$ per	\$ per	\$ per

First Name	Last Name	√ if No Income	Gross Wages/ Salaries (before deductions)	Pension, SSI, Retirement, Social Security	Public Assistance, Child Support, Alimony	Unemployment, Worker's Comp, Strike Benefits	Other Income, including net Farm/ Self-Employment
			\$ per	\$ per	\$ per	\$ per	\$ per
			\$ per	\$ per	\$ per	\$ per	\$ per

Step C. Proof of Income. Attach proof of all income for each household member listed in the table above. Acceptable proof of income includes a recent tax form, W-2 form, two most recent pay stubs, a financial aid statement, or a statement from an employer on company letterhead.

AGREEMENT AND CONSENT

AGREEMENT TO COMPLY WITH REQUIREMENTS

Please initial each item below to confirm that you have read and agree to the requirements.

All items must be initialed in order to qualify for an Early Learning Scholarship.

- _____ My three- to five-year-old must complete an Early Childhood or preschool screening within 90 calendar days of receiving or starting a program using a scholarship. I understand screening is not required for children younger than three years old, unless the child turns three while receiving the scholarship. ***How will you verify screening has taken place? (choose one of the two options below):***
- _____ Regional Administrator will contact the school district office to validate the screening location and date.
- _____ My child's screening was completed at: _____ (location) on _____ (date).
- _____ My child will remain eligible to receive a scholarship until he/she is age-eligible for kindergarten, as long as state funding is available. (No child may be awarded more than one scholarship in a 12-month period.)
- _____ I will notify the Regional Administrator when my child stops attending the program where we are using a scholarship and will comply with the required notification period per contract/agreement with the program.
- _____ I will notify the Regional Administrator if I move.
- _____ My child must be enrolled in a participating Parent Aware program within 10 months of being awarded an Early Learning Scholarship or scholarship will be canceled. Effective July 1, 2016, programs must have a rating of 3 or 4 stars to be eligible to receive scholarships.
- _____ If my Provider is no longer participating in Parent Aware, or does not receive a rating of 3 or 4 stars by July 1, 2016, I may not be able to continue to use the Early Learning Scholarship for that program. If this happens, the Regional Administrator can help me choose a new program.
- _____ The information on this application is true, and all household members' income is reported. I understand that if I purposely give false information, my child may lose the scholarship and I may need to reimburse the state for funds already paid.

REQUIRED CONSENT TO RELEASE INFORMATION

You **must** consent to all three of the following to participate in the scholarship program. Please **initial each one** to confirm that you have read and agree with each statement.

- _____ Regional Administrator may share my child/children's name, address, date of birth and gender, and my name and address as listed on the application, as well as any scholarship amount my child is deemed eligible for and the award date, with the Provider.
- _____ Regional Administrator may share my child/children's name, address, date of birth and gender, and my name and address as listed on the application with my local school district, for purposes of assigning my child a unique Statewide Student Identification (SSID) number to be used by the Regional Administrator and the Minnesota Department of Education (MDE) to identify my child and validate scholarship payments.
- _____ Regional Administrator may share information from this application with MDE including my name and address; demographic information; parent education; income information; my child's eligibility for and the amount of any Early Learning Scholarship; the program where I am using my scholarship; my child's SSID number; and whether or not I have complied with program requirements.

Note: I do not have to consent to this sharing of my information, but if I choose not to, I understand my child/children will not be able to participate in the Pathway I - Early Learning Scholarship Program. Information to be released does not include supporting documents attached to this application.

OPTIONAL CONSENT TO RELEASE INFORMATION AND PARTICIPATE IN AN EVALUATION

Please initial to confirm that you have read and agree to the following. ***This consent is optional and is not required to receive a scholarship.***

- _____ Regional Administrator or MDE may share information from my application, my child's eligibility for and amount of any Early Learning Scholarship, and the program where I use my scholarship, with MDE authorized program evaluators for purposes of analyzing how funds are spent, how families are informed about the program, and the program's impact on child development or school readiness, the quality of early learning programs where

scholarships are used, and other evaluations deemed relevant by MDE. No public report will include specific identifying information about any individual child.

TENNESSEN WARNING FROM THE MINNESOTA DEPARTMENT OF EDUCATION

What information are we requesting?

We are requesting all information on the Pathway II - Early Learning Scholarships program application, some of which may be considered private data under Minnesota law.

Why do we ask you for this information?

Information on this application is required to apply for the Pathway II - Early Learning Scholarships program. We will use the information collected here, and any additional related information, to determine eligibility for the program. This information is necessary to comply with the state law authorizing the program.

Am I required to provide this data?

There is no legal obligation for you to provide the data requested; however, without it, we cannot determine your child's eligibility and your child will not receive a scholarship.

Who else may see this information?

You need to consent to us sharing your information with the provider that you choose your resident school district, and the Minnesota Department of Education. If you provide your optional consent, a third-party entity will evaluate the effectiveness of the scholarship program for us. The evaluator is bound by Minnesota's data practices and privacy laws and must not share your data with anyone except MDE.

We may also give the data you've provided to the legislative auditor, the Minnesota Department of Human Services, and/or other agencies with the legal authority to access the information, or anyone authorized by a court order.

How else may this information be used?

We may use or release this information only as stated in this notice, unless you give us your written permission to release the information for another purpose or to another individual or entity. The information may be used for another purpose if the U.S. Congress or the Minnesota Legislature passes a law allowing or requiring it.

How long will my data be kept?

Your data will be kept for a minimum of seven years.

AGREEMENT AND CONSENT: SIGNATURE REQUIRED

By initialing one or more of the items in the Agreement and Consent section above, I agree to the program requirements, to the release of information, and agree that I have read and understand the above Tennessee Warning.

SIGNATURE OF PARENT, LEGAL GUARDIAN OR FOSTER CARE AGENCY REPRESENTATIVE:

DATE:

FIRST NAME (print):

LAST NAME (print):

FOSTER CARE AGENCY NAME (if applicable):

(Pathway II Program Verification and Child's Award Start Date Information are on page 7)

I acknowledge that the required information on this Pathway II – Early Learning Scholarship Award Form and required income documentation have been reviewed and approved as true for the purpose of placement in an available Pathway II - Early Learning Scholarship slot within our program. I also acknowledge that we have discussed Early Learning Scholarships options and benefits with the parent(s)/family and that they have accepted a Pathway II scholarship from our program.

SIGNATURE OF PROGRAM REPRESENTATIVE:		DATE:
FIRST NAME (print):	LAST NAME (print):	
CHILD CARE / EARLY LEARNING PROGRAM NAME:	TITLE:	

CHILD OR CHILDREN’S LEGAL NAME	CHILD’S AWARD START DATE

***Please be sure the required income verification documents are on file to validate eligibility, see page 3).**

Appendix B: Regional Administrator Interview Questions

1. What is your role in administering the Early Learning Scholarship program?

Informing Families about scholarship

2. Do you use the materials provided by MDE for conducting outreach or have you created your own? Why or why not?
 - a. If using MDE materials- Are materials helpful in conducting outreach for the scholarship program?
3. What challenges do you find in developing an effective outreach plan?
4. What strategies have you used to reach culturally and linguistically diverse families and providers?
5. How do you ensure scholarships are distributed to all counties in your region?

Assist Families in Completing the Application

6. What percent of families need assistance completing their application? What percent of staff time does this take?
7. How do you let families know you are available to help?
8. Is there a part of the application that families are more likely to need assistance with?

Determining Eligibility

9. Describe your process for verifying eligibility?
10. Do you have the resources available to you to easily validate/verify program issues?
11. Have you encountered fraud in any applications? Do you have any procedures in place for handling fraud (birthdate, income, etc.)?
12. What is your process for creating waitlists and determining priority?

Finances

13. Approximately, how many scholarships have you awarded in Pathway I? Pathway II?
14. Did you spend all your FY2014 funds?
15. Currently what percent of your funds are awarded? What percent are expended?
16. To what extent have you been able to fully and accurately award the appropriate scholarship amounts to families?

Notification

17. Describe your notification process.
18. Are there any communication issues between you and the providers?
19. Are there communication issues between you and the families?

Program Selection Assistance

20. How informed, on average, are families about the eligible providers?
21. How much assistance do you provide families on average?

22. Do you use the Parent Aware Weekly Rating Program List? Is the list accurate and timely?

Coordinating with Programs

23. Describe your relationships with your providers by provider type (childcare, school districts, Head Start).
24. Have you run into any issues with providers not adhering to approved uses of scholarship funds? If so, what percentage of your time is spent on this?
25. Describe your process for verifying each provider has completed a Scholarship Program Participation Agreement Form?
26. How often do providers submit invoices (monthly, quarterly)?
27. Do you believe providers understand the payment/invoicing process?
28. Have you been able to make timely payments to providers?
- a. If no, what are your barriers?
 - b. If yes, what has helped you?
29. Have you encountered fraud in any of the provider claims? Do you have procedures in place for handling fraud?
30. Describe any additional scholarship policies you have in place, such as child attendance, split program costs, or guardianship of foster children?
31. Describe your process for verifying that each child completes a developmental screening?

General Questions

32. What are the main activities you spend your time on related to Early Learning Scholarships? What percentage of time do you spend on each activity?
- o Examples:
 - ___ Outreach
 - ___ Helping families complete their applications
 - ___ Verifying application information
 - ___ Notifying families of eligibility
 - ___ Assisting families in choosing a provider
 - ___ Coordinating with providers
 - ___ Dealing with issues of fraud
 - ___ Verifying each child has completed development screening
 - ___ Other?
33. What additional resources would be most useful to you in administering the program?
34. Does the 8 percent admin fee cover the cost of administering the program?
35. In terms of administration, and specific to each Pathway, what are the strengths of the Early Learning Scholarship program? What areas could use improvement? Suggestions for improvements?
36. What are the challenges in administering both Pathway I and Pathway II programs concurrently?
37. In your opinion, are the Early Learning Scholarships administered efficiently/effectively?
38. Regional administrators administer Pathway I scholarships for an entire Governor's Economic Development Region. Are these regions the right size for an administrator to handle or is a different size better?

Appendix C: Provider Survey

Thank you for taking the time to participate in this important survey!

The purpose of this survey is to gather information from childcare providers on the administration of the Early Learning Scholarship (scholarship) program. We're interested in better understanding the strengths of the program as well as learning where it can be improved. This survey is voluntary and will take about 10 minutes to complete. Please submit your completed survey by Wednesday, February 18 at 5:00 p.m.

Tips for using this survey:

- If you cannot complete the survey at one time, you can exit the survey and return to where you paused to finish.
- To reset your answers on a page, use the "Reset" button. To go back to a previous page, use the "Back" button.
- If you would prefer a text based version of the survey (for example, if you use a screen reader), click on the "text only" link on the center of the top of the screen.

Any information that you provide is considered private data under the Minnesota Data Practices Act (Minnesota Statutes §13.64). All survey responses will be kept on a secure server. All responses will be aggregated and no information will be reported that could identify an individual. If you have any technical problems with the survey, please contact Vince Vu at (651) 259-3813 or Vincent.Vu@state.mn.us.

Thank you for your time!

To begin the survey, click the "Next" button below.

This survey is being administered by Management Analysis & Development (MAD), a division within Minnesota Management & Budget that provides neutral, third-party consultation to public sector organizations. The Minnesota Department of Education (MDE) has retained MAD to conduct the survey and prepare a summary report for MDE.

1. Which of the following describes your role at your facility(ies) (check all that apply):

- Director
- Administrator
- Owner
- Teacher
- Administrative Support
- Other, Please specify:

2. Please indicate which scholarship type(s) families at your facility(ies) use:

- Pathway I
- Pathway II
- Both Pathway I and Pathway II

3. How many Pathway I sites do you oversee?

4. Approximately how many children currently attend your facility(ies) on a Pathway I Early Learning Scholarship?

- (select 1 through 25+)
- I don't know
- None

If more than 25, please specify the number of children at your facility(ies) on a Pathway I Early Learning Scholarship?

(Several questions in this survey refer to a "regional administrator." The regional administrator is the person who coordinates Early Learning Scholarships on behalf of the Minnesota Department of Education in each region of the state.)

Pathway I Provider Questions:

5. How common are the following ways families who receive Pathway I scholarships learn about the Early Learning Scholarship program?

Respondents chose from this list for each question 5 option:

- *Very Common*
- *Somewhat Common*
- *Neither Common nor Uncommon*
- *Somewhat Uncommon*
- *Very Uncommon*
- *I Don't Know*

- Your facility staff
- Print outreach materials from your regional administrator
- Print outreach materials from the Minnesota Department of Education
- Minnesota Department of Education regional administrator's website
- Word of mouth from other families
- Face-to-face contact with a regional administrator at an event such as parent/child expo, county fair, etc.
- Social or community services staff
- Other, please specify: ___

6. For Pathway I, please indicate your level of agreement with the following statements:

Respondents chose from this list for each question 6 option:

- *Strongly Agree*
- *Agree*
- *Neither Agree nor Disagree*
- *Disagree*
- *Strongly Disagree*
- *I Don't Know*
- *Not Applicable*

- The Early Learning Scholarship program and materials are easy to access and readily available for families and programs.
- Families are able to easily complete the Early Learning Scholarship application on their own.
- Eligible families receive Early Learning Scholarship funds when they apply for them.
- I receive timely technical assistance in a professional manner.
- I receive accurate technical assistance in a professional manner.
- My facility(ies) has a good relationship with our regional administrator
- Our regional administrator communicates well with us about issues related to the Early Learning Scholarship program.
- The invoice and payment process established by our regional administrator is clear to us.
- The payments we receive from our regional administrator are timely (made within 30 days).
- Administering the Early Learning Scholarship program in tandem with other assistance programs (e.g., CCAP) is straightforward.

7. Approximately what percentage of parents generally need your assistance in completing their applications for Pathway I scholarships?

- 75% - 100%
- 50% - 74%
- 25% - 49%
- 1% - 24%
- None
- I don't know

8. What sections of the application do they most often need assistance with? (Choose all that apply.)

- Applicant Information
- Income Verification
- Signatures
- Early Education/Childcare Program Choice
- Agreement and Consent
- Other, please specify:

9. What sections of the application do they most often need assistance with?
- Applicant Information
 - Income Verification
 - Signatures
 - Early Education/Childcare Program Choice
 - Agreement and Consent
 - Other, please specify:
10. Approximately what percentage of assistance needs to be referred to the regional administrator?
- 75% - 100%
 - 50% - 74%
 - 25% - 49%
 - 1% - 24%
 - None
 - I don't know
11. Estimate the percentage of your facility's/families with a Pathway I Early Learning Scholarship who were already attending your facility(ies) when they applied for the scholarship:
- 75% - 100%
 - 50% - 74%
 - 25% - 49%
 - Less than 25%
 - I don't know
12. In terms of the administration of the Early Learning Scholarship program Pathway I scholarships, what is working well?
13. In terms of the administration of the Early Learning Scholarship program Pathway I scholarships, what needs improvement?

Pathway II Provider Questions:

14. How many Pathway I sites do you oversee? __
15. Approximately how many children currently attend your facility(ies) on a Pathway II Early Learning Scholarship?
- (select 1 through 25+)
 - I don't know
 - None

If more than 25, please specify the number of children at your facility(ies) on a Pathway I Early Learning Scholarship?

16. To the best of your knowledge, how common are the following ways that families receiving Pathway II scholarships learn about the Early Learning Scholarship program:

Respondents chose from this list for each question 5 option:

- *Very Common*
- *Somewhat Common*
- *Neither Common nor Uncommon*
- *Somewhat Uncommon*
- *Very Uncommon*
- *I Don't Know*

- Your facility staff
- Print outreach materials from your regional administrator
- Print outreach materials from the Minnesota Department of Education
- Minnesota Department of Education regional administrator's website
- Word of mouth from other families
- Face-to-face contact with a regional administrator at an event such as parent/child expo, county fair, etc.
- Social or community services staff
- Other
- Please specify:

17. For Pathway II, please indicate your level of agreement with the following statements:

Respondents chose from this list for each question 6 option:

- *Strongly Agree*
- *Agree*
- *Neither Agree nor Disagree*
- *Disagree*
- *Strongly Disagree*
- *I Don't Know*
- *Not Applicable*

- The Early Learning Scholarship program and materials are easy to access and readily available for families and programs.
- Families are able to easily complete the Early Learning Scholarship application on their own.
- I receive timely technical assistance in a professional manner.
- I receive accurate technical assistance in a professional manner.
- My facility(ies) has a good relationship with our regional administrator.
- Our regional administrator communicates well with us about issues related to the Early Learning Scholarship program.
- The invoice and payment process established by our regional administrator is clear to us.
- The payments we receive from our regional administrator are timely (made within 30 days).

