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Washington, D.C. 20202-5335



**APPLICATION FOR GRANTS
UNDER THE**

Preschool Pay For Success Feasibility Pilot Grant

CFDA # 84.419C

PR/Award # S419C170004

Grants.gov Tracking#: GRANT12262070

OMB No. 1810-0728, Expiration Date: 08/31/2019

Closing Date: Oct 06, 2016

**U.S. DEPARTMENT OF EDUCATION
BUDGET INFORMATION
NON-CONSTRUCTION PROGRAMS**

OMB Number: 1894-0008
Expiration Date: 06/30/2017

Name of Institution/Organization

Cuyahoga County Office of Early Childhood

Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.

**SECTION A - BUDGET SUMMARY
U.S. DEPARTMENT OF EDUCATION FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel						
2. Fringe Benefits						
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)						
10. Indirect Costs*						
11. Training Stipends						
12. Total Costs (lines 9-11)						

***Indirect Cost Information (To Be Completed by Your Business Office):**

If you are requesting reimbursement for indirect costs on line 10, please answer the following questions:

- (1) Do you have an Indirect Cost Rate Agreement approved by the Federal government? Yes No
- (2) If yes, please provide the following information:
 Period Covered by the Indirect Cost Rate Agreement: From: To: (mm/dd/yyyy)
 Approving Federal agency: ED Other (please specify):
 The Indirect Cost Rate is %.
- (3) If this is your first Federal grant, and you do not have an approved indirect cost rate agreement, are not a State, Local government or Indian Tribe, and are not funded under a training rate program or a restricted rate program, do you want to use the de minimis rate of 10% of MTDC? Yes No If yes, you must comply with the requirements of 2 CFR § 200.414(f).
- (4) If you do not have an approved indirect cost rate agreement, do you want to use the temporary rate of 10% of budgeted salaries and wages?
 Yes No If yes, you must submit a proposed indirect cost rate agreement within 90 days after the date your grant is awarded, as required by 34 CFR § 75.560.
- (5) For Restricted Rate Programs (check one) -- Are you using a restricted indirect cost rate that:
 Is included in your approved Indirect Cost Rate Agreement? Or, Complies with 34 CFR 76.564(c)(2)? The Restricted Indirect Cost Rate is %.

PR/Award # S419C170004

Name of Institution/Organization Cuyahoga County Office of Early Childhood	Applicants requesting funding for only one year should complete the column under "Project Year 1." Applicants requesting funding for multi-year grants should complete all applicable columns. Please read all instructions before completing form.
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**SECTION B - BUDGET SUMMARY
NON-FEDERAL FUNDS**

Budget Categories	Project Year 1 (a)	Project Year 2 (b)	Project Year 3 (c)	Project Year 4 (d)	Project Year 5 (e)	Total (f)
1. Personnel	████████	████████	████████			████████
2. Fringe Benefits	████████	████████	████████			████████
3. Travel						
4. Equipment						
5. Supplies						
6. Contractual						
7. Construction						
8. Other						
9. Total Direct Costs (lines 1-8)	████████	████████	████████			████████
10. Indirect Costs						
11. Training Stipends						
12. Total Costs (lines 9-11)	████████	████████	████████			████████

SECTION C - BUDGET NARRATIVE (see instructions)

ED 524

Grant Title: Feasibility Study of a Pay for Success Approach to Expand Cuyahoga County's Universal Prekindergarten Program: Determining Capacity, Outcomes and Impact

Applicant: Cuyahoga County Office of Early Childhood

Abstract

Expansion of high quality preschool through Cuyahoga County's Universal Prekindergarten program is a critical priority for the community. Funded through Invest in Children, the county's public/private partnership, the program will expand to reach 4000 children in 2017, yet the capacity will still fall far short of meeting the community need. With significant new state and/or federal investment uncertain at best, Cuyahoga County is committed to exploring creative local financing options to help take this tested, proven model to scale. This proposed Feasibility Study will determine the viability of a Pay for Success approach to expand the reach of Cuyahoga County's Universal Prekindergarten (UPK) program.

