



To: First Steps Board of Trustees  
From: Jennifer McConnell, Chair, Program and Grants Committee  
Judith Aughtry, Chair, Finance and Administration Committee  
Date: December 5, 2016

**RE: INFO ITEM: Working Staff Recommendations re: Evidence-Based Practice Implementation Presented for Discussion in Anticipation of Action in January 2017**

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The Program and Grants Committee and Finance and Administration Committee each met by conference call on Monday, December 5, with both committees receiving a set of initial staff recommendations regarding the implementation of Act 287's evidence-based programs requirement. During the Board meeting Tuesday, Dr. Wuori will review the recommendations below, which staff intend to distribute for comment by local partnerships. No action is recommended on December 6, 2016.

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As you will recall from our October meeting, First Steps' July 2014 reauthorization charged the Board with initiating a transition entailing first the identification – and then the statewide implementation – of “evidence-based programs.” In October the Board heard from Dr. Cheri Shapiro and adopted the recommendations of the University of South Carolina's Center of Excellence in Evidence-Based Intervention as their working list of evidence-based and evidence-informed practices.

With these practices formally identified by the Board, the agency now approaches the significantly larger challenge of statewide implementation. SC Section 59-152-100(B) specifies that:

*“At least seventy-five percent of state funds **appropriated for programs** must be used by the local partnership for evidence-based programs. Not more than twenty-five percent of state funds **appropriated for programs** to a local partnership may be used for evidence-informed programs.” (Emphasis added.)*

This language represents a significant shift in practice. Since inception, the State Board (consistent with First Steps' original enabling legislation) has placed a high priority on local communities' ability to meet local needs with local solutions, to include the funding of many well-established community interventions that, despite their effectiveness, may not have the academic research publications to be reasonably defined as “evidence-based” under Act 287 of 2014.

**As First Steps prepares for formal implementation in FY18, staff share the following working recommendations, which were reviewed in concept with the Program and Grants Committee of the Executive Director Leadership Council on Friday, November 18, 2016.**

| Issue/Background:   | Working Recommendations:   |
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| <p><b>1) Defining the amount of state funding “appropriated for programs.”</b></p> <p>Section 59-152-100(B) applies the 75% “evidence-based” requirement – not to the entirety of the partnership grant – but to “state funds appropriated for programs.”</p> <p>Currently the Board permits an 8% allowance for partnership administrative functions. Given non-programmatic “core-function” responsibilities separately assigned to each partnership by Section 59-152-70 (designation of each office as a service portal for children and families, community convening/education and support of state-level priorities), it is appropriate that the Board now take action to distinguish between “programmatic” and “core function” appropriations.</p>   | <p>In consultation with local partnerships, staff recommends that an allowance of not more than 20% of state grant funding be permitted during FY18 for support of <i>core partnership functions</i>, with the remaining 72% of each partnership grant identified as the <i>programmatic</i> funding base against which the 75% rule will be applied.</p> <p>Core function expenditures exceeding 20% will be applied toward the 25% limit for evidence-informed programs.</p>   |
| <p><b>2) Investments in training and child care scholarships.</b></p> <p>Since 1999, First Steps local partnerships have been a primary source of required, annual professional development for the state’s child care workforce (estimated at more than 15,000 by a 2006 economic impact study by the University of SC). Given its lack of a specific program model, Dr. Shapiro’s October 2016 report was unable to classify child care training as evidence-based.</p> <p>During FY16, 37 Partnerships (80%) provided 565 separate child care trainings, with a combined total attendance of 8,349.</p> <p>Likewise, partnerships have historically served as a provider of readiness-focused child care scholarships. Unlike the SC Voucher program, which permits broad parental flexibility, First Steps’ scholarships may only be utilized within settings exceeding minimum licensing requirements. According to the First Steps Accountability Standards:</p> <p>“These programs – to be selected via competitive process – are defined as meeting any one of the following criteria:</p> <ul style="list-style-type: none"> <li>• Active participation in a First Steps quality enhancement strategy;</li> <li>• Exceeding minimum licensing requirements (participation in the ABC Quality Program at Level B or higher); or</li> <li>• An aggregate Environment Rating Scale rating of 4.0 or higher.”</li> </ul> <p>All First Steps scholarships are combined with required developmental screenings.</p> <p>Given variability within classroom settings and the</p> | <p>For FY17, child care training and scholarships will be underwritten as follows:</p> <ol style="list-style-type: none"> <li>1) To the extent that these interventions are formally connected to other evidence-based strategies, training and scholarships will be considered – for the purpose of the 75% requirement – permissible expenditures within these sister strategies. (For example, a scholarship awarded to a child actively enrolled in Nurse-Family Partnership or PAT will be considered an “evidence-based” expenditure.)</li> <li>2) Stand-alone training and scholarship strategies (not formally connected to evidence-based sister strategies), will be categorized as “evidence-informed” and subject to the 25% restriction.</li> </ol> |

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| <p>lack of a specific program model, here too Dr. Shapiro was unable to make an evidence-based classification.</p> <p>During FY16, 23 Partnerships (50%) provided child care scholarships to 521 high-risk children, supporting 132 child care providers.</p> <p>As readiness supports, both child care training and scholarships play critical roles within First Steps – supporting both a sizable early childhood workforce and hundreds of high-risk families. It is important to note that both strategies are frequently connected to other evidence-based programs. For example, many partnerships require enrollment and active participation in Parents as Teachers as a condition of receiving a scholarship. Training is often directed primarily to centers participating actively in partnership quality enhancement/coaching strategies.</p> |  |
| <p><b>3) FY18 Waiver Process</b></p> <p>Even with the allowances above, a rapid shift toward evidence-based funding holds the potential to create significant upheaval for local communities during FY18 – potentially requiring the partnerships' elimination of longstanding community strategies/partnerships and the immediate discontinuation of services to enrolled children and families.</p> <p>While it is critical that the Board continue to demonstrate it's significant progress toward meeting the requirements established in 59-152-100, the expectation all partnerships can successfully do so by July 1, 2017 is unrealistic.</p>  | <p>An FY18 waiver process will be established to permit additional time for local partnership transition planning and for the agency to collect additional impact data. Waiver requests will be accompanied by a proposed transition timeline.</p> |