- Administering the Early Learning Scholarship program in tandem with other assistance programs (e.g., CCAP) is straightforward.
- When submitting Pathway II applications to our regional administrator, we get timely confirmation on applicant eligibility.
- Pathway II dollars help our facility(ies) provide expanded and/or improved services to children.

18. Approximately what percentage of parents need your assistance in completing their applications for Pathway II scholarships?

- 75% - 100%
- 50% - 74%
- 25% - 49%
- 1% - 24%
- None
- I don't know

19. What sections of the application do they most often need assistance with?

- Applicant Information
- Income Verification
- Signatures
- Early Education/Childcare Program Choice
- Agreement and Consent
- Other, please specify:

20. Approximately what percentage of assistance needs to be referred to the regional administrator?

- 75% - 100%
- 50% - 74%
- 25% - 49%
- 1% - 24%
- None
- I don't know

21. Estimate the percentage of your facility's/facilities' families with a Pathway II Early Learning Scholarship who were already attending your facility(ies) when they applied for the scholarship:

- 75% - 100%
- 50% - 74%
- 25% - 49%
- Less than 25%
- I don't know

22. Approximately what percentage of your Pathway II scholarship dollars fund the following eligible uses at your facility(ies)?

Program Expansion:

- 75% - 100%
- 50 - 74%
- 25% - 49%
- 1% - 24%
- None
- I don't know

Program Enhancement

- 75% - 100%
- 50 - 74%
- 25% - 49%
- 1% - 24%
- None
- I don't know

23. *If respondent selects program enhancement:* Are any Pathway II scholarship dollars spent on the following eligible uses for program enhancement?

- a. Offering comprehensive services that are responsive to children's needs to improve learning outcomes focused on opportunities for family engagement and parenting education
 - Yes
 - No
 - I don't know
- b. Incorporating compensatory instructional services to accelerate literacy and language development
 - Yes
 - No
 - I don't know
- c. Coordination of transition to kindergarten and the early grades with the local school
 - Yes
 - No
 - I don't know
- d. Other, please specify:

24. If you have questions or issues that arise related to Pathway II scholarships, who do you contact first?

- MDE staff

- Your regional administrator
- I don't know
- Other, please specify:

25. Please describe your process for assisting families in completing Pathway II applications.

26. In terms of the administration of the Early Learning Scholarship program Pathway II scholarships, what is working well?

27. What is your Parent Aware rating?

- One
- Two
- Three
- Four
- I don't know

28. Are you pursuing a higher rating?

- Yes
- No
- I don't know

29. Were you a Parent Aware rated program before participating in the Early Learning Scholarship program?

- Yes
- No
- I don't know

30. If did not participate in Parent Aware before scholarship, did you pursue a Parent Aware rating in order to participate in the Early Learning Scholarship program?

- Yes
- No
- I don't know

31. Are you aware that on July 1st, 2016, only programs with active ratings of 3 or 4 will be eligible to receive Early Learning Scholarships?

- Yes
- No

32. How often do you communicate with families regarding information about their scholarship (e.g., the amount spent, programmatic changes that might affect their scholarship, how far the scholarship is projected to last)?

- Weekly
- Monthly

- Quarterly
- When asked
- Never
- Other, Please specify:
- I don't know

33. What percentage of children who receive Early Learning Scholarships at your facility(ies) combine the scholarship with other subsidies (e.g., CCAP) to pay for the cost of your program?
- 75% - 100%
 - 50% - 74%
 - 25% - 49%
 - Less than 25%
 - I don't know

34. What percent of families request materials in a language other than English?
- 75% - 100%
 - 50% - 74%
 - 25% - 49%
 - 1% - 24%
 - None
 - I don't know

If language request > 1%: Which languages? _____

35. Approximately how many children would not be able to attend your facility(ies) without some form of assistance, such as the Early Learning Scholarship or CCAP?
- All
 - Most
 - Some
 - Few
 - None
 - I don't know

36. Are there any other comments you would like to include about the administration of the Early Learning Scholarship program?

You have completed the survey! Thank you!

Please click on the "submit" button below to submit your survey.

Appendix D: Parent Survey

Pathway I Parent Survey:

1. Before getting this survey, did you know that your child was receiving an Early Learning Scholarship?
 - Yes
 - No

2. How did you learn about the Early Learning Scholarships? (Select all that apply)
 - From my early childhood provider
 - From my local administrator
 - At an event (for example, a county fair)
 - From another parent
 - I don't know
 - N/A

3. If you learned about the Early Learning Scholarships from someone else, who?

4. Did you know that there is a local administrator who can help you with your Early Learning Scholarship, including filling out the application or choosing an early childhood provider?
 - Yes
 - No

5. Did you complete the Early Learning Scholarship application?
 - Yes, without any help.
 - Yes, with help from my early childhood provider.
 - Yes, with help from my local administrator
 - Yes, with help from someone else
 - No, I did not complete the application
 - I don't know

6. If someone else helped you with your application, who was it?
 - Was the application easy or hard to fill out?
 - Very easy
 - Somewhat easy
 - Neither easy nor hard
 - Somewhat hard
 - Very hard
 - I didn't fill it out
 - I don't know

7. If it was hard to fill out the application, why?

8. Is your child going to the program that you wanted when you applied for the scholarship?
 - Yes
 - No
9. If your child is attending a program different from the one you wanted, why?
10. How long did it take you to find an eligible early childhood provider?
 - Less than 1 month
 - 1-2 months
 - 3-4 months
 - 4-6 months
 - More than 6 months
 - I was already in a program
 - I don't know
11. How often does your provider update you on the balance of your child's scholarship?
 - Weekly
 - Monthly
 - Quarterly
 - When I ask for an update
 - Never
 - I don't know
 - Other, please specify:
12. Is there anything else you would like us to know about how the Early Learning Scholarship program is run?

Thank you for taking the survey!

Pathway II Parent Survey:

1. Before getting this survey, did you know that your child was receiving an Early Learning Scholarship?
 - Yes
 - No
2. How did you learn about the Early Learning Scholarships? (Select all that apply)
 - From my early childhood provider
 - At an event (for example, a county fair)
 - From another parent
 - I don't know
 - N/A
3. If you learned about the Early Learning Scholarships from somewhere else, where?

4. Did you complete the Early Learning Scholarship application?
 - Yes, without any help.
 - Yes, with help from my early childhood provider.
 - Yes, with help from someone else
 - No, I did not complete the application
 - I don't know
5. If someone else helped you with your application, who was it?
6. Was the application easy or hard to fill out?
 - Very easy
 - Somewhat easy
 - Neither easy nor hard
 - Somewhat hard
 - Very hard
 - I didn't fill it out
 - I don't know
7. If it was hard, why?
8. Is your child going to the program that you wanted when you applied for the scholarship?
 - Yes
 - No
9. If your child is attending a program different from the one you wanted, why?
10. How often does your provider update you on the balance of your child's scholarship?
 - Weekly
 - Monthly
 - Quarterly
 - When I ask for an update
 - Never
 - I don't know
 - Other, please specify:
11. As far as you know, which of the following activities is your child's Early Learning Scholarship funding? (Select all that apply)
 - Tuition/parent's fees
 - Better services
 - More activities
 - Other, please specify:
 - I don't know
12. Is there anything else you would like us to know about how the Early Learning Scholarship program is run?

Thank you for taking the survey!

Appendix E: Stakeholder Interview Questions

Provider Questions:

1. How do families generally learn about the Early Learning Scholarship?
2. Do they generally need assistance completing the application?
 - a. If they need assistance, who helps them complete their application?
 - b. What sections are the most problematic?
3. What interaction do you have with your regional administrator?
 - a. How is the communication?
 - b. Are invoices paid on time?
 - c. Is the invoice process clear to you?
 - d. Do you receive technical assistance when you need it?
4. Have you had any issues specific to the administration of Pathway 1 scholarships? Pathway 2? Are there any particularly problematic components to Pathway 2?
5. How is the administration working when the Early Learning Scholarship is combined with another subsidy?
6. How is income eligibility determined?
7. Overall what is working well with the administration of the scholarship? What are areas of the administration of the scholarship that could be improved?

Association Questions:

1. How does the administration of the scholarships impact the programs/providers you represent?
2. Do you hear from your members about aspects of the program that are working well in terms of administration? Not working well? Suggested changes?
3. How do your members feel about being Parent Aware rated?
 - a. Are there barriers they see to getting rated?
 - b. Has the Early Learning Scholarship been an incentive for your members to get a Parent Aware rating?
4. How do families generally learn about the Early Learning Scholarship?
5. Do they generally need assistance completing the application?
 - a. If they need assistance, who helps them complete their application?
 - b. What sections are the most problematic?
6. What interaction do you or the providers you represent have with your regional administrator?
 - a. How is the communication?
 - b. Are invoices paid on time?
 - c. Is the invoice process clear to you?
 - d. Do you receive technical assistance when you need it?
7. Have you had any issues specific to the administration of Pathway 1 scholarships?
8. Do you have any suggestions for making Pathway 2 scholarships more accessible to family childcare?

9. How is the administration working when the Early Learning Scholarship is combined with another subsidy?

Childcare Aware:

1. How has the administration of the Early Learning Scholarship impacted Childcare Aware?
2. What interaction does Childcare Aware have with regional administrators?

DHS Questions:

1. What are your impressions of how the Early Learning Scholarship is being administered?
Specific to each Pathway?
 - a. What is working well?
 - b. What areas need improvement?
2. How well is the administration of the scholarship working with Parent Aware and CCAP?

MDE Questions:

1. In terms of what you hear from the field:
 - a. What are your impressions of how the Early Learning Scholarship is being administered? Specific to each Pathway?
 - b. What is working well?
 - c. What areas need improvement?
2. In terms of internal MDE administration of the scholarship:
 - a. What are your impressions of how the Early Learning Scholarship is being administered? Specific to each Pathway?
 - b. What is working well?
 - c. What areas need improvement?

MN Initiative Foundations:

1. How do families generally learn about the Early Learning Scholarship?
2. Do they generally need assistance completing the application?
 - a. If they need assistance, who helps them complete their application?
 - b. What sections are the most problematic?
3. From what you hear from providers in your area, are you aware of any issues specific to the administration of Pathway I scholarships? Pathway 2?
4. How have the regional administrators been interacting with your families and communities?
5. What outreach is working/ not working?
6. What are your thoughts on why there are some counties without waitlists?

Early Learning Scholarships Program Evaluation Report

Appendix C:
Minnesota State Early Learning Scholarships:
Evaluation Report on Child Outcomes

SRI Education

2015



Minnesota State Early Learning Scholarships: Evaluation Report on Child Outcomes

October 2015

SRI Project No. 22902

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Executive Summary

Minnesota’s Early Learning Scholarships Program was established in 2013 with the passage of Minnesota legislative statute, section 124D.165 (Appendix A). The stated purpose of the Scholarships is to increase access to high-quality early childhood programs for 3- to 5-year-old children from low-income families. Similar to Minnesota Early Learning Foundation Scholarships and the state-funded PreK Allowances, piloted in 2008–2012, and Race to the Top-Early Learning Challenge Scholarships, awarded during 2012–2016, Scholarships are awarded to high-need families to enable children to attend quality early learning and development (ELD) programs with the goal of improving their school readiness.

Scholarships are distributed through two modalities, Pathway I and Pathway II, and are tied to the state’s Parent Aware Quality Rating and Improvement System. To qualify for a Scholarship, families must reside in Minnesota and have an income that is equal to or less than 185% of the federal poverty level in the current calendar year or be able to document their participation in another eligible public assistance program. Children must be 3 or 4 years old on September 1 of the current school year and not yet have started kindergarten.

The Scholarship funding statute requires that the program be subject to an independent evaluation that includes “recommendations regarding the appropriate scholarship amount, efficiency, and effectiveness of the administration, and impact on kindergarten readiness” (Appendix A). This report addresses the Scholarship impacts on kindergarten readiness through analyses designed to answer the following questions:

1. How did Scholarship recipients’ outcomes at the completion of the preschool year compare with outcomes for a similar group of children who attended ELD programs rated 1 or 2 stars on the Parent Aware rating system, once child background characteristics and beginning of preschool baseline assessment scores were accounted for?
2. What were the school readiness outcomes at the completion of the preschool year for children who received Minnesota Early Learning Scholarships to attend ELD programs rated 3 or 4 stars on the Parent Aware Quality Rating and Improvement System?

This report also addresses a secondary question about whether children’s outcomes were different depending on the Pathway type used to receive the Scholarship.

To answer the research questions, the evaluation team implemented a quasi-experimental pre-post design using a sample of 4-year-olds receiving Scholarships to attend 3- and 4-star-rated ELD programs and a comparison group of children attending 1- or 2-star-

rated programs. This comparison allowed the evaluation team to test one of the tenets of the Scholarship model: children attending highly rated (3- and 4-star Parent Aware rated) programs will attain better school readiness outcomes than children who attend lower rated (1- and 2-star Parent Aware rated) ELD programs. The comparison sample was drawn from children participating in the Parent Aware Validation Study concurrently conducted by Child Trends as part of the evaluation of Minnesota's Race to the Top Early Learning Challenge grant. The final analytic sample was 264 Scholarship and 154 comparison children.

To compare the outcomes of the two groups of children, we conducted weighted regression analyses for a battery of child assessments. The battery consisted of direct assessments and teacher-report assessments that cover a range of school readiness domains including: (1) early language and literacy, (2) early numeracy and math, (3) social and emotional competence, and (4) approaches to learning, including executive functioning. Our overall approach to data analysis included multiple imputation of missing demographic characteristics and pretest scores, and propensity score weighting to produce accurate estimates of the effects of attending a 3- or 4-star-rated ELD program. The results of these analyses showed that children receiving Scholarships to attend 3- and 4-star programs had significantly better outcomes on two components of early literacy skills, print knowledge and phonological awareness, compared with children attending 1- and 2-star Parent Aware rated programs. They also had significantly higher teacher-rated anxiety. On all other school readiness measures (i.e., early math, social competence, and approaches to learning), the two groups of children did not differ. Additional secondary analyses examined the within-group changes in mean scores between fall and spring for each of the two groups of children separately. These analyses test whether the average scores were better in the spring compared to fall. These analyses do not take into account the demographic characteristics or the pretest scores of the children. The results showed that for the Scholarship group, spring scores were significantly better than fall scores on six of the nine measures. For the comparison group, spring scores were significantly better than fall scores for three of the nine measures.

Limitations of the findings also are discussed.

Introduction

Minnesota's Early Learning Scholarships Program

Minnesota's Early Learning Scholarships Program was established in 2013 with the passage of Minnesota legislative statute, section 124D.165 (Appendix A). The stated purpose of the Scholarships is to increase access to high-quality early childhood programs for 3- to 5-year-old children from low-income families. Similar to Minnesota Early Learning Foundation Scholarships and the state-funded PreK Allowances, piloted in 2008–2012, and Race to the Top-Early Learning Challenge Scholarships, awarded during 2012–2016, Scholarships are awarded to high-need families to enable children to attend quality early learning and development (ELD) programs with the goal of improving their school readiness.

Scholarships are distributed through two modalities, Pathway I and Pathway II, and are tied to the state's Parent Aware Quality Rating and Improvement System.¹

1. Pathway I Scholarships are awarded to qualifying families for up to 12 months, and they follow the child in that they are paid directly to whichever ELD program the family chooses, as long as the program participates in the Parent Aware rating system.² These can include school-based prekindergarten programs, Head Start, and other center-based or family child care (FCC) programs.
2. Pathway II Scholarships are awarded to qualifying families through eligible 4-star Parent Aware-rated programs that have applied for funding. These can include school-based prekindergarten programs, Head Start, and other center-based or family child care programs.³

To qualify for a Scholarship, families must reside in Minnesota and have an income that is equal to or less than 185% of the federal poverty level in the current calendar year or be able to document their participation in another eligible public assistance program. Children must be 3 or 4 years old on September 1 of the current school year and not yet have started kindergarten. The funding statute also has eligibility provisions for children under 3 years old who are attending the same ELD program as an older sibling already receiving a Scholarship or whose parent is under age 21 and is pursuing a high school or general education equivalency diploma.

¹ ELD programs are rated on a scale of 1 to 4 stars, with 4 stars representing the highest ELD program quality.

² Beginning July 1, 2016, this criterion will change in that Scholarships can be used to attend only programs rated 3 or 4 stars.