Specific project objectives include: (1) determine the provider/community capacity for expansion of the UPK program beyond 4,000 seats; (2) determine the workforce capacity for expansion in the community; (3) extend examination of school outcomes for children from UPK up to third grade; (4) evaluate relationship of children's social/emotional development and executive functioning and school readiness; (5) create a Pay for Success cost/benefit analysis and preliminary economic model based upon the outcomes observed; (6) determine capacity to raise additional capital through Pay for Success model.

The feasibility study activities will include: (1) activation of a project management team and work groups who finalize the work plan; (2) examination of the existing program and community capacity for change, including an assessment of the cost structure and the barriers or challenges to expansion;

(3) assessment of the legal and regulatory environment for expansion and use of PFS mechanism; (4) assessment of the funding environment; (5) evaluation of the accessibility and quality of data and recommendations for how to address and data challenges/barriers; (6) identification and alignment of outcome metrics within the evaluation methodology; (7) report out on viability of PFS model for expansion of UPK model.

This project will address both the absolute priority and the competitive preference priority for this opportunity. First, we propose a detailed feasibility study to meet the absolute priority. The study will determine the viability of using a PFS approach to expand the UPK preschool program for the targeted population: children ages 3-5, not yet enrolled in kindergarten who are at or below 300% of the Federal Poverty Level (FPL) and who have not yet benefitted from access to the County UPK program. Second, we will evaluate executive functioning in UPK children and how that relates to school outcomes, to meet the competitive preference priority: Outcome Measures Across Various Domains.

The feasibility study outcomes include kindergarten readiness, on-time grade matriculation, and third-grade reading proficiency. These outcomes will be used in the PFS model, if it is determined to be viable. If viable, the final report will provide guidance for entering transaction structuring, including a description of the roles and responsibilities of each partner, an effective governance structure to facilitate implementation of PFS, a description of the proposed rigorous evaluation plan, and a description of how to overcome barriers/challenges to scaling the program to serve the target population. If not viable, the final report will provide a description of why the project is not feasible and a discussion of potential alternatives to PFS that would contribute to the public good and goals of stakeholders.

Cuyahoga County Universal Pre-K Pay for Success Feasibility Pilot
Application Narrative

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Introduction

Children from low income families frequently begin school significantly behind their more affluent peers. This challenge is felt keenly throughout Cuyahoga County, where two out of every three children entering kindergarten are unprepared to succeed, and one quarter of third graders in the county fail the state's third grade reading proficiency test. Universal prekindergarten programs have been launched throughout the United States in an effort to provide opportunities for low income children to be prepared to succeed. *Invest in Children*, a public/private partnership in Cuyahoga County led by the County's Office of Early Childhood, has worked diligently over almost a decade to make universal high quality pre-kindergarten a reality in Cuyahoga County. Cuyahoga County's Universal Pre-K (UPK) program has shown positive developmental gains for children and statistically significant gains in school readiness. National research on positive short- and long-term outcomes for children who attend high quality early educational programs demonstrates that if low-income and minority children receive a high quality early educational experience, they will be better positioned for a path to success¹. That has been demonstrated in Cuyahoga County as well.

Expansion of Cuyahoga County's Universal Pre-K program is a critical priority for our community. Cuyahoga County partners have been working collaboratively to provide expanded preschool options through the *Invest in Children* public/private partnership. Yet even with a planned expansion starting in fall 2017, there are still too many children who will not be reached. With significant new state and/or federal investment uncertain at best, Cuyahoga County is committed to exploring creative financing options to help take this tested, proven model to scale. The Cuyahoga County Preschool Pay for Success Feasibility Study will target preschool children ages 3-5 years of age who are at or below 300% of the Federal Poverty Level (FPL) and who have not yet benefitted from access to the County UPK program.

Pay for Success offers an exciting opportunity for Cuyahoga County to improve upon an already highly successful model and demonstrate the benefits of accountable, research-based program design. Cuyahoga County's UPK program was launched in 2007 with ambitious goals: (1) make a "gold standard" preschool experience available to the children who can benefit most across Cuyahoga County, (2) relentlessly pursue the highest quality possible in Cuyahoga County's early learning programs, (3) drive higher rates of school readiness, and (4) make high-quality preschool more affordable for Cuyahoga County families.