³ Although all 4-star programs are eligible to apply, our data showed that the majority of programs awarding Pathway II Scholarships were school-based and Head Start programs (69% combined).

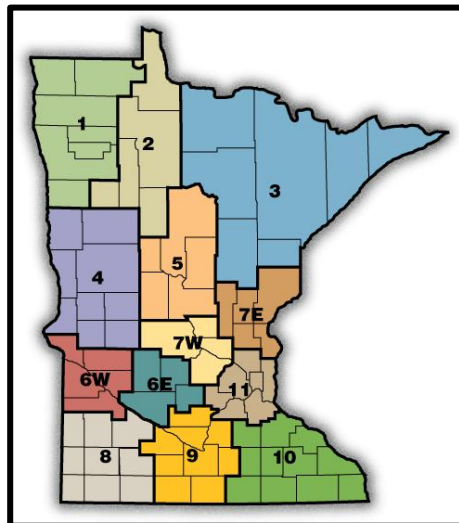
Scholarships are paid to ELD programs in amounts tiered by Parent Aware star rating. They had been capped at \$5,000 per qualifying child for fiscal years 2014 and 2015; for fiscal year 2016 (beginning July 1, 2015), the maximum amount was raised to \$7,500 per Scholarship for 4-star rated programs. Any program accepting Scholarships must use the revenue to supplement and not supplant federal funding (Appendix A).

Priority for Scholarships is based on family income, geographic location, and whether a child's family is on a waiting list for a publicly funded program providing early education or child care services. Once awarded a Scholarship, children can continue to receive funding each year until they are eligible for kindergarten. The terms of the Scholarship also mandate that recipients complete developmental screening within 90 days of first attending an eligible ELD program (Appendix A; Minnesota Department of Education, n.d.).

Because of a budget surplus, Minnesota was able to increase its investment in Scholarships for fiscal year 2016 to almost twice the amount of the previous year, with \$48 million allocated (Lieberman & Bornfreund, 2015). The Minnesota Department of Education estimates that 5,700 Scholarships per year will be awarded throughout the state, representing about 11% of the eligible children in Minnesota (Minnesota Department of Education, n.d.).

Scholarships are administered through the state's 13 Economic Development Regions (Exhibit 1).

Exhibit 1. Minnesota's Economic Development Regions



Evaluation Questions

The Scholarship funding statute requires that the program be subject to an independent evaluation that includes “recommendations regarding the appropriate scholarship amount, efficiency, and effectiveness of the administration, and impact on kindergarten readiness” (Appendix A). This report addresses the Scholarship impacts on kindergarten readiness through analyses designed to answer the following questions:

1. How did Scholarship recipients’ outcomes at the end of the preschool year compare with outcomes for a similar group of children who attended ELD programs rated 1 or 2 stars on the Parent Aware rating system, once child background characteristics and beginning of preschool baseline assessment scores were accounted for?
2. What were the school readiness outcomes at the end of preschool for children who received Minnesota Early Learning Scholarships to attend ELD programs rated 3 or 4 stars on the Parent Aware Quality Rating and Improvement System?

The report also addresses a secondary question about whether the outcomes were different depending on the Pathway type used to receive the Scholarship (described below).

Methods

To answer the research questions, the evaluation team implemented a quasi-experimental pre-post design using a sample of 4-year-olds receiving Scholarships to attend 3- and 4-star-rated ELD programs and a comparison group of children attending 1- or 2-star-rated programs. This comparison allowed the evaluation team to test the hypothesis: children attending highly rated (3- and 4-star Parent Aware rated) programs will attain better school readiness outcomes than children who attend lower rated (1- and 2-star Parent Aware rated) ELD programs. The comparison sample was drawn from children participating in the Parent Aware Validation Study concurrently conducted by Child Trends as part of the evaluation of Minnesota’s Race to the Top Early Learning Challenge grant.

Sampling

Early Learning Scholarship Sample

Recruitment of Scholarship recipients for this evaluation began in the summer of 2014. The research team worked closely with Scholarship regional administrators throughout Minnesota to identify children receiving the Scholarship who met two eligibility criteria: (1) the children were 4 years old and would be starting kindergarten in fall 2015, and (2) the parents had consented to participate in the evaluation when completing the Pathway I or Pathway II application (see a copy of the application form in Appendix B).

Regional administrators were asked to share the following information on evaluation-eligible children: (1) child name, (2) parent name, (3) family contact information, (4) child date of birth, (5) child gender, (6) ELD program type, and (7) Scholarship Pathway type.

The evaluation team received information for 5,148 children from the 13 regions. This represented the universe of children who had ever received Scholarships and whose parents had consented to share information with the evaluation. The evaluation team then excluded children who were no longer receiving the Scholarship and those who were not age-eligible⁴ because we wanted to assess only children who were in their final year of preschool and would continue on to kindergarten in fall 2015. That group consisted of 2,100 children. The number of 4-year-old children and percentages by region and Pathway are shown in Exhibit 2.

Exhibit 2. Number and percentages of Scholarship recipients, by Pathway type and region

Region	Total Percent	Total Number	Pathway I Percent	Pathway I Number	Pathway II Percent	Pathway II Number
1	2	45	60	27	40	18
2	1	22	27	6	73	16
3	4	77	60	46	40	31
4	5	112	47	53	53	59
5	3	70	46	32	54	38
6-E	2	36	100	36	0	0
6-W	1	12	100	12	0	0
7-E	5	105	35	37	65	68
7-W	2	38	100	38	0	0
8	4	82	50	41	50	41
9	9	181	31	56	69	125
10	12	259	37	95	63	164
11	51	1,061	35	372	65	689
Total	100%	2,100	41%	851	59%	1,249

To accurately represent all eligible scholarship participants, the research team then used a two-stage cluster sampling design to select the sample of children to participate in the child assessments. We first randomly sampled programs that the children attended, stratified by region and Pathway within region, using the proportions of the age-eligible children from Exhibit 2. Then children within programs were randomly selected, with a maximum of six

⁴ Selected children were at least 4.0 years old and less than 5.2 years old on September 1, 2014.

per Pathway type in Region 11 and a maximum of four in all other regions.⁵ Using this strategy, we selected an initial sample of 277 children attending 112 programs, with the goal of assessing 250 children.

The evaluation team anticipated that some of the Scholarship children may have moved since receiving the Scholarship and/or would not be available to participate in the assessments when the assessors scheduled the visits to their programs. In anticipation of needing additional children to act as substitutes for those unavailable children from the initial sample, the evaluation team developed a ranked list of additional children from each of the participating programs who could be assessed (all the remaining 269 4-year-old children who were attending the participating programs). As assessments proceeded, more replacement children from specific regions were needed (e.g., for programs with only one or a few children, those specific children may not have been available for the assessments), so the research team contacted the Scholarship administrators to request an additional sample of children from those regions and Pathway types.⁶ Scholarship administrators identified an additional 174 new Scholarship recipients who were added to the replacement list. Thus, the pool from which the final sample of participants was drawn consisted of 720 children throughout the state.

Researchers mailed a letter to the ELD programs serving the children in the sample informing them about the data collection activities and the purpose of the evaluation because assessments were to take place on the program premises. Researchers also mailed a letter to all the families of children in the sample, both priority and replacement groups, informing them that the children had been randomly selected to participate in an evaluation of the Scholarships but that the family could opt out at any time. Ten families chose to opt out of the evaluation.

Exhibit 3 shows the composition of the initial sample by region and Pathway type, and the composition of the final sample that was assessed. Assessment targets were met in all regions except 5 and 6-W. A total of 282 children were in the sample that was assessed.

⁵ This was done to reduce the number of programs that assessors needed to travel to in Region 11 (the Minneapolis-Saint Paul metropolitan area) because that was where a large percentage of the sample resided and there was less need to represent a greater number of ELD programs.

⁶ As the assessment process proceeded, children from the initial sample were at times replaced for reasons including: child no longer attended the program; child no longer received a Scholarship; child was attending kindergarten; child was absent on the day of scheduled assessment; parent or program declined to participate; program no longer was in session; or program not open during the full fall-to-spring assessment window.

Exhibit 3. Numbers of ELD programs and children sampled for participation in child assessments

Region	Original Sample Programs	Original Sample Pathway I	Original Sample Pathway II	Final Sample Programs	Final Sample Pathway I	Final Sample Pathway II
1	3	4	2	4	4	2
2	2	1	2	3	1	2
3	5	6	4	6	6	4
4	7	7	8	9	7	8
5	5	4	5	5	3	6
6-E	3	5	0	6	5	0
6-W	2	2	0	0	0	0
7-E	6	5	9	6	5	9
7-W	2	5	0	2	5	0
8	5	6	5	5	6	5
9	11	7	17	11	7	17
10	12	12	22	15	14	24
11	49	49	90	56	50	92
Total	112	113	164	128	113	169
Combined total			277			282

Comparison Group Sample

In an effort to maximize resources and reduce evaluation burden, the comparison group for this study consisted of children assessed as part of the Parent Aware Validation Study. Recruitment of these children occurred in three waves between fall 2012 and fall 2014. The first cohort was recruited from programs undergoing the full rating process,⁷ but as that proved too burdensome for the programs, the subsequent two cohorts were recruited from programs that had already received a Parent Aware rating.

Researchers contacted approximately 590 fully rated programs to request their participation in the Parent Aware Validation Study. Child care center classrooms serving 4-year-old children in their last year before kindergarten were selected to participate in the child assessment component of the evaluation activities. Family child care (FCC) providers were asked to participate in the child assessments if they served any 4-year-old children.

⁷ The full rating process is the one by which nonaccredited center-based and nonaccredited family child care homes can receive a rating. This process takes 6–12 months on average. This is in contrast to the Accelerated Pathway to Rating, the process by which accredited child care centers, accredited family child care homes, Head Start, Early Head Start, Early Childhood Special Education programs, and school-based school readiness programs can become rated. The accelerated Pathway takes 6–8 weeks on average (Lieberman & Bornfreund, 2015).

Providers were asked to distribute consent forms to families of all 4-year-old children in the classroom or program. Up to six children per child care center classroom and up to two children per FCC with returned consent forms were then assessed. In a handful of cases where an excess of consent forms were returned, up to two additional children were assessed to account for possible attrition in the sample from fall to spring. In these cases, researchers also prioritized assessing children whose families were receiving a child care subsidy.

Among the 1,181 total children assessed as part of the Parent Aware Validation Study, 159 children who attended 1- or 2-star fully rated ELD programs were used as the comparison group for this Scholarship evaluation. This included 95 children from 26 1- and 2-star Parent Aware rated child care centers and 64 children from 31 1- and 2-star Parent Aware rated FCCs.

Data Collection Procedures

Children were recruited to participate in an assessment at their Parent Aware-Rated program led by a trained assessor. The child assessments took place in the fall and again in the spring at the ELD programs. Assessments may have occurred in the classroom, the hallway, or an empty office or at the kitchen table at FCCs. Assessors were trained to ask whether the assessment could take place in a location as free of distractions as possible. When assessments took place in the classroom, assessors were trained to face the instruction/play area, thereby reducing distractions for the child. The direct assessment lasted about 25–30 minutes in the fall and about 35–40 minutes in the spring.

The order of the assessment battery was identical for each child, and it always began with the preLAS Language Proficiency Assessment™ as an English language proficiency screener to determine whether the child could be assessed in English (Duncan & Avila, 1998). Assessors administered the preLAS subtest called Art Show, which is a measure of expressive language. A child who passed Art Show proceeded with the full assessment battery in English. If a child did not pass Art Show, the assessor administered a second preLAS subtest called Simon Says, which is a measure of receptive language. If the child passed Simon Says, the assessor proceeded to administer the full child assessment battery in English. If the child did not pass Simon Says, the assessor administered an abbreviated battery consisting of the Individual Growth and Development Indicators (IGDI) and a body mass index (BMI) measurement. Children received a book after each direct assessment (fall and spring).

In addition to the direct assessments, the child's primary teacher/provider was asked to complete a series of questions about the children's social-emotional development. These checklists took about 3–5 minutes to complete for each child. Teachers and providers were given a \$5 gift card for each checklist they completed. Exhibit 4 presents descriptions of all the measures.

Child Assessment Measures

The assessment battery consisted of direct child assessment and teacher-report assessments to cover all domains of school readiness (see Exhibit 4). Taken together, the battery measured the following constructs: (1) early language and literacy, (2) early numeracy and math, (3) social and emotional competence, and (4) approaches to learning, including executive functioning. The battery of measures provided a picture of the group's school readiness that could be used to demonstrate group gains during the preschool year. The battery of direct assessments comprised

- preLAS (English language screener) – Art Show, Simon Says. The preLAS was used as a screener for English language ability.
- Early Literacy Individual Growth and Development Indicators (EL-IGDIs) – Picture Naming. This task measures how many pictures a child can name in a minute and is typically used as a screening tool to identify and refer children to supportive services.
- Test of Preschool Early Literacy (TOPEL) – Phonological Awareness and Print Knowledge.⁸ Early literacy was measured by the TOPEL (Lonigan, Wagner, Torgesen, & Rashotte, 2007) a standardized measure with a mean score of 100 and a standard deviation of 15. Two subtests were administered: Phonological Awareness (breaking up words by sounds) and Print Knowledge (naming letters and sounds).
- Woodcock-Johnson III – Applied Problems.⁹ Numeracy and math skills were measured by the WJ III (Woodcock, McGrew, & Mather, 2001). Applied Problems measures mathematics problem solving including simple counting, addition, and subtraction. The WJ III is a standardized measure with a mean score of 100 and a standard deviation of 15.
- Peg tapping test of executive functioning. Peg tapping was included on the advice of assessment experts because executive functioning (e.g., self-regulation, inhibitory control, working memory) is related to academic achievement. As children's executive functioning develops over time, they respond more quickly and accurately to the examiner's prompts during assessment. Raw scores range from 0 to 16, and mean scores rise as children mature. For example, the mean raw score for a representative sample of 4 year olds was 4.75 while the mean for 4.5 year olds was 6.02 (Meador, Turner, Lipsey, & Farran, 2013).

Two teacher-report measures also were used to provide assessments of children's social-emotional competence and approaches to learning (attention/ persistence):

⁸ The TOPEL scores are converted into standard scores, which are norm-referenced scores.

⁹ The WJ Applied Problems scores are converted into standard scores, which are norm-referenced scores.

- Social Competence and Behavior Evaluation (SCBE-30). A teacher report checklist measure consisting of 30 questions that provides an assessment of preschool emotional adjustment and social competence. Three subscales are measured: Social Competence (emotionally mature, prosocial behaviors), Anger-Aggression (oppositional behaviors, poor frustration tolerance), and Anxiety-Withdrawal (anxious, depressed). Each subscale consists of 10 items rated on a 6-point scale indicating how frequently a child engages in a behavior (1 = *Never* to 6 = *Always*). Each subscale has a total of 60 possible points, with higher scores indicating increased behaviors in social competence, anger-aggression, or anxiety-withdrawal (note that lower scores are more desirable in Anger-Aggression and Anxiety-Withdrawal). This is not a norm-referenced assessment; scores are calculated by summing the scores for each item in a subscale. SRI compared the scores for children with Scholarships to scores for a representative sample of children published by the authors of the measure in order to determine the percentage of children with problematic scores (determined separately for boys and girls) (LaFreniere & Dumas, 1996).
- The Preschool Learning Behaviors Scale (PLBS) - Approaches to Learning. The PLBS Persistence subscale is a teacher report checklist measure that assesses children's observable approaches to learning, specifically, attention/persistence. The PLBS consists of 29 items concerning children's behavior (e.g., "pays attention to what you say"), for which teachers mark 1 = *most often applies*, 2 = *sometimes applies*, or 3 = *doesn't apply*. The Attention/Persistence subscale uses 9 of these items, for a possible raw score total of 27. The raw score was then converted to a T-score based on the author's guidelines. In a representative sample, the mean T-score is 50 with a standard deviation of 10.

In addition to the above measures, which were assessed in both the fall and the spring, children also were administered the Bracken School Readiness Assessment (BSRA) in the spring only. This is a screening tool that assesses children's understanding of five concept areas that they will encounter in kindergarten: colors, letters, numbers/counting, sizes/comparisons, and shapes. This measure is reported as a standardized score that has a mean of 100 and a standard deviation of 15. This measure was included in the spring only as an indicator of children's knowledge of concepts that are traditionally associated with kindergarten readiness. Similarly, height and weight measurements were taken to compute BMI to provide a measure of child physical health. A normal or healthy weight is based on a BMI between the 5th and 85th percentile of the Centers for Disease Control (CDC) growth chart for a child's age and sex.¹⁰ BMI is conceptualized not as a child outcome impacted by the scholarship, but rather as a way to describe children's health at the beginning and end of the study.

¹⁰ See: http://www.cdc.gov/healthyweight/assessing/bmi/childrens_bmi/about_childrens_bmi.html

Exhibit 4. Description of child assessment measures

Assessment Measure	Construct	Description	Reference
preLAS Language Proficiency Assessment™*	Language screening tool*	Direct assessment of English language proficiency. Art Show: Expressive language; identify objects and describe a purpose of the object. Simon Says: Receptive language; execute simple commands.	Duncan, S. E., & Avila, E. A. (1998). <i>preLAS</i> . Monterey, CA: CTB McGraw Hill.
Individual Growth and Development Indicators (IGDI) – Picture Naming	Early language and literacy	Direct assessment of vocabulary: The number of pictures a child can name in a minute (vocabulary).	Early Childhood Research Institute on Measuring Growth and Development. (1998, April). <i>Research and development of individual growth and development indicators for children between birth to age eight</i> (Technical report #4). Minneapolis, MN: Center for Early Education and Development.
Test of Preschool Early Literacy (TOPEL)	Early language and literacy	Direct assessment of Print Knowledge (identify letters and words), Phonological Awareness (word elision and blending).	Lonigan, C. J., Wagner, R. K., Torgeson, J. K., & Rashotte, C.A. (2007). <i>Test of Preschool Early Literacy (TOPEL)</i> . Austin, TX: PRO-ED.
Woodcock-Johnson Tests of Achievement (WJ III)	Early numeracy and math	Direct assessment of Applied Problems (counting, addition, subtraction), Quantitative Concepts (identifying numbers, shapes, sequences).	Woodcock, R. W., McGrew, K. S., & Mather, N. (2001). <i>Woodcock-Johnson Tests of Achievement</i> (3rd Ed.). Itasca, IL: Riverside Publishing.
Social Competence and Behavior Evaluation (SCBE-30)	Social and emotional competence	Teacher report on following behaviors: Social Competence (pro-social behaviors), Anger-Aggression (oppositional behaviors), Anxiety-Withdrawal (anxiety, depression).	LaFreniere, P. J., & Dumas, J. E. (1996). Social Competence and Behavior Evaluation in children ages 3 to 6 year: The short form (SCBE-30). <i>Psychological Assessment, 8</i> (4), 369-377.
Preschool Learning and Behavior Scale (PLBS)	Approaches to learning (attention/persistence)	Teacher report on attention/persistence.	McDermott, P. A., Leigh, N. M., & Perry, M. A. (2002). Development and validation of the Preschool Learning Behaviors Scale. <i>Psychology in the Schools, 39</i> , 353–365.
Peg Tapping	Approaches to learning (executive functioning)	Direct assessment of executive functioning: Child is instructed to tap once when examiner taps twice and tap twice when examiner taps once.	Diamond, A., & Taylor, C. (1996). Development of an aspect of executive control: Development of the abilities to remember what I said and to “Do as I say, not as I do.” <i>Developmental Psychobiology, 29</i> , 315–334. Meador, D.N., Turner, K. A., Lipsey, M. W., & Farran, D. C. (2013). <i>Administering measures from the pre learning-related cognitive self-regulation study</i> . Nashville, TN: Vanderbilt University, Peabody Research Institute.
Height and weight measurement	Health	BMI is calculated using height and weight with norms by age and gender.	Centers for Disease Control and Prevention (2015) <i>About child and teen BMI</i> . Retrieved from http://www.cdc.gov/healthyweight/assessing/bmi/childrens_bmi/about_childrens_bmi.html
Bracken School Readiness Assessment	School readiness screening tool	Composite measure of children’s knowledge of 5 concept areas encountered in kindergarten: colors; letters; counting/numbers; size/comparison; shapes	Bracken, B. A. (2007). <i>Bracken school readiness assessment - third edition (BSRA-3)</i> . San Antonio, TX: Pearson.

*The preLAS is an English language proficiency screening tool and was not used in outcome analyses.

Data Analysis

To compare the child outcomes for the two groups, we conducted weighted regression analyses for each of the child outcomes using an imputed dataset. The overall approach to the data analysis involved these steps.

- The research team conducted descriptive statistical analysis examining child demographic characteristics (i.e., child gender, race/ethnicity, primary home language) using raw, unimputed data. In the Findings section, we report means, standard deviations, and sample sizes for baseline demographic characteristics for children in the Scholarship and comparison groups.
- The team used multiple imputation¹¹ to “backfill” missing data for those children who did not have some of the demographic data or pretest data. This was done because children who are missing any one of the covariate (or predictor) variables (i.e., demographic characteristics or pretest scores) are dropped from the regression analyses through listwise deletion. In order to keep these children from being lost, the statistical technique of multiple imputation is used, in which all of the existing data is used to generate estimates of the missing values. Doing this reduces bias (since children who are missing data may be systematically different from those who are not) and increases representativeness of the final sample used in the analysis. In order to be included in the imputed dataset and subsequent regression analyses, children had to have posttest scores and at least one baseline demographic characteristic and one pretest score. Children who did not meet these criteria were dropped from the multiple imputation and regression analyses.¹² The team used this technique to address missing baseline demographics and pretest data but *not* missing posttest data, as is recommended by What Works Clearinghouse (What Works Clearinghouse, 2008). Multiple imputation inference has three distinct phases:
 - The missing data are filled in five times to generate five complete data sets.
 - The five complete data sets are analyzed by using descriptive and regression procedures.
 - The results from the five complete data sets are combined for subsequent inferential analyses.¹³

¹¹ Imputation was done using SAS PROC MI procedure with expectation-maximization statement.

¹² Imputation was run on the overall sample altogether, not separately by group, and included a third group of children receiving Minnesota Race to the Top-Early Learning Challenge Scholarships whose outcomes will be compared with those of children in the comparison group in a separate and forthcoming report.

¹³ Inferential analyses were conducted using SAS PROC MIANALYZE.

The descriptive analyses were conducted using both unimputed and imputed data sets and the two sets of descriptive analyses were similar. Additional information about the imputation is contained in Appendix C.

- Propensity score weighting methods were used to statistically equalize the mean values of potentially confounding observed covariates (e.g., child demographic characteristics and pretest scores) in the two groups we were comparing, assuring that differences in outcomes were true differences and not the result of differences in the covariates. The propensity weight is the predicted probability of participating in the treatment group (for example, the scholarship program) based on a set of potentially confounding covariates using logistic regression.¹⁴ The weighting created balance between the comparison and Scholarship groups for each outcome on the child background characteristics and pretest scores and thus estimated the effect on child outcomes of attending a 3- or 4-star-rated ELD program. Additional information about the propensity score weighting methods is in Appendix D.
- Weighted multiple regression models were used to test the difference between the Scholarship and comparison groups on each of the child outcomes. This analysis used the data set with imputed covariates and pretest scores and propensity score weights to produce accurate estimate of the effect of attending a 3- or 4-star-rated ELD program. The coefficient associated with group membership can be interpreted as the measure of the difference in child outcomes between Scholarship and comparison groups, adjusted for the estimated propensity of being in the Scholarship group and other child background characteristics and pretest scores. Additional information about the regression model and baseline characteristics is in Appendix C and D.

Final Analytic Sample

The final analytic sample was 264 Scholarship and 154 comparison children. This was reduced from the 282 Scholarship and 159 comparison group children for whom child assessment data were available because some Scholarship children were removed from the sample due to their attending 1- or 2-star programs, and others (both Scholarship and comparison children) were not included in the regression data analyses because they did not meet the criteria used in the multiple imputation (i.e., child had to have at least one pretest score and one demographic characteristic to be included in the multiple imputation).

¹⁴ The propensity weight gives the probability that a child in the comparison group would have been in the Scholarship group if background characteristics and pretest scores in the two groups had been equal. For example, if the Scholarship group was composed primarily of boys with low pretest scores, a girl with high pretest scores in the comparison group would be given a low propensity weight (i.e., it is unlikely she would have been in the Scholarship group) and she would not weigh heavily in equating the comparison with the Scholarship group.

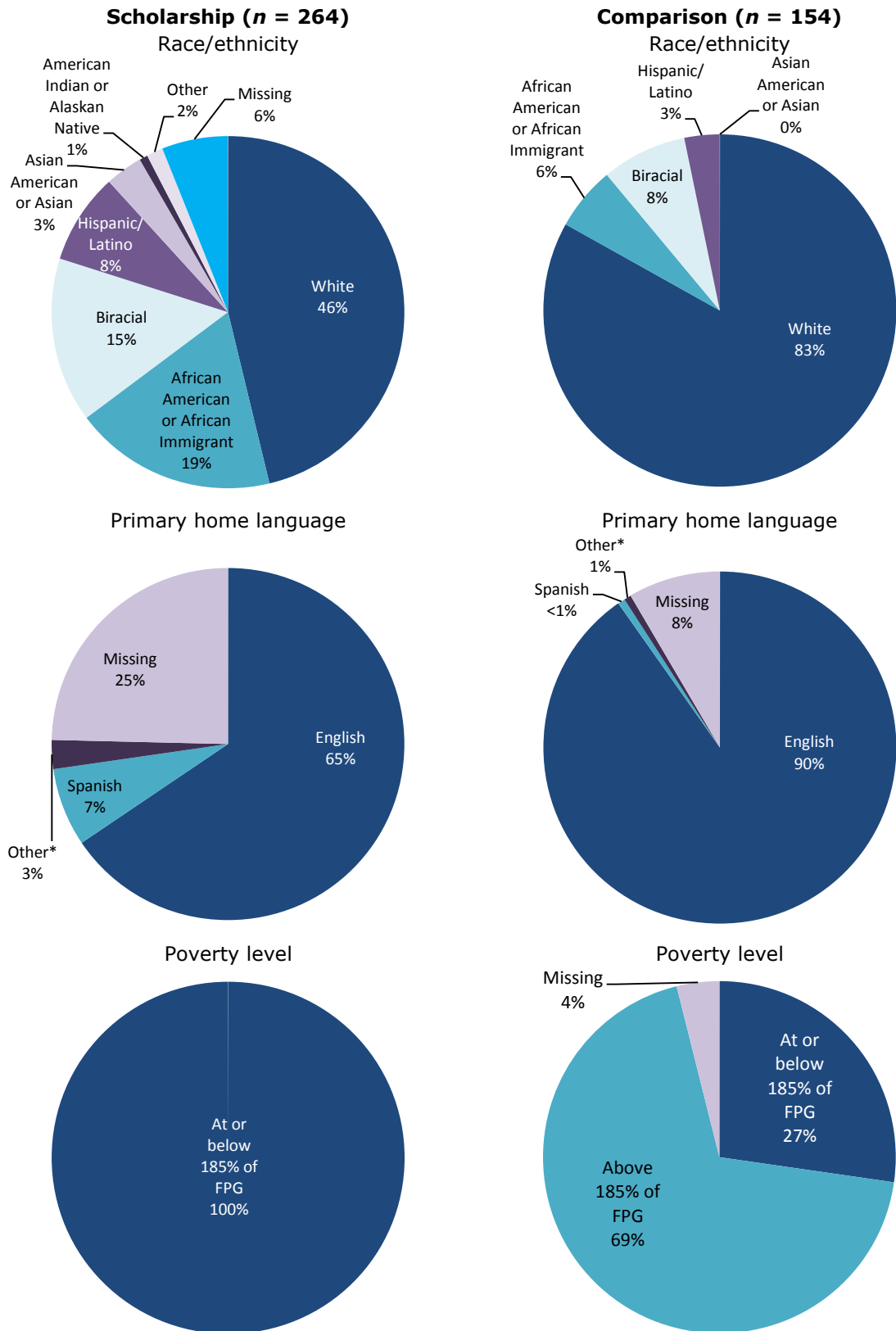
Findings

Characteristics of Children

The research team obtained child background information (e.g., gender, race/ethnicity, home language) for the Scholarship group from their applications for the Scholarship and for the comparison group from their consent forms for enrolling in the Parent Aware Validation Study. An analysis of these data showed that children receiving Scholarships were more ethnically and linguistically diverse and were more likely to come from low-income families than the children in the comparison group (see Exhibit 5).

- More children receiving Scholarships were female (52%) than in the comparison group (46%).
- Fewer than half of Scholarship recipients were white (46%), compared with more than three-quarters of the children in the comparison group (83%). Nearly one-fifth of Scholarship recipients were African American or African immigrants (19%), and another 15% were biracial.
- About two-thirds of Scholarship recipients (65%) had English as their primary home language (with 25% missing data), compared with 90% of the comparison group (with 8% missing data).
- Because of income eligibility requirements for the Scholarships, all Scholarship recipients were at or below 185% of the Federal Poverty Guideline (FPG), compared with only one-fourth of the comparison group (27%).

Exhibit 5. Demographics of children, by group (unimputed data)



Note: Language category “Other” includes Hmong, Somali, and other languages.

Characteristics of Programs Attended by Assessed Children

The intent of the Scholarship program is for children to use the funds to attend a highly-rated ELD program as rated by the Parent Aware rating system. All Scholarship recipients did attend a 3- or 4-star Parent Aware rated program (Exhibit 6). A small number of Scholarship recipients attended programs rated only 1 or 2 stars, and their assessment data were removed from the data set for the analyses presented in the next section. By design, all children in the comparison group attended a 1- or 2-star Parent Aware rated program.

There was a difference in the type of rating process used for the programs that children in each group attended. The 1- and 2-star-rated programs attended by all children in the comparison group all went through the full rating process, whereas very few children receiving Scholarships attended a program that completed the full rating process (5%). Most Scholarship recipients (89%) attended a program that went through the accelerated Parent Aware rating process.

Exhibit 6. Parent Aware ELD program rating characteristics

	Scholarship Percent	Scholarship Number	Comparison Percent	Comparison Number
Program rating				
One star	0	0	19	29
Two stars	0	0	81	125
Three stars	1	3	0	0
Four stars	99	261	0	0
Program rating type				
Accelerated rating	89	251	0	0
Full rating	11	13	100	154
Total	100%	264	100%	154

There were also distinct differences in the types of programs children in each group attended (Exhibit 7). Children in the comparison group attended community-based child care centers (60%) or family child care programs (40%) exclusively. In contrast, about half of Scholarship recipients attended Head Start (21%) and other school-based prekindergarten programs (35%), program types in which no children in the comparison group were enrolled. Another 43% attended community-based child care centers and less than 1% attended a family child care program.

Exhibit 7. Children in each type of ELD program type, by group

	Scholarship Percent	Scholarship Number	Comparison Percent	Comparison Number
Community-based child care center	43	114	60	93
Family child care	<1	2	40	61
Head Start	21	56	0	0
School Readiness	35	92	0	0
Total	100%	264	100%	154

Child Outcome Findings

Child outcome analyses were conducted using the imputed dataset with the analytic sample of 264 Scholarship and 154 comparison children. Overall, using weighted regression analyses, we found that once (1) missing demographics and pretest scores were imputed, (2) propensity score weighting was applied to equate the two groups, and (3) demographics and pretest scores were taken into consideration,

- Scholarship children who had attended 3- and 4-star-rated programs had better TOPEL Print Knowledge and TOPEL Phonological Awareness scores than comparison children who attended 1- and 2-star-rated programs. Scholarship children also had higher anxiety than comparison children.
- There were no statistically significant differences between the two groups on the other child outcomes.

Additional details about the analyses are described in the next sections.

Child Outcomes for Scholarship and Comparison Group Overall

Exhibit 8 presents imputed unweighted demographics for the Scholarship and comparison groups. Exhibit 9 shows imputed unweighted pretest scores for the two groups. In other words, missing pretest scores and demographic data were accounted for using multiple imputation, but the comparison group was not yet statistically equated with the Scholarship group through propensity score weighting.

The imputed demographics in Exhibit 8 approximate the unimputed demographics in Exhibit 5, as they would be expected to. Exhibit 9 shows that the mean pretest scores of the comparison group were higher than those of the Scholarship group on most assessments

where a higher score is a more positive outcome (e.g., IGDI, TOPEL, WJ).¹⁵ This indicates that the comparison group started the preschool year with higher skill levels and was most likely a lower risk group of children.

Exhibit 8. Descriptive analysis of demographic characteristics, by group (imputed data)

	Scholarship Percent	Scholarship Number	Comparison Percent	Comparison Number
Gender				
Male	48	264	54	154
Race/ethnicity^a				
White	49	264	83	154
Biracial	17	264	8	154
At or below 185% FPG^b				
Yes	100	264	30	154
Primary home language^c				
English	88	264	99	154

^aThe reference group for this variable was all other race/ethnicity categories combined (aside from white and biracial). They were combined because the individual group sizes were not large enough to function in the subsequent regression models.