¹ Barnett, Q. Steven. (2008). "Preschool Education and its Lasting Effects: Research and Policy Implications." National Institute for Early Education Research Rutgers, The State University of New Jersey.

Even with this most recent planned expansion, known as UPK 2.0, the reach of UPK is limited for children from low- and moderate-income families who stand to benefit most from this life-changing program. With the launch of UPK 2.0, we are slated to double the number of children currently in the program to 4,000. While the expansion is a great leap forward, it will still reach fewer than 30 percent of low-income preschool-aged children in Cuyahoga County.

Statement of Need

In the City of Cleveland, approximately 59% of preschool age children (3, 4, and 30% of 5 year olds) live in families whose incomes fall below 100% federal poverty. The percent of young children living in deep poverty in the county suburbs is lower, yet over 3,500 children in county suburbs are confronting the same issues faced by their city counterparts. An additional 20,000 preschoolers in the suburbs live in near poverty (below 300% of federal poverty line). There is great need for high quality preschool to prepare these children for success in kindergarten and beyond.

Current estimates of the preschool population are based on data from the 2010-2014 American Community Survey and the 2010 U.S. Census age proportions. According to these estimates, there are 33,660 preschool age children (3, 4, and 30% of 5-yearolds --those not yet attending Kindergarten) residing in Cuyahoga County. Based on the experiences of other high quality state-wide Universal Prekindergarten (UPK) programs, the “take up” rate for families offered this type of high quality program is approximately 70% and can go as high as 80% in well-established programs with robust public funding such as New Jersey and Oklahoma. Using the more conservative 70% take-up rate in Cuyahoga County, there would be a need for 23,562 seats in UPK for preschool children aged 3-5 years (see Table I below).

Table I. Preschool Population in Cuyahoga County and Projected Demand for Universal Prekindergarten Program, by Age

	City of Cleveland (70% Uptake)	County outside of Cleveland (70% Uptake)	Total County (70% Uptake)
3 years old	5,261 (3,683)	9,575 (6,703)	14,836 (10,385)
4 years old	5,092 (3,564)	9,395 (6,577)	14,487 (10,141)
5 years old (30% not in K)	1,430 (1,001)	2,908 (2,036)	4,337 (3,036)
Total	11,783 (8,248)	21,878 (15,315)	33,660 (23,562)

Sources: U.S. Census Bureau, Census 2010 and 2010-2014 ACS 5-Year Estimates

The target population for the planned feasibility study are children aged 3-5 years, not yet enrolled in kindergarten, who fall at or below 300% FPL. Table 2 below restricts the estimate to this subgroup of children and shows that there are 22,449 children eligible. Using the same take-up rate estimate as above, in Cuyahoga County there would be a need for 15,714 slots in UPK for preschool aged 3-5 years who fall at or below 300% FPL. In Cuyahoga County as a whole, nearly 67% of children aged 3-5 fall at or below 300% FPL. In the city of Cleveland, over 90% of children are within this income range.

Table 2. Preschool Population in Cuyahoga County and Projected Demand for Universal Prekindergarten Program, by Income Level

	City of Cleveland (70% Uptake)	County outside of Cleveland (70% Uptake)	Total County (70% Uptake)
Below 100% of the Federal Poverty Line	6,941 (4,859)	3,544 (2,481)	10,485 (7,340)
Below 200% of the Federal Poverty Line	9,545 (6,681)	7,722 (5,405)	17,266 (12,086)
Below 300% of the Federal Poverty Line	10,656 (7,459)	11,793 (8,255)	22,449 (15,714)
Share of Total Children	90.43%	53.90%	66.69%

Sources: U.S. Census Bureau, Census 2010 and 2010-2014 ACS 5-Year Estimates

Gap Between Demand and Capacity

In order for the UPK program in Cuyahoga County to become truly “universal” for those children at or below 300% of the Federal Poverty Line, it would have to grow from its current 2,229 slots to approximately 15,714 slots: a dramatic expansion. Beyond the significant increase in funding such an expansion would require, there would also need to be a significant expansion in the number of quality child care programs that would qualify to become part of the UPK program.