^bThis variable was dropped from subsequent regression models because there is no variability for the Scholarship group.

^cThe reference group for this variable was all other non-English languages. They were combined because the individual group sizes were not large enough to function in the subsequent regression models.

¹⁵ For two of the assessments, SCBE Anger-Aggression and SCBE Anxiety-Withdrawal, a lower score is a more positive outcome.

Exhibit 9. Descriptive analysis of pretest scores, by group (imputed data)

	Scholarship M (SD)	Scholarship Number	Comparison M (SD)	Comparison Number
Literacy and language				
IGDI	21.0 (7.0)	264	23.5 (6.9)	154
TOPEL Print Knowledge	97.8 (14.9)	264	103.4 (13.7)	154
TOPEL Phonological Awareness	92.3 (17.8)	264	99.3 (16.3)	154
Early numeracy and math				
WJ Applied Problems	102.7 (11.5)	264	108.1 (11.1)	154
Socio-emotional competence				
SCBE Social Competence	41.3 (10.1)	264	44.4 (10.0)	154
SCBE Anger-Aggression	18.2 (9.4)	264	18.9 (8.9)	154
SCBE Anxiety-Withdrawal	16.8 (5.9)	264	16.2 (5.8)	154
Approaches to learning				
PLBS Attention and Persistence	50.4 (10.5)	264	51.5 (10.2)	154
Peg tapping (executive functioning)	10.3 (5.1)	234	11.4 (4.5)	154
Health (BMI)	Percent	Number	Percent	Number
Underweight	6	264	7	154
Normal weight	62	264	71	154
Overweight or obese	31	264	22	154

Exhibit 10 shows unweighted posttest scores¹⁶ of the Scholarship and comparison groups. The comparison group ended the preschool year with mean posttest scores higher than those of the Scholarship group on most assessments where a higher score is a more positive outcome, although both groups generally showed growth over the year.

Exhibit 10. Descriptive analysis on posttest scores, by group

	Scholarship M (SD)	Scholarship Number ^a	Comparison M (SD)	Comparison Number
Literacy and language				
IGDI	24.0 (7.3)	234	27.2 (6.5)	128
TOPEL Print Knowledge	100.6 (14.0)	233	106.3 (13.4)	128
TOPEL Phonological Awareness	99.7 (17.5)	224	103.5 (16.4)	127
Early numeracy and math				
WJ Applied Problems	103.5 (11.5)	234	109.6 (12.0)	128
Socio-emotional competence				
SCBE Social Competence	43.1 (10.4)	239	44.7 (10.1)	129
SCBE Anger-Aggression	17.8 (9.1)	240	18.9 (8.0)	129
SCBE Anxiety-Withdrawal	17.0 (7.0)	240	16.3 (5.5)	129
Approaches to learning				
PLBS Attention and Persistence	51.1 (10.2)	236	51.5 (9.5)	129
Peg tapping (executive functioning)	12.8 (4.3)	234	13.7 (3.3)	128
Health (BMI)	Percent	Number	Percent	Number
Underweight	4	234	6	128
Normal weight	64	234	69	128
Overweight or obese	32	234	25	128

^aThese numbers are shown to remind the reader that analytic samples varied slightly for different outcome measures because posttest outcomes were not imputed. The values in the percent columns reflect the percent of the imputed sample falling into each category.

We also conducted additional secondary analyses to look at the *within-group* changes in mean scores from fall to spring for each outcome for each of the two groups separately. These additional analyses address the question of whether those children assessed in both the fall and the spring had significantly better scores in the spring, looking at the Scholarship group and the comparison group separately. These analyses, using paired t-tests, do not take into account the demographic characteristics or the pretest scores. The results showed that Scholarship recipients demonstrated significant gain on six of the nine

¹⁶ Means and standard deviations presented in Exhibit 10 were generated using the imputed, unweighted dataset and therefore have n's that are five times the original sample size; however *the post-test scores themselves were not imputed* because it is generally not accepted practice to impute outcomes.

measures, whereas the comparison group demonstrated significant gain on three of nine. These findings are described and presented graphically in Appendix D.

Exhibits 11-15 show the results of the full regression models run using the imputed data and propensity score weights with demographics and pretests as covariates and group status (Scholarship versus comparison) to predict spring posttest scores for each of the child outcomes. These analyses showed the following:

- By spring, Scholarship recipients had significantly better scores than the comparison group children on the Print Knowledge ($p < .001$) and Phonological Awareness ($p = .01$) subtests of the TOPEL (Exhibit 11). Both effects were small ($d = .2$). For both of these outcomes, Scholarship recipients and their peers in the comparison group were close to the national mean of 100.
 - More Scholarship recipients (17%) than comparison group children (12%) received low scores on Print Knowledge, defined as one standard deviation or more below the national mean.
 - For Phonological Awareness, 19% and 13% of the Scholarship and comparison group, respectively, received low scores, defined as one standard deviation or more below the mean.
- Spring IGDI scores did not differ between Scholarship recipients and children in the comparison group (Exhibit 11). On average, children in both groups were able to name a little over 25 words in one minute, close to the expected score for kindergarteners (26 words per minute).
- Spring scores on early numeracy and math skills (WJ Applied Problems) did not differ significantly between Scholarship recipients and children in the comparison group (Exhibit 12). The average scores for both groups were just above the national mean of 100.
 - Fewer than 3% of children in the Scholarship and comparison groups had low scores, defined as one standard deviation or more below the mean.
- Comparison of the spring outcomes on measures of children's social competence and behaviors showed mixed results (Exhibit 13).
 - The Scholarship recipients and the comparison group did not differ on teacher ratings of social competence or anger and aggression.
 - The Scholarship recipients were rated by teachers as significantly more anxious than the children in the comparison group ($p = .04$), and this effect size was small ($d = .16$).

- For all three of these social competence and behavior outcomes, relatively few children had scores in the problematic range (low for Social Competence or high for Anger-Aggression and for Anxiety-Withdrawal).
- More children in the Scholarship group (12%) than the comparison group (5%) received low scores (one standard deviation or more below the mean for age and gender) on the social competence subscale.
- As both the Anger-Aggression and Anxiety-Withdrawal subtest were reverse scored—that is, higher scores represent worse outcomes—we calculated the percentage of children scoring one standard deviation or more above the national mean in order to capture the proportion of children in each group showing difficulties on these outcomes. For the Anger-Aggression subtest, 11% of both Scholarship recipients and children in the comparison group scored highly. Relatively few children (5% of Scholarship recipients and 4% of comparison group) scored highly on Anxiety-Withdrawal in the spring.
- Mean scores for attention/persistence did not differ between Scholarship recipients and the comparison group (Exhibit 14). Mean attention/persistence scores for both Scholarship and comparison children were close to the normed sample mean of 50.
 - A slightly higher percentage of Scholarship recipients (14%) than comparison group children (11%) performed poorly on this outcome (one standard deviation or more below the mean).
- The Scholarship recipients and the comparison group did not differ on the measure of executive functioning (Exhibit 14).

For spring only, we compared group mean differences on the Bracken assessment. The unimputed mean score for Scholarship recipients (98, SD = 15.4) was lower ($p > .0001$) than the mean for the comparison group (107, SD = 13.7), and both scores were close to the national mean. A higher percentage of Scholarship recipients (18%) than comparison group children (8%) had low scores, defined as one standard deviation or more below the sample mean.

Exhibit 11. Weighted regression models comparing Scholarship recipients and the comparison group: Early literacy outcomes

	IGDI ^a β	IGDI SE	IGDI p	TOPEL: PK ^b β	TOPEL: PK SE	TOPEL: PK p	TOPEL: PA ^c β	TOPEL: PA SE	TOPEL: PA p
Intercept	25.4	0.4	<.001***	99.6	0.7	<.001***	96.8	1.1	<.001***
Scholarship	-0.8	0.6	0.15	3.2	0.9	0.00**	3.8	1.5	0.01*
Pretest	0.7	0.0	<.001***	0.8	0.0	<.001***	0.7	0.1	<.001***
Male	0.5	0.6	0.35	-0.7	0.9	0.46	-1.9	1.5	0.2
White	1.7	0.7	0.02*	4.3	1.1	<.001***	5.9	1.9	0.00**
Biracial	0.5	0.9	0.60	4.8	1.6	0.00**	5.7	2.5	0.02*
Primary language is English	3.6	1.0	0.00**	3.9	1.5	0.01*	5.6	2.5	0.03*
Treatment effect size	n/a			0.2			0.2		
Treatment improvement index	n/a			7			6		

Note. Estimated impact (β) and standard errors (SE) are the coefficient and standard errors associated with the treatment variable from the weighted multiple regression model. For the effect size and improvement index values reported in the table, a positive number favors the Scholarship group and a negative number favors the comparison group. Effect size measures the change (measured in standard deviations) in an average child's outcome that can be expected if the child is exposed to the intervention (preschool with a 3- or 4- star rating). The improvement index is an alternative presentation of the effect size, reflecting the change in an average student's percentile rank that can be expected if the student is exposed to the intervention. Improvement index is a way to translate the effect size into a meaningful metric in educational research. What Works Clearinghouse (2008) recommends translating the effect size into improvement in percentile rank which is supposed to indicate the expected change in percentile rank for the median comparison children if that child had received the Scholarship and attended a preschool with a 3- or 4-star rating.

Effect size = Estimated impact/pooled standard deviations of the Scholarship and comparison groups.

All the predictors except the Scholarship indicator variable were all centered in the regression model.

^aIGDI = Individual Growth and Development Indicators test of expressive language.

^bTOPEL: PK = Test of Preschool Early Literacy Print Knowledge subtest.

^cTOPEL: PA = TOPEL Phonological Awareness subtest.

* $p < .05$, ** $p < .01$, *** $p < .001$.

Exhibit 12. Weighted regression models comparing the Scholarship and comparison groups: Early math outcome

	WJ: AP β	WJ: AP SE	WJ: AP p
Intercept	104.5	0.7	<.001***
Scholarship	0.6	0.9	0.49
Pretest	0.7	0.04	<.001***
Male	-0.5	1.0	0.61
White	5.0	1.1	<.001***
Biracial	3.4	1.6	0.03*
Primary language is English	-0.3	1.5	0.86
Treatment effect size	n/a		
Treatment improvement index	n/a		

See note on Exhibit 20 about the estimates shown in the exhibit.

^aWJ: AP = Woodcock-Johnson III Applied Problems subtest.

* $p < .05$, ** $p < .01$, *** $p < .001$.

Exhibit 13. Weighted regression models comparing the Scholarship and comparison groups: Social competence outcome

	SCBE: SC ^a β	SCBE: SC SE	SCBE: SC p	SCBE: AA ^b β	SCBE: AA SE	SCBE: AA p	SCBE: AW ^c β	SCBE: AW SE	SCBE: AW p
Intercept	42.0	0.6	<.001***	18.7	0.5	<.001***	16.3	0.4	<.001***
Scholarship	1.4	0.8	0.08	0.1	0.7	0.88	1.1	0.5	0.04*
Pretest	0.7	0.0	<.001***	0.7	0.0	<.001***	0.7	0.0	<.001***
Male	-1.8	0.8	0.03*	0.5	0.7	0.51	0.3	0.5	0.52
White	0.9	0.9	0.32	1.2	0.8	0.13	0.8	0.6	0.17
Biracial	0.9	1.2	0.45	0.2	1.0	0.86	-1.2	0.8	0.14
Primary language is English	-1.6	1.7	0.33	0.6	1.5	0.68	-0.3	1.2	0.81
Treatment effect size	n/a			n/a			0.16		
Treatment improvement index	n/a			n/a			6		

See note on Exhibit 20 about the estimates shown in the exhibit.

^aSCBE: SC = Social Competence and Behavior Evaluation Social Competence subtest.

^bSCBE: AA = SCBE Anger-Aggression subtest.

^cSCBE: AW = SCBE Anxiety-Withdrawal subtest.

* $p < .05$, ** $p < .01$, *** $p < .001$.

Exhibit 14. Weighted regression models comparing the Scholarship and comparison groups: Approaches to learning outcomes

	PLBS: AP ^a β	PLBS: AP SE	PLBS: AP p	Peg Tapping ^b β	Peg Tapping SE	Peg Tapping p
Intercept	50.5	0.6	<.001***	13.5	0.2	<.001***
Scholarship	0.1	0.8	0.94	-0.6	0.3	0.09
Pretest	0.7	0.0	<.001***	0.4	0.0	<.001***
Male	-0.7	0.8	0.40	0.2	0.3	0.60
White	-1.4	1.0	0.14	0.6	0.4	0.17
Biracial	-1.3	1.2	0.28	-0.5	0.6	0.39
Primary language is English	0.1	2.1	0.98	-1.3	0.6	0.05
Treatment effect size	n/a			n/a		
Treatment improvement index	n/a			n/a		

See note on Exhibit 20 about the estimates shown in the exhibit.

^aPLBS: AP = Preschool Learning Behavior Scale Attention-Persistence subtest.

^bPeg-tapping is an executive functioning task.

* $p < .05$, ** $p < .01$, *** $p < .001$.

Child Outcomes for Scholarship Recipients by Pathway Type

Children can receive Scholarships through two different Pathways. Using Pathway I, families apply for the Scholarship directly, and, when approved, the funds follow the child to their chosen Parent Aware participating program. Through Pathway II, an ELD program (often a center-based child program, Head Start or a public school-based preschool program) applies for Scholarship funding on behalf of eligible families at the program. In the population of age-appropriate, evaluation-consented Scholarship recipients ($N = 2,100$), more children received Scholarship funding through Pathway II (59%) than through Pathway I (41%). The evaluation's original randomly selected sample matched these proportions, although once some children were dropped from analyses ($n = 264$), Pathway I was slightly underrepresented (36% rather than 41%).

Unimputed demographic information by Pathway is shown in Exhibit 15.

- The Pathway II group had a larger percentage of Hispanic/Latino children than the Pathway I group (11% vs. 3%) and relatedly had a larger percentage of Spanish-speaking children (11% vs. 1%).
- The Pathway I group had a slightly higher percentage of Asian children than the Pathway II group (6% vs. 2%) and slightly higher percentage of White children (55% vs. 46%).

Regression analyses of imputed child assessment data by Pathway type showed no statistically significant differences in outcomes between children attending a 3- or 4-star program through Pathway I or Pathway II, once demographic variables and pretests were controlled for. Given this, only imputed mean pre- and posttest assessment scores are shown (Exhibit 16). The mean pretest scores of the Pathway I group were higher than those for the Pathway II group on most assessments where a higher score is a more positive outcome (e.g., IGDI, TOPEL, WJ). This indicates that the Pathway I group started the preschool year with higher skill levels and was most likely a lower risk group of children. The Pathway I group also ended the preschool year with mean posttest scores that were higher than those of the Pathway II group on most assessments where a higher score is a more positive outcome, although both groups generally showed growth over the year.

Exhibit 15. Demographics for Scholarship recipients, by Pathway type (unimputed data)

	Pathway I Percent	Pathway I Number	Pathway II Percent	Pathway II Number
Gender				
Male	52	49	47	79
Female	48	46	53	90
Race/ethnicity				
African American or African immigrant	19	17	19	32
American Indian or Alaskan Native	1	1	1	1
Asian American or Asian	6	6	2	3
Biracial	14	13	16	27
Hispanic/Latino	3	3	11	19
White	55	49	46	73
Other	0	0	2	4
Missing	6	6	6	10
Primary home language				
English	79	75	58	98
Spanish	1	1	11	18
Other ^a	1	1	3	6
Missing	19	18	28	47
Total	100%	95	100%	169

^aLanguage category “Other” includes Hmong, Somali, and other languages.

We also conducted additional secondary analyses to look at the *within-group* changes in mean scores from fall to spring for each outcome for the Pathway I and Pathway II groups separately. As described above, these additional analyses address the question of whether the average scores for those children assessed in both the fall and the spring had significantly better scores in the spring, looking at the Pathway I group and the Pathway II group separately. These analyses, using paired *t* tests, do not take into account the demographic characteristics or the pretest scores. The results showed that children in the Pathway I group had made significant gains on five of the nine measures by spring, and children in the Pathway II had made significant gains on six of the nine measures by spring. Additional information is described in Appendix D.