As can be seen in Table 3, currently 70% of the child care in Cuyahoga County is of unknown or low quality. The percentage of high quality programs has consistently increased since the launch of the UPK program and will accelerate further over the next several years as state statute now requires that all programs receiving public funding either through child care

subsidies or via public preschool funding must be rated in Step Up to Quality (SUTQ) by 2020². At present, known high-quality preschool slots in public preschool, UPK and other settings exist for 30% of the target population county wide (42% in the city of Cleveland, 23% in the suburbs).

Invest in Children, in collaboration with Starting Point, the state-designated child care resource and referral agency, continually works to provide training and technical assistance to private child care providers to help them improve quality and enter into the SUTQ rating system.

While our local progress is tangible, more assistance is needed to further accelerate the drive towards greater numbers of high quality providers. The PFS Feasibility Study will help our community test and refine strategies to fill this gap.

Table 3. Preschool Demand (for children ages 3-5, not yet in kindergarten at or below 300% FPL) and Current Supply in the City, County outside of the City, and County as a Whole

	City of Cleveland	County outside of Cleveland	Total County
Projected 70% take up rate	7,459	8,255	15,714
Total supply	11,616	20,838	32,454
Unrated / lower quality supply	6,714 (58%)	16,037 (77%)	22,751 (70%)
High quality supply	1,871 (16%)	1,778 (9%)	3,649 (11%)
Public Preschool supply	1,644 (14%)	2,181 (10%)	3,825 (12%)
UPK supply	1,387 (12%)	842 (4%)	2,229 (7%)

Note. Percentages in parentheses are out of the Total Supply.

Preschool Program Design

Cuyahoga County Universal Pre-K (UPK)

² SUTQ is a voluntary quality rating system administered by the Ohio Department of Job and Family Services (ODJFS) and the Ohio Department of Education (ODE) that recognizes and promotes learning and development programs that meet quality benchmarks.

The Cuyahoga County UPK program was created through a yearlong community planning process that involved over 100 stakeholders from school districts, business, child care, philanthropy, state and local government.

The process was informed by national experts³ who served as consultants on program design, evaluation, and child care financing. Through this planning process, UPK established the

UPK PROGRAM STANDARDS

- ❖ Maximum class size of 20 with 1:10 staff /child ratio
- ❖ Research-based curriculum
- ❖ Professional development plan for staff
- ❖ Family engagement using the Epstein Model of Family Engagement
- ❖ Resource referrals for families
- ❖ Assessment and individualized curriculum for children
- ❖ Continuous quality improvement facilitated by a Technical Assistance specialist.

following program standards: maximum class size of 20 with 1:10 staff /child ratio; research-based curriculum; professional development plan for staff; family engagement using the Epstein Model of Family Engagement⁴; resource referral for families⁵; assessment and individualized curriculum for children⁶; and continuous quality improvement facilitated by a Technical Assistance specialist.



³ Epstein, Joyce L. (2001). School, Family, and Community Partnerships: Preparing Educators and Improving Schools. Boulder, CO: Westview Press

⁴ UPK providers are expected to support families in accessing all necessary supports and or services. Programs must have a parent resource center, a resource manual, and information posted regarding 211 First Call for Help (United Way's 24-hour helpline).

⁵ All UPK Providers must assess children using the Ages and Stages Questionnaire (ASQ) and Devereaux Early Childhood Assessment (DECA).

The Cuyahoga County Office of Early Childhood (OEC) monitors compliance with all UPK rules and regulations regarding program implementation. Starting Point, Cuyahoga County's state-designated child care resource and referral agency, is responsible for implementing many of the UPK program components including: family engagement; resource coordination; safety net scholarships; professional development and training; child outcome assessments; program quality assessments; program monitoring; and the UPK data system.

UPK PROGRAM COMPONENTS

- ❖ High quality preschool (designated 3-5 stars on state Step Up to Quality rating system)
- ❖ Mixed provider delivery system
- ❖ Family Scholarships to promote affordability (covering 1/3 of tuition costs)
- ❖ Provider Quality Improvement grants
- ❖ T.E.A.C.H. scholarships (to promote teacher qualifications)
- ❖ Family engagement and supports

The success of the UPK program design was demonstrated in an evaluation conducted by the Case Western Reserve University Center on Urban Poverty and Community Development (Poverty Center). Children enrolled in the UPK pilot showed statistically significant gains in school readiness over the course of the year in the setting. Statistically significant gains were found on all five subscales of the Bracken School Readiness Assessment -colors, letter, numbers/counting, size/comparison, and shapes. Children with the lowest performance on the fall Bracken assessment showed the greatest gains over the course of the school year. Children in the Delayed and Very Delayed categories showed an average of 55% improvement. Children's school readiness as measured by the Bracken during preschool shows strong predictive ability of performance on the KRA-L at entry to kindergarten.

Beginning in fall 2017, Cuyahoga County is committed to expanding the program from the 2,229 children currently served to 4,000 preschool children served. Known as UPK 2.0, specific enhancements to the program model based on evaluation of the original model will be incorporated. The *Invest in Children* public/private partnership secured [REDACTED]⁷ for the upcoming UPK 2.0 expansion. The PFS feasibility study will assess expansion beyond those 4000 seats using the UPK 2.0 enhanced program model.

UPK employs a mixed delivery system built upon high quality preschool programs in a variety of settings: public preschool, Head Start sites⁸, private child care centers and in-home family child care. The decision to use such a diverse array of programs was driven by respect for parental choice and based on information from a capacity study conducted during the original UPK design that demonstrated a supply of quality preschool providers across provider settings could help facilitate launch of the program.

School-based preschools and child care programs interested in becoming UPK providers respond to a Request for Proposals process. If selected, they receive funding determined by the

⁷ The partnership secured [REDACTED] and \$ [REDACTED] in private investments from foundations, corporations, and individuals.

⁸ While Head Start programs are part of the UPK system, they will not be included in the feasibility study. Only non-Head Start programs will be considered for the Pay for Success expansion.

gap in revenue the program receives from all public and private sources and the calculated cost of providing high quality education and care in Cuyahoga County.

Quality

Cuyahoga County was a pilot community and early adopter of Step Up To Quality (SUTQ), the state of Ohio's quality rating system for child care. To be a UPK provider, applicants must be highly rated based on the SUTQ scale (a rating of three-star or higher on the five-star scale). The rating system is based on national research identifying standards that lead to improved outcomes for children. Standards for a three-star facility include, but are not limited to:

- (1) The program implements a written, research-based, comprehensive curriculum aligned with the Ohio Early Learning and Development Standards and demonstrates its alignment with the curriculum assessment.
- (2) Lead teacher uses a written, dated plan of activities for all hours of instructional time.
- (3) The program ensures that all children receive a comprehensive developmental screening that is valid and reliable within 60 days of entry into the program and annually thereafter.
- (4) The program administers the state required assessment for all enrolled preschool aged children.
- (5) The program completes an annual self-assessment using Family Child Care Environment Rating Scale, Revised Edition (FCCERS-R) or other tool to measure the learning environment which includes staff/child interactions and is developmentally appropriate.
- (6) The program completes an annual continuous improvement plan.
- (7) The program owner and all staff have annual professional development plans.
- (8) All newly hired staff are required to complete Ohio's *Approach to Quality and Overview of Child Development* training within 30 days of being hired.

The first three levels in SUTQ follow a building block approach in which a program must meet all requirements of level one to receive one star, all requirements of levels one and two to receive two stars, and all requirements of levels one - three to receive three stars. Three stars in the SUTQ system is considered to be "high quality." Beyond level three, programs are awarded points for each additional standard met. A program may be awarded four or five stars if it earns sufficient points. Programs have the flexibility to earn points in the areas that best support their values, goals and structure. Examples of elements that earn additional points include: administrators and teachers hold higher education qualifications than Three-Star programs; administrators and teachers demonstrate the value of ongoing professional development by completing more than the required 20 hours of specialized training every two years; the needs, interests and abilities of children are the basis for developing experiences and activities; program has an active and organized parent volunteer group; and, families and community partners' input is used to inform the program's continuous improvement process.