Exhibit 16. Assessment scores for Scholarship recipients, by Pathway type (imputed data)

	Pathway I M (SD)	Pathway I Number	Pathway II M (SD)	Pathway II Number
IGDI (expressive language)				
Pretest	22.2 (5.7)	95	20.3 (7.6)	169
Posttest	25.5 (6.5)	86	23.2 (7.5)	148
TOPEL Print Knowledge				
Pretest	101.3 (14.9)	95	95.9 (14.5)	169
Posttest	103.5 (13.7)	86	98.9 (14)	147
TOPEL Phonological Awareness				
Pretest	94.7 (17.6)	95	91 (17.7)	169
Posttest	103.2(16.6)	84	97.6 (17.7)	140
WJ Applied Problems (math)				
Pretest	105.8 (12.4)	95	100.9 (10.6)	169
Posttest	105.1 (11.9)	85	102.6 (11.2)	149
SCBE Social Competence				
Pretest	40.8 (10.6)	95	41.6 (9.8)	169
Posttest	41.6 (11)	84	43.9 (10)	155
SCBE Anger-Aggression				
Pretest	19.6 (10.2)	95	17.5 (8.9)	169
Posttest	20.4 (10.9)	84	16.5 (7.7)	156
SCBE Anxiety-Withdrawal				
Pretest	16.9 (6.2)	95	16.7 (5.8)	169
Posttest	17.2 (7.1)	84	16.9 (6.9)	156
PLBS Attention-Persistence				
Pretest	49.8 (11.1)	95	50.7 (10.2)	169
Posttest	50.5 (10.5)	82	51.3 (10)	154
Peg tapping (executive function)				
Pretest	11 (5.3)	95	9.9 (5)	169
Posttest	13.3 (3.5)	85	12.5 (4.7)	149

Discussion

Children receiving Scholarships who attended 3- and 4-star Parent Aware rated ELD programs had significantly better outcomes on two components of early literacy skills, print knowledge and phonological awareness, compared with comparison children attending 1- and 2-star Parent Aware rated programs. They also had significantly higher teacher-rated anxiety. On all other school readiness measures, the two groups of children did not differ (measures of early math, social competence, approaches to learning, health). The results of the weighted regression analyses comparing school readiness outcomes in the spring before entering kindergarten for the two groups also showed that for most outcomes, the child's pretest score was a strong and significant predictor of the posttest score. This is a finding that is regularly seen in studies of the impact of preschool programs on children's learning.

Additional secondary analyses examined the within-group changes in mean scores between fall and spring for each of the two groups of children separately. These analyses test whether the average scores were significantly better in the spring than they had been in the fall. These analyses do not take into account the demographic characteristics or the pretest scores of the children. The results showed that for the Scholarship group, the spring scores were significantly better than fall scores on six of the nine measures. For the comparison group, spring scores were significantly better than fall scores for three of the nine measures.

Weighted regression analyses comparing outcomes for children enrolled in the two Pathway types showed that there were no statistically significant differences in outcomes between children attending a 3- or 4-star programs through Pathway I or Pathway II, once demographic variables and pretests were controlled for. Similar to findings for the Scholarship group overall, secondary analyses of the changes in mean scores between fall and spring for the Pathway I and Pathway II groups separately showed significantly better scores in the spring for five of nine measures for Pathway I children and six of nine measures for Pathway II children.

Overall, these findings demonstrate that children's participation in 3- and 4- star programs resulted in significant improvements in measures of early literacy compared with participation in 1- and 2-star programs, but no differences between the groups were found for other outcomes related to social competence and behavior. Within both groups, children are showing significantly better scores in the spring on some of the outcomes, with Scholarship children having better spring scores on more of the outcomes (six versus three outcomes). Whether Scholarship children received their Scholarship via Pathway I (family applies for Scholarship and chooses ELD program) or Pathway II (program applies for

Scholarship funds to use with eligible children in their program) does not appear to make much difference in the results.

There are several limitations to this study. First, because there were so few 1- and 2-star ELD programs in the Parent Aware Validation Study from which to sample children for the comparison group, we used propensity score weighting instead of propensity score matching to create the well-matched comparison group. The former technique, which utilizes weighting at the group level, may not create as well-matched groups as the latter technique, which utilizes matching at the individual child level. Second, because the samples had so few non-white and non-English speaking children, the study does not provide good information about the impact of the 3- and 4-star ELD programs on more culturally and linguistically diverse populations. The fact that the assessment battery could only be administered in English contributed to this restriction of the sample to some extent.

Finally, the types of ELD programs that the two groups of children attended were very different, and program type could not be examined as a predictor of outcomes because of the disparate distribution in the two groups. That is, none of the comparison group children attended Head Start or school-based prekindergarten programs, whereas about half of the Scholarship recipients did so. In addition, 40% of comparison group children attended family child care programs, whereas less than 1% of Scholarship children did so. Related to these program differences, most Scholarship recipients (89%) attended a program that went through the accelerated Parent Aware rating process, whereas all of the comparison group programs went through the full rating process. These program type differences between the Scholarship and comparison groups could not be factored in the weighted regression analyses because of the lack of variability within group (e.g., not all four program types are represented in sufficient numbers in both groups). Thus, this study cannot address the question of how different program types may influence child outcomes. However, the results of the forthcoming Parent Aware Validation Study should be informative in addressing this type of question.

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Appendices

Appendix A: Early Learning Scholarship Statute

Appendix B: Early Learning Scholarship Application

Appendix C: Additional Information About Data Analysis

Appendix D: Additional Information About Findings

Appendix A: Early Learning Scholarship Statute

124D.165 EARLY LEARNING SCHOLARSHIPS.

Subdivision 1. **Establishment; purpose.** There is established an early learning scholarships program in order to increase access to high-quality early childhood programs for children ages three to five.

Subd. 2. **Family eligibility.** (a) For a family to receive an early learning scholarship, parents or guardians must meet the following eligibility requirements:

(1) have a child three or four years of age on September 1 of the current school year, who has not yet started kindergarten; and

(2) have income equal to or less than 185 percent of federal poverty level income in the current calendar year, or be able to document their child's current participation in the free and reduced-price lunch program or child and adult care food program, National School Lunch Act, United States Code, title 42, sections 1751 and 1766; the Food Distribution Program on Indian Reservations, Food and Nutrition Act, United States Code, title 7, sections 2011-2036; Head Start under the federal Improving Head Start for School Readiness Act of 2007; Minnesota family investment program under chapter 256J; child care assistance programs under chapter 119B; the supplemental nutrition assistance program; or placement in foster care under section 260C.212.

(b) Notwithstanding the other provisions of this section, a parent under age 21 who is pursuing a high school or general education equivalency diploma is eligible for an early learning scholarship if the parent has a child age zero to five years old and meets the income eligibility guidelines in this subdivision.

(c) Any siblings between the ages zero to five years old of a child who has been awarded a scholarship under this section must be awarded a scholarship upon request, provided the sibling attends the same program as long as funds are available.

(d) A child who has received a scholarship under this section must continue to receive a scholarship each year until that child is eligible for kindergarten under section 120A.20 and as long as funds are available.

(e) Early learning scholarships may not be counted as earned income for the purposes of medical assistance under chapter 256B, MinnesotaCare under chapter 256L, Minnesota family investment program under chapter 256J, child care assistance programs under chapter 119B, or Head Start under the federal Improving Head Start for School Readiness Act of 2007.

(f) A child from an adjoining state whose family resides at a Minnesota address as assigned by the United States Postal Service, who has received developmental screening under sections 121A.16 to 121A.19, who intends to enroll in a Minnesota school district, and whose family meets the criteria of paragraph (a) is eligible for an early learning scholarship under this section.

Subd. 3. **Administration.** (a) The commissioner shall establish application timelines and determine the schedule for awarding scholarships that meets operational needs of eligible families and programs. The commissioner may prioritize applications on factors including family income, geographic location, and whether the child's family is on a waiting list for a publicly funded program providing early education or child care services.

(b) For fiscal years 2014 and 2015 only, scholarships may not exceed \$5,000 per year for each eligible child. For fiscal year 2016 and later, the commissioner shall establish a target for the average scholarship amount per child based on the results of the rate survey conducted under section 119B.02.

(c) A four-star rated program that has children eligible for a scholarship enrolled in or on a waiting list for a program beginning in July, August, or September may notify the commissioner, in the form and manner prescribed by the commissioner, each year of the program's desire to enhance program services or to serve more children than current funding provides. The commissioner may designate a predetermined number of scholarship slots for that program and notify the program of that number. Beginning July 1, 2016, a school district or Head Start program qualifying under this paragraph may use its established registration process to enroll scholarship recipients and may verify a scholarship recipient's family income in the same manner as for other program participants.

(d) A scholarship is awarded for a 12-month period. If the scholarship recipient has not been accepted and subsequently enrolled in a rated program within ten months of the awarding of the scholarship, the scholarship cancels and the recipient must reapply in order to be eligible for another scholarship. A child may not be awarded more than one scholarship in a 12-month period.

(e) A child who receives a scholarship who has not completed development screening under sections 121A.16 to 121A.19 must complete that screening within 90 days of first attending an eligible program.

(f) For fiscal year 2017 and later, a school district or Head Start program enrolling scholarship recipients under paragraph (c) may apply to the commissioner, in the form and manner prescribed by the commissioner, for direct payment of state aid. Upon receipt of the application, the commissioner must pay each program directly for each approved scholarship recipient enrolled under paragraph (c) according to the metered payment system or another schedule established by the commissioner.

Subd. 4. Early childhood program eligibility. (a) In order to be eligible to accept an early learning scholarship, a program must:

- (1) participate in the quality rating and improvement system under section 124D.142; and
- (2) beginning July 1, 2016, have a three- or four-star rating in the quality rating and improvement system.

(b) Any program accepting scholarships must use the revenue to supplement and not supplant federal funding.

(c) Notwithstanding paragraph (a), all Minnesota early learning foundation scholarship program pilot sites are eligible to accept an early learning scholarship under this section.

Subd. 5. Report required. The commissioner shall contract with an independent contractor to evaluate the early learning scholarship program. The evaluation must include recommendations regarding the appropriate scholarship amount, efficiency, and effectiveness of the administration, and impact on kindergarten readiness. By January 15, 2016, the commissioner shall submit a written copy of the evaluation to the chairs and ranking minority members of the legislative committees and divisions with primary jurisdiction over kindergarten through grade 12 education.

History: 2013 c 116 art 8 s 2; 2014 c 272 art 6 s 2,3; 2014 c 312 art 20 s 10-12; 1Sp2015 c 3 art 9 s 6

Appendix B: Early Learning Scholarship Application



PATHWAY I: Early Learning Scholarship Application

This section to be completed by the Regional Administration Office:

Application Identifier #: _____ Child Identifier #: _____

Region: _____ County: _____

District Number and Type: _____ Child Care/Early Education Program Type: _____

Is the Family Income eligible? Yes No

Is the Parent Under 21 Yes No

Number of children receiving scholarships from same program: _____

Participation Consent: Yes No

Evaluation/Data Consent: Yes No

Is Applicant Receiving Interpreting Services? Yes No

Language: _____

Sections I-IV below (pages 2-8) to be completed by the Parent or Legal Guardian

This application is to be used to apply for the Pathway I - Early Learning Scholarships. This program provides families with scholarships to pay for child care/early education programs to help prepare their children for kindergarten. Scholarships are paid directly to the child care/early education programs chosen by the parent or guardian.

Please refer to application INSTRUCTIONS document for assistance and guidance in completing this application form. If you need assistance, please ask your regional administrator.

All required information is marked with an asterisk (*) in order to determine eligibility. All other information is optional.

SECTION I – APPLICANT INFORMATION

1. Special Services

Do you need an interpreter? Yes No

Preferred spoken language:_____.

How did you hear about the Pathway I - Early Learning Scholarship? _____.

Have you received a Pathway I or Pathway II Scholarship recently? Yes No Unsure

If you have moved recently, what county did you live in? County _____

2. Parent/Legal Guardian

First Name*_____ Last Name*_____ Relationship to Child*_____ Date of Birth*_____

What is the highest level of education you have completed?

What is your current employment status?

- Less than high school
- High School/GED
- Some college
- 2-year college degree (Associates)
- 4-year college degree (Bachelors)
- Master's degree
- Doctoral degree
- Professional degree (MD, JD)

- Employed Full-Time (FT)
- Employed Part-Time (PT)
- Unemployed, Seeking Employment (UE)
- Unemployed, Not Seeking Employment (NSE)

Home Address*_____ City and ZIP Code*_____ County*_____

Mailing address (if different) _____

Home phone number*_____ Cell phone number*_____ Other phone number_____

Additional Parent Information (if applicable)

First Name_____ Last Name_____ Relationship to Child_____ Date of Birth_____

What is the highest level of education you have completed?

- Less than high school
- High School/GED
- Some college
- 2-year college degree (Associates)
- 4-year college degree (Bachelors)
- Master's degree
- Doctoral degree
- Professional degree (MD, JD)

What is your current employment status?

- Employed Full-Time (FT)
- Employed Part-Time (PT)
- Unemployed, Seeking Employment (UE)
- Unemployed, Not Seeking Employment (NSE)

Home Address _____ City and ZIP Code _____ County _____

Mailing address (if different) _____

Home phone number _____ Cell phone number _____ Other phone number _____

3. Family Size. Tell us about the family members in your current household.

Parent(s)/legal guardian(s), including yourself	
Children under 18 (including siblings)	
Children over 18 who live with you, are full-time students, and you provide 50 percent or more of their financial support	
If a minor parent living with your parents or relatives, include yourself or any spouse/parent of your children living with you	
Total number of family members*	

4. Parents Under 21. Are you a parent *under* age 21 pursuing a high school or general education equivalency diploma and you are requesting a scholarship for a child ages zero through age five?

- Yes No

If yes, you must provide written proof that you are pursuing a high school or general education equivalency diploma. Written proof means a copy of the official letter from the organization (on their letterhead) in which you are currently enrolled and actively participating in classes.

5. **Child Information.** Complete the child information table below and list the children to be considered for a scholarship. Please refer to the INSTRUCTIONS document for more detail regarding the scholarship eligibility requirements. *The Ethnicity/Race identity is optional and intended only for evaluation of the program. This information will not be used to determine eligibility. If you choose to enter the ethnicity and/or race of the eligible children in your household, check all that apply in the last column for each child below.*

CHILD INFORMATION

Child 1					<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Not Hispanic/Latino	<input type="checkbox"/> Asian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Pacific Islander <input type="checkbox"/> White
Child 2					<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Not Hispanic/Latino	<input type="checkbox"/> Asian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Pacific Islander <input type="checkbox"/> White
Child 3					<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Not Hispanic/Latino	<input type="checkbox"/> Asian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Pacific Islander <input type="checkbox"/> White
Child 4					<input type="checkbox"/> Male <input type="checkbox"/> Female	<input type="checkbox"/> Hispanic/Latino <input type="checkbox"/> Not Hispanic/Latino	<input type="checkbox"/> Asian <input type="checkbox"/> American Indian or Alaskan Native <input type="checkbox"/> Black or African American <input type="checkbox"/> Native Hawaiian or Pacific Islander <input type="checkbox"/> White

SECTION II - INCOME VERIFICATION

You have two options for verifying your income. **Choose one** of the two options to apply.

Option 1 – Provide proof that your child/children (listed above) is/are currently participating in one of the following public assistance or publicly funded programs below:

- Minnesota Family Investment Program (MFIP)
- Child Care Assistance Program (CCAP)
- Food Support (SNAP)
- Free and Reduced-Price Lunch Program (FRLP)
- Child and Adult Care Food Program (CACFP)
- Head Start
- Foster Care
- Food Distribution Program on Indian reservations (automatically qualifies for FRLP)

You must provide written documentation type proof of participation (showing participation).

If you do not have written documentation, please complete the Verification Form (attached to the INSTRUCTIONS), follow the directions, and send in with your scholarship application.

This statement is not an eligibility requirement: As the parent/legal guardian, my child/children are not currently participating in any of the above publicly funded programs. My child/children are however on a waiting list at Head Start, School-based or Child Care Assistance Program (CCAP). The site where my child/children are on the waiting list is: _____.

Option 2 – If you chose Option 1 to verify income, skip to Section III. If you did not choose Option 1, please complete the Income Table below.

List all sources of income in the table below. Each member of your household (including yourself, another parent or legal guardian) must be listed. All sources of income require proof of income (evidence). Refer to the INSTRUCTIONS document for more detail on how to fill in the table.

INCOME TABLE

Proof of Income. Attach proof of all income for each family member listed in the income table. Proof of income may include: a recent tax form, W-2 form, two most recent pay stubs, financial aid statement, or a statement from your employer on company letterhead.