Curriculum

At the core of the UPK model is the use of evidence-based curricula in all UPK sites. UPK sites may select their own curriculum; commonly used examples include HighScope⁹ and Creative Curriculum¹⁰. While sites are free to choose their own curriculum, all curricula must meet the following standards:

- (1) Be based on a solid foundation of child development and early education research.
- (2) Be comprehensive and address children's individual and developmental needs in the areas of physical, social, emotional, cognitive, and language development.
- (3) Integrate language and literacy development, numeracy, science, social studies and the arts within activities over the day and week, using developmentally appropriate strategies.
- (4) Foster problem solving, inquiry, discovery and creativity through the intentional use of playful and experiential approaches to learning.
- (5) Be responsive to the cultural and language needs of families and children, and address children with disabilities and other special needs.
- (6) Incorporate family involvement and support as an integral component of its implementation.
- (7) Be consistent with Ohio's Early Learning and Development Standards and adequately prepare children for Kindergarten content.
- (8) Use instructional practices that are informed by ongoing formal and informal assessment. The results of the assessment should be used to plan learning activities and to inform parents about the developmental progress of their child.
- (9) The curriculum must provide an on-going process of collecting information from multiple sources about a child's needs, which may include observations, portfolios, and screenings to determine a child's strengths and weaknesses in order to accurately plan his/her educational services.

UPK 2.0

The UPK program has undergone robust evaluation by a team at the Case Western Reserve University Center on Urban Poverty and Community Development (the Poverty Center). The most recent evaluation identified two components of UPK which will be enhanced for the expansion to UPK 2.0:

- services to children with special needs, and
- family engagement.

It is the enhanced UPK 2.0 model that will form the basis of the PFS feasibility study.

⁹ Epstein, A. S., & Hohmann, M. (2012). *The HighScope Preschool Curriculum*. Ypsilanti, MI: HighScope Press.

¹⁰ Dodge, D. T., Colker, L. J., & Heroman, C. (2015). *The creative curriculum for preschool* (Sixth edition). Washington, DC: Teaching Strategies.

Special Needs

UPK providers are required to serve children with medical, developmental or behavioral challenges. Each program is required to have a written policy stating that the program does not discriminate on the basis of race, color, national origin, gender, sexual orientation, religion or disability. In some cases, the children with special needs have an Individualized Education Plan (IEP) and are formally recognized as children with special needs by the Ohio Department of Education. However, many children, particularly those with challenging behaviors, come to UPK programs without an official designation or diagnosis. Currently, in order to serve children with special needs, UPK programs may request a Special Needs Technical Assistance (TA) Specialist (funded by Invest in Children and deployed by Starting Point) who comes to the classroom and works with the classroom staff and program director to help the program become more effective in serving the child. For children with medical or developmental needs, equipment may be provided along with special instruction by a nurse or developmental specialist. However, for the majority of children, it is disruptive behavior that triggers a request for assistance. Technical assistance specialists with early childhood mental health expertise and early childhood education experience observe the classroom and the child and make very specific recommendations to the teacher on how to more effectively manage the child's behavior and classroom setup/procedures. In many cases, this technical assistance raises the quality of care for all children in the classroom.

At times, it becomes clear that more direct services are needed for the child and family. When the Technical Assistance specialist determines that the child needs services in the form of early childhood mental health treatment, a referral is made for home-based treatment, generally delivered by a therapist from the same agency. Both the Special Needs Child Care technical assistance and the Early Childhood Mental Health treatment are part of the service continuum funded and managed by *Invest in Children/Office of Early Childhood*.

The program has been very successful in maintaining children in the child care program and an independent evaluation showed that 80% of those high risk children remained in the same setting six months after the technical assistance had ended.