SECTION III – EARLY EDUCATION/CHILD CARE PROGRAM CHOICE

You may use your Pathway I - Early Learning Scholarship at any eligible child care/early education program in Minnesota. A program is eligible to receive a scholarship if they are participating in the Parent Aware Ratings program.

Complete the child care/early education program choice table and indicate where you want to use your scholarship, if it is awarded. List the programs in order of priority. Check the box only if the child listed is currently enrolled at the child care/early education program.

CHILD CARE/EARLY EDUCATION PROGRAM CHOICE TABLE

				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>
				<input type="checkbox"/>

SECTION IV – AGREEMENT AND CONSENT

As a parent or legal guardian, I understand that if my child receives a Pathway I - Early Learning Scholarship:

My three- to five-year-old child must complete a developmental screening (Early Childhood Screening or preschool screening) within 90 calendar days of attending a child care/early education program using my Early Learning Scholarship, if the developmental screening has not already been done. If my three- to five-year-old child is currently attending an eligible child care/ early education program when they receive a scholarship, my child must complete the screening within 90 calendar days of receiving the scholarship award. The Early Childhood Screening is not a requirement if my child is younger than three-years-old. If my child turns three-years while receiving the scholarship, my child must complete the developmental screening.

As long as state funding is available, my child will be eligible to continue to receive a scholarship until they are age-eligible for kindergarten, but my child may not be awarded more than one scholarship in a 12-month period.

My child must be accepted and subsequently enrolled in a Parent Aware program within ten months of being awarded a scholarship, or the scholarship will cancel and I must reapply in order to be eligible for another scholarship.

I do not have to provide the information requested in this scholarship application, but if I elect to not provide the required information, I acknowledge the Regional Scholarship Administrator cannot approve my child/children to participate in Pathway I - Early Learning Scholarship Program.

AGREEMENT TO COMPLY

_____ By initialing, I agree to comply with the conditions and requirements of the Pathway I – Early Learning Scholarship program and will notify the Early Learning Scholarship Administrator when or if my child/children stop attending the child care/ early education program. I give my consent for regional scholarship administrator/staff to share information from my Pathway I - Early Learning Scholarship application, my eligibility for and the amount of any Early Learning Scholarship that I receive with the child care/early education program that I choose to use my scholarship at. I understand that this information must be shared to determine whether I am eligible for the Pathway I - Early Learning Scholarship and to allow the scholarship to be paid to the child care/early education program on my behalf.

I certify (promise) that the information provided on this scholarship application is true and that all household members and income is reported. I further understand that if I purposely give false information, my child/children may lose scholarship benefits and I may need to reimburse the state for funds paid on my behalf.

CONSENT TO THE RELEASE OF INFORMATION TO MDE

_____ By initialing, I give my consent for Pathway I - Early Learning Scholarship Administrator/staff to share my information with the Minnesota Department of Education (MDE). I understand that my information must be shared so that MDE can evaluate and report on the scholarship program. Refusal to consent to release information to MDE may impact my eligibility to receive a Pathway I - Early Learning Scholarship.

CONSENT TO THE RELEASE OF INFORMATION AND TO PARTICPATE IN EVALUATION

_____ By initialing, I give my consent for Pathway I - Early Learning Scholarship Administrator/staff to share my information with the entity chosen by MDE to evaluate the Pathway I - Early Learning Scholarship Program. I understand that my information must be shared in order for the evaluation to analyze how scholarship funds are spent, how families are informed about the scholarship program, and the impact on the child’s development or Kindergarten Readiness. Any public reports that include child information will be aggregated and will not include specific identifying information about any individual child. Refusal to consent to participate in the evaluation does not impact my eligibility to receive a Pathway I - Early Learning Scholarship.

By initialing in one or more of the areas above, I give my consent.

Signature of parent/legal guardian _____ Print Name: _____ Date _____

SECTION V – TENNESSEN WARNING

Minnesota Department of Education, Early Learning Scholarships Program

What information are we requesting?

We are requesting all information on the Pathway I - Early Learning Scholarships program application. This application requests information that may be considered private data under Minnesota law.

Why do we ask you for this information?

Information on this application is required to apply for the Pathway I - Early Learning Scholarships program. We will use the information collected via this application or any additional communications related to this application to determine eligibility for the Pathway I - Early Learning Scholarships program. This information is also necessary to comply with the state law authorizing the Early Learning Scholarships program.

Am I required to provide this data?

There is no legal obligation for you to provide the data requested. However, absent the data requested, the Minnesota Department of Education will not be able to evaluate your child's eligibility for the Pathway I - Early Learning Scholarships program.

Who else may see this information?

A third-party entity will evaluate the effectiveness of the Early Learning Scholarships program for the Minnesota Department of Education. That entity is bound by Minnesota's data practices and privacy laws and may not share your data with any other private entities but will share its evaluation with the Minnesota Department of Education. We may also give the data you've provided to the legislative auditor, the Minnesota Department of Human Services and any law enforcement agency or other agency with the legal authority to access the information, and anyone authorized by a court order.

How else may this information be used?

We can use or release this information only as stated in this notice unless you give us your written permission to release the information for another purpose or to release it to another individual or entity. The information may also be used for another purpose should the United States Congress or the Minnesota Legislature pass a law allowing or requiring us to release the information or to use it for another purpose.

How long will my data be kept?

Your data will be maintained for a minimum of seven years.

Appendix C: Additional Information About Data Analysis

Appendix C: Additional Information About Data Analysis

This appendix contains additional information about the data analysis methodology.

Multiple Imputation of Missing Baseline Covariates and Pretest Assessment Scores

Some covariate or pretest data were missing for 15% of Scholarship group children and 20% of comparison group children (for one or more variables).¹ Complete-case analysis using an unimputed data set has substantial weaknesses when considerable data are missing. First, listwise deletion limits the statistical power of the tests conducted because it uses a reduced sample size with complete cases (Allison, 2001; Olinsky, Chen, & Harlow, 2003; Roth, 1994). Second, if there is systematic difference between the complete cases and incomplete cases, the statistical inference from complete-case analysis may not be applicable to the population of all cases.

Multiple imputation was used as an alternative technique for dealing with missing data in an attempt to eliminate this bias. Missing data on baseline covariates and pretest measures were imputed using the EM (expectation-maximization) algorithm. All children with at least one baseline covariate and at least one pretest score were included in the multiple imputation.² The SAS PROC MI procedure with EM statement was used for multiple imputation. Multiple imputation inference involves three distinct phases:

1. The missing data are filled in five times to generate five complete data sets.
2. The five complete data sets are analyzed by using descriptive and regression procedures.
3. The results from the five complete data sets are combined for subsequent inferential analyses using SAS PROC MIANALYZE.

Propensity Score Weighting

Propensity score techniques are quasi-experimental approaches developed to approximate findings from randomized controlled trials (Becker & Ichino, 2002). They have been increasingly used in observational studies with cohort designs to reduce selection bias in estimating treatment or intervention effects when randomized controlled trials are not feasible or ethical (Rosenbaum & Rubin, 1983, 1984, 1985).

¹ For the Scholarship group, child gender, race/ethnicity, and home language were obtained from families' applications for the EL Scholarship and were at times incomplete. For the comparison students, these background characteristics were obtained through voluntary questions on the form used to enroll and obtain consent for them to participate in the Parent Aware Validation Study. Some direct assessment data were missing because of an inability to initiate or complete testing of children, and some indirect assessments were missing because not all teachers completed all forms.

² Imputation was run on the overall sample altogether, not separately by group, and included a third group of children receiving Minnesota Race to the Top-Early Learning Challenge Scholarships whose outcomes will be compared with children in the comparison group in a separate and forthcoming report.

Propensity score weighting methods were used to test the difference between the Scholarship and comparison groups on child posttest scores. The propensity score is the predicted probability of participating in a treatment group based on a set of potentially confounding covariates (e.g., child background characteristics and pretest scores) using logistic regression. Propensity scoring attempts to equalize the mean values of potentially confounding observed covariates in the two groups being compared, ensuring that differences in outcomes are not the result of differences in the mean values of those covariates.

The impact analysis was adjusted for confounds using inverse propensity score estimators, as recommended by Rosenbaum and Rubin (1983). Specifically, for contrasting Scholarship and comparison groups, the weight for Scholarship group children was set at 1.0 and the weight for comparison group students was equal to $\pi_i/(1-\pi_i)$, where π_i is the propensity score for the i -th comparison student. The weighting created balance between the comparison and Scholarship groups on observed covariates and thus estimated the effect on child outcomes of attending a 3- or 4-star-rated ELD program. Weighting was selected over other approaches such as matching because it retains all sample members in the analysis and does not reduce sample size. After propensity score weighting for comparison students, we examined the standardized mean score—Hedges’s g (the difference in means for the treatment and comparison groups divided by a pooled standard deviation)—to ensure that they were less than 0.25, thereby ensuring covariate balance (What Works Clearinghouse, 2008).

Weighted Multiple Regression to Compare Group Differences

Weighted multiple regression models were used to test the difference between the Scholarship and comparison groups on each of the child outcomes. The coefficient associated with group membership can be interpreted as the measure of the difference in child outcomes between Scholarship and comparison groups, adjusted for the estimated propensity of being in the Scholarship group and other child background characteristics.

The regression model was as follows:

$Y = \beta_0 + \beta_1 \text{Pretest} + \beta_2 \text{ELS} + \beta_3 \text{COV}$, where Y is posttest score; Pretest is the pretest score; ELS = 1 for the Scholarship group and ELS = 0 for the comparison group, and COV is student covariates. Propensity score weights were used in the multiple regression models.

To indicate the magnitude of the difference between Scholarship and comparison groups, this study reports regression-adjusted effect sizes (ES) (What Works Clearinghouse, 2008). The regression-adjusted ES is calculated by dividing the coefficient associated with intervention’s effect from the regression model by the pooled within-group standard deviation of the outcome at the student level (What Works Clearinghouse, 2008). Effect size indicates the strength of the intervention effect, which also takes into account differences in variability across measures.

Appendix C References

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Appendix D: Additional Information About Findings

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Baseline Equivalence

As described earlier, the goal of propensity score weighting is to control for the differential probability of being in the Scholarship and comparison groups. In order to ensure that the groups were adequately matched through propensity score weighting, we examined the standardized mean score (Hedge's g) to determine that they were less than 0.25. As shown in Exhibit D-1, standardized mean scores were below 0.25, indicating that covariate balance had been achieved.

Exhibit D-1. Baseline equivalence after propensity score weighting on demographic characteristics and pretest scores, by group

	Scholarship M (SD)	Scholarship Number	Comparison M (SD)	Comparison Number	Standardized Difference ^c
Gender					
Male	0.5 (0.5)	224	0.4 (0.7)	127	0.07 - 0.13
Race/ethnicity^a					
White	0.5 (0.5)	224	0.4-0.5 (0.7)	127	0.06 - 0.12
Biracial	0.2 (0.4)	224	0.1 (0.4 - 0.5)	127	0.06 - 0.14
Primary home language^b					
English	0.9 (0.3)	224	0.7-0.8 (0.5 - 0.6)	127	0.25 - 0.41
Health					
Body mass index	2.2 (0.6)	234	2.2 (0.7)	128	0.01
Literacy and language					
IGDI	21 (6.9)	234	19.4 (11.8)	128	0.18
TOPEL Print Knowledge	97.7 (15.2)	233	97 (20)	128	0.05
TOPEL Phonological Awareness	92.9 (17.7)	224	92.1 (24.8)	127	0.04
Early numeracy and math					
WJ Applied Problems	102.3 (11.3)	234	101.6 (14.5)	128	0.06
Socio-emotional competence					
SCBE Social Competence	41.4 (10.1)	239	42.2 (12.1)	129	-0.07
SCBE Anger- Aggression	17.7 (8.6)	240	17.9 (10.1)	129	-0.03
SCBE Anxiety- Withdrawal	16.5 (5.8)	240	16.9 (7.7)	129	-0.06
Approaches to learning					
PLBS Attention and Persistence	50.6 (10.5)	236	50.3 (12.3)	129	0.03
Peg-tapping (executive functioning)	10.5 (5)	234	9.4 (7.5)	128	0.18

^aThe reference group for this variable was all other race/ethnicity categories combined (aside from white and bi-racial). They were combined because the individual group sizes were not large enough to function in the subsequent regression models.

^bThe reference group for this variable was all other non-English languages. They were combined because the individual group sizes were not large enough to function in the subsequent regression models.

^cStandardized difference is calculated by Cohen's d effect size (i.e. the difference between two groups means, divided by the pooled standard deviations of the treatment and control group).

Growth in Child Outcomes for Scholarship Group and Comparison Group

Both the Scholarship group and the comparison group were analyzed separately to determine whether the children were showing significantly better scores in the spring compared with the fall scores on the child outcome measures. These analyses only included those children who had both pretest and posttest data on each outcome measure.

As shown in Exhibit D-2, Scholarship recipients showed significantly better scores in spring on six of the nine measures, whereas the comparison group showed significantly better scores in spring on three of nine. The results shown in Exhibit D-2 in this exhibit use unimputed data because the statistical test used is a pre-post paired t-test comparing means for each assessment score *within* each group separately and covariates are not included in these analyses. As seen by the generally positive slopes of many of these graphs, children in both groups had better spring scores for several outcomes. Specifically, as shown in Exhibits D-3 to D-11,

- Children in the Scholarship had significantly better scores in spring on 6 outcomes: expressive language (IGDI) ($p < .001$), executive functioning (peg tapping) ($p < .001$), both TOPEL subtests (Phonological Awareness and Print Knowledge) ($p < .001$), early math (WJ Applied Problems) ($p = .04$), and teacher-rated social competence (SCBE Social Competence) ($p < .001$). By the end of the preschool year, spring scores were close to the norming sample means for each of the standardized outcomes.
- Children in the comparison group had significantly better scores in spring on 3 outcomes: significant growth in expressive language (IGDI) ($p < .001$), executive functioning (peg tapping) ($p < .001$), and the TOPEL Phonological Awareness subtest ($p < .01$). Comparison children's scores on the TOPEL Phonological Awareness subtest was also similar to the norming sample means.
- Neither group of children showed significantly better scores in spring on attention-persistence (a positive outcome) nor on anxiety or anger-aggression (negative outcomes).

Exhibit D-2 Mean change in assessment scores from fall to spring, by group

	Number ^a	Fall Score M (SD)	Spring Score M (SD)	Change M (SD)	Pr > t
IGDI (expressive language)					
Scholarship	233	21.0 (6.9)	24.0 (7.3)	3.0 (6.2)	<.001 ^b
Comparison	125	23.6 (6.5)	27.3 (6.6)	3.7 (6.0)	<.001 ^b
TOPEL Print Knowledge					
Scholarship	226	97.9 (15.1)	101.0 (13.9)	3.0 (9.0)	<.001 ^b
Comparison	123	105.2 (13.5)	106.6 (13.1)	1.4 (9.2)	0.09
TOPEL Phonological Awareness					
Scholarship	218	93.4 (17.5)	100.4 (17.1)	7.0 (14.7)	<.001 ^b
Comparison	122	100.6 (15.9)	103.8 (16.2)	3.2 (14.8)	.02 ^b
WJ Applied Problems (math)					
Scholarship	226	102.6 (11.2)	103.8 (11.5)	1.2 (9.0)	0.04 ^b
Comparison	123	109.2 (10.8)	109.6 (11.8)	0.4 (9.3)	0.61
SCBE Social Competence					
Scholarship	225	41.6 (10.1)	43.3 (10.2)	1.7 (7.4)	<.001 ^b
Comparison	128	45.5 (9.3)	44.7 (10.0)	-0.7 (7.8)	0.30
SCBE Anger-Aggression					
Scholarship	228	17.5 (8.6)	17.9 (9.2)	0.3 (7.0)	0.47
Comparison	129	17.9 (7.7)	18.9 (8)	0.9 (5.8)	0.08
SCBE Anxiety-Withdrawal					
Scholarship	229	16.5 (5.8)	17.0 (7)	0.5 (5.3)	0.15
Comparison	129	16.0 (5.8)	16.3 (5.5)	0.3 (5.2)	0.55
PLBS Attention-Persistence					
Scholarship	222	50.6 (10.5)	50.9 (10.3)	0.3 (7.8)	0.57
Comparison	127	52.4 (9.7)	51.6 (9.6)	-0.8 (8.1)	0.29
Peg tapping (executive function)					
Scholarship	228	10.6 (5.0)	13.0 (4.1)	2.4 (4.1)	<.001 ^b
Comparison	123	11.6 (4.5)	13.8 (3.0)	2.2 (3.8)	<.001 ^b

^aValues in this column represent all the children for whom there were valid pretest and posttest scores, and thus valid change scores.

^bStatistically significant change in score between fall 2014 and spring 2015.

Exhibit D-3. Fall-spring assessment scores, by group: IGDIs

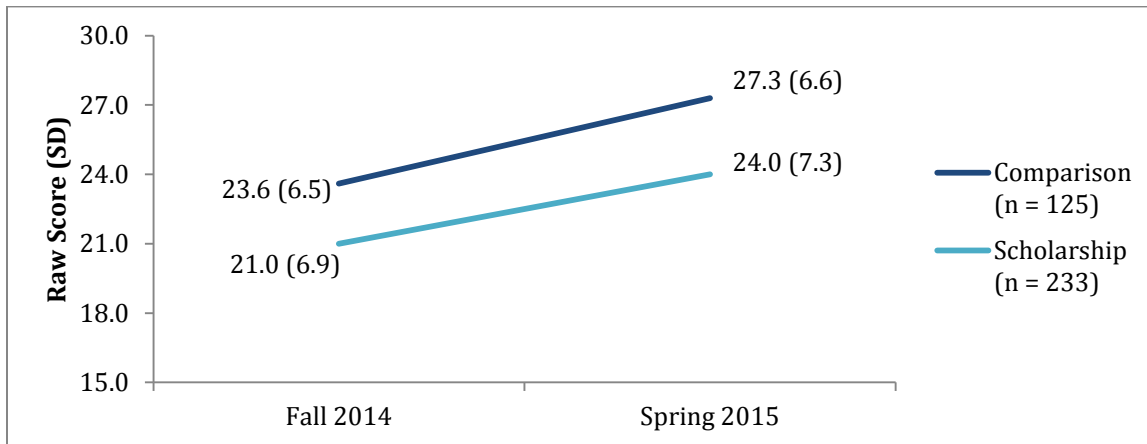


Exhibit D-4. Fall-spring assessment scores, by group: TOPEL Print Knowledge

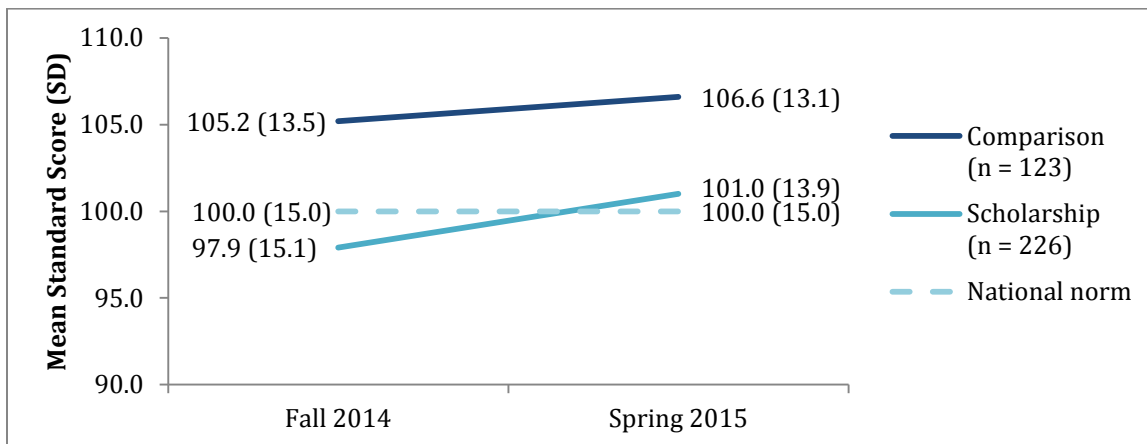


Exhibit D-5. Fall-spring assessment scores, by group: TOPEL Phonological Awareness

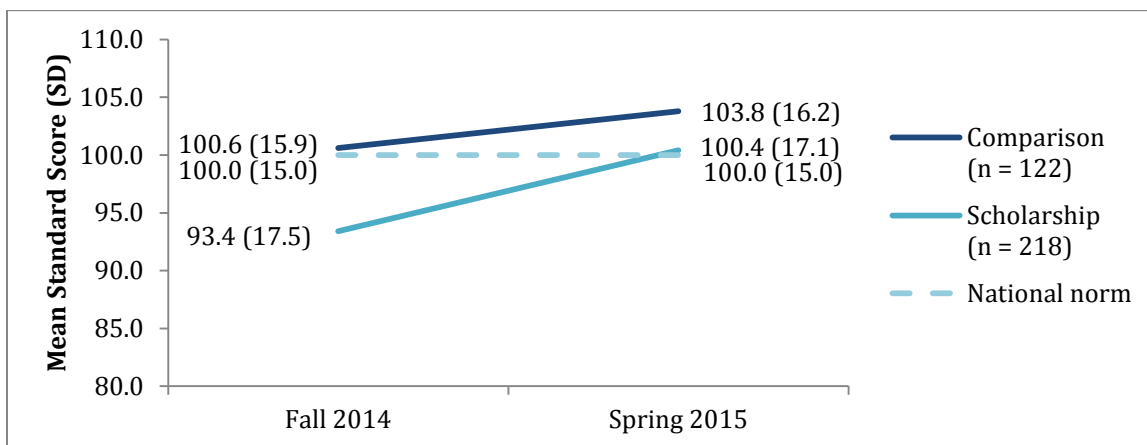


Exhibit D-6. Fall-spring assessment scores, by group: WJ Applied Problems

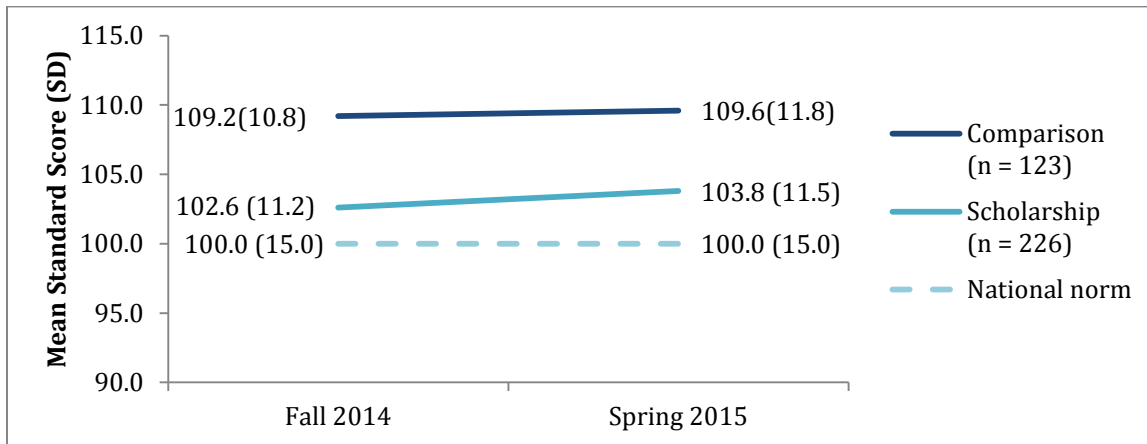


Exhibit D-7. Fall-spring assessment scores, by group: SCBE Social Competence

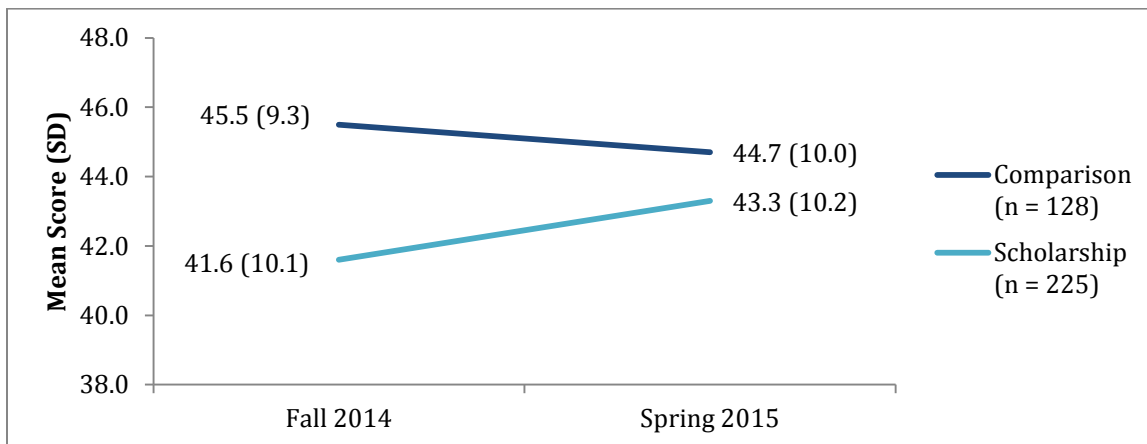


Exhibit D-8. Fall-spring assessment scores, by group: SCBE Anger-Aggression

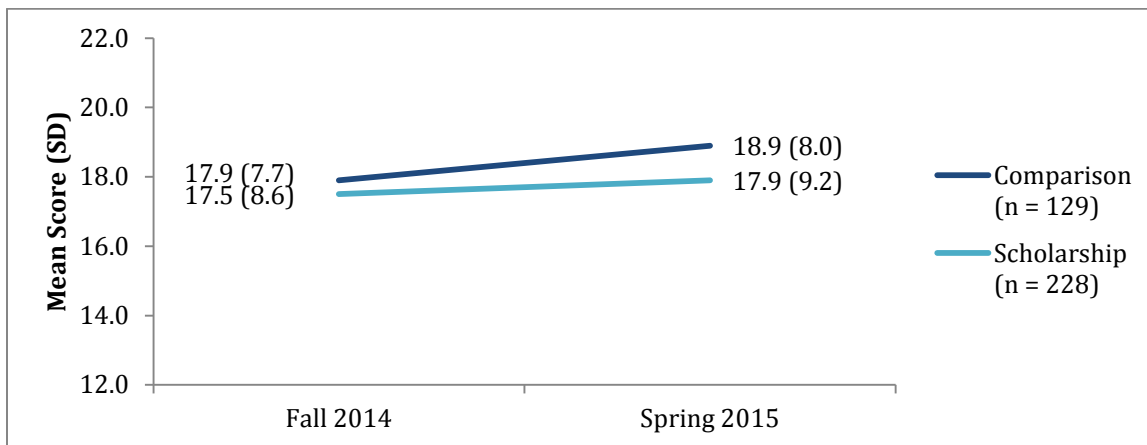


Exhibit D-9. Fall-spring assessment scores, by group: SCBE Anxiety-Withdrawal

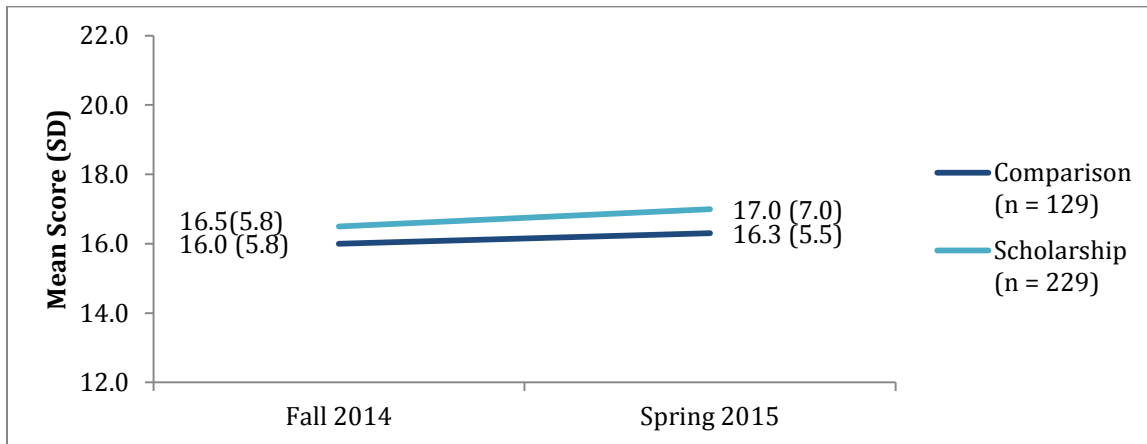


Exhibit D-10. Fall-spring assessment scores, by group: PLBS Attention and Persistence

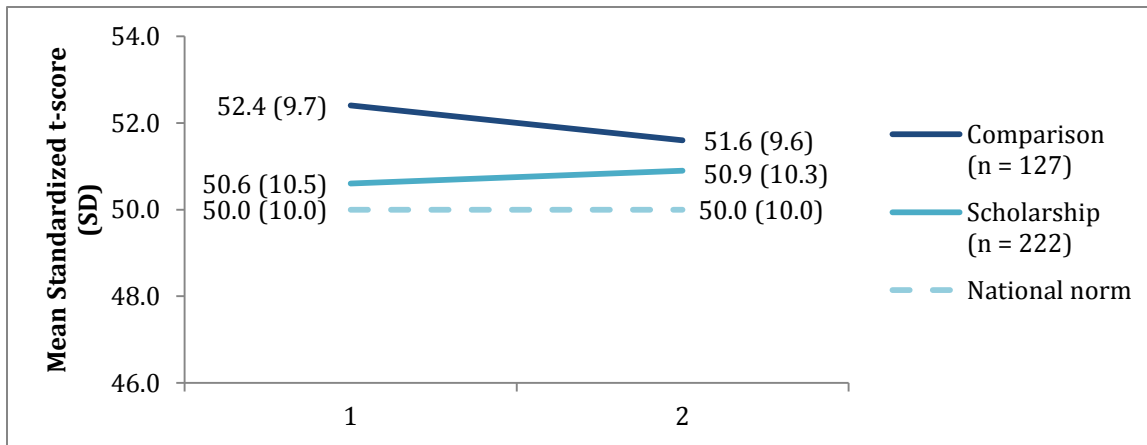
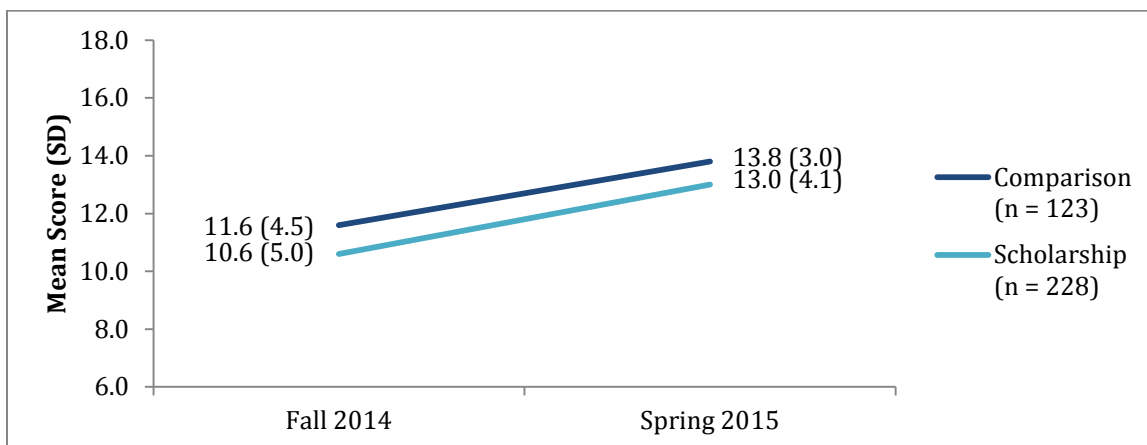


Exhibit D-11. Fall-spring assessment scores, by group: Executive functioning (Peg tapping)



Growth in Child Outcomes for Scholarship Group in Pathway I and Pathway II Groups

Similarly, within the Scholarship group only, children in Pathway I and Pathway II were analyzed separately to determine whether the children were showing significantly better scores in the spring compared with the fall scores on the child outcome measures. These analyses only included those children who had both pretest and posttest data on each outcome measure.

Children in both Pathway groups had better spring scores for several outcomes:

- IGDIs ($p < .0001$ for both)
- TOPEL-Print Knowledge (Pathway I, $p = .03$; Pathway II, $p < .0001$)
- TOPEL-Phonological Awareness ($p < .0001$ for both)
- SCBE-Social Competence (Pathway I, $p = .04$; Pathway II, $p = .001$)
- Peg tapping (executive functioning) ($p < .0001$ for both).

Children in Pathway II also had significantly better scores in spring for the WJ Applied Problems (1.9, $p = .01$), but children in Pathway I did not.

Neither group had significantly better scores for the following social-emotional and approaches to learning outcomes:

- SCBE-Anxiety-Withdrawal
- SCBE-Anger-Aggression
- PLBS (Attention-Persistence).