Though this program has been very effective, providers have indicated that even more assistance is needed for some children with very intense needs. Responding to this need, in October 2016 Cuyahoga County is launching a more intensive model of Special Needs technical assistance for those cases when it is warranted. It will pilot this approach in advance of the Fall 2017 additional 2000 seat expansion.

The Special Needs Intensive Model will, as the name suggests, provide more intensive help for programs. The technical assistance provided by the TA Specialist will be provided over a longer period of time with the specialist spending more time in the classroom to ensure that the teacher has mastered the strategies and skills needed to work effectively with the child and maintain a stable classroom.

The original Special Needs model typically includes 3-5 visits total, while the Intensive Model will provide 2-3 technical assistance visits *per week* for three months and will allow an even longer engagement if deemed necessary.

Family Engagement

The current family engagement component of the UPK program has been very effective and has received national recognition from the National Network of Partnership Schools (NNPS) at Johns Hopkins University. UPK has received awards from NNPS for family engagement activities with fathers; use of technology with families to facilitate “learning on the go”; and use of annual theme-based outreach strategies. While we are proud of this work, we believe even more can be done. In UPK 2.0, we are building on our success to date to enlarge the vision of family engagement to include the “Two Gen” approach described by Aspire of the Aspen Institute ¹¹ that will provide even more resources to parents of UPK children. In addition, we recognize that classroom teachers and program directors alike, have received little or no formal training in family engagement skills. Thus, we will be training all program staff in specific skills in working with resistant and difficult to engage families and providing coaches to all programs to assist program staff in honing these skills on the job.

Teacher Qualifications

Lead teachers in the current UPK program, and under the current Step Up to Quality Standards, are required to have an associate’s degree or higher in Early Childhood education or an approved related field and to be pursuing a bachelor’s degree. In the UPK expansion for which the feasibility study will be conducted, Cuyahoga County will increase the standard to require that lead teachers hold either a bachelor’s degree in Early Childhood Education or a bachelor’s degree in a related field plus an additional state certification in early childhood education ¹². Once the feasibility of this requirement is confirmed, it will become the requirement for the new PFS-funded sites and there will be a phase-in of the requirement for all existing UPK sites.

At-Risk Children

Cuyahoga County’s UPK program is targeted to address children from low income families and takes a comprehensive approach that captures children from at-risk categories such as homeless children, children in foster care, and English language learners. UPK 2.0 will embrace and expand upon the wraparound services modeled in Head Start programs to provide children in other types of provider settings with needed support services. This work will be led by Starting Point, and will include helping programs meet staffing needs for English Language Learners by locating qualified staff who are bilingual. Additionally, Starting Point will act as the

¹¹ The “Two Gen” approach focuses on meeting the needs of vulnerable children and parents *together*. Meeting parents’ needs is conceptualized as integral to meeting the needs of children. Through a Two Gen approach, programs seek to build educational, economic, social, and health supports that support a family’s economic security across generations.

¹² In Ohio, a Career Pathway Level 3 (CPL 3) certifies high quality for early childhood teachers with a Bachelor’s degree outside of Early Childhood.

family engagement intermediary for children and families needing additional supports in mental health, family stability, and housing.

UPK Program Positively Impacts Key Outcomes

Early data from the Cuyahoga County UPK program demonstrates that high quality preschool in Cuyahoga County has a positive effect on development and school readiness and can successfully address the needs of low income children. Cuyahoga County began to pilot its UPK program in the fall of 2007 with 1,000 of the county's preschool-aged children. Over the past nine years, over 8,000 children have participated in UPK. Forty-eight percent of those served lived in the City of Cleveland and the remaining 52% in the surrounding suburban neighborhoods, nearly evenly divided between boys and girls. The children were 53% African American, 40% White, and 7% of another race/ethnicity. Sixty-five percent of the children came from families living under 200% of the federal poverty level.

A fundamental goal of the UPK program has been to invest in the quality of care in participating sites to enhance child outcomes. A standardized measure of structural quality of care was administered mid-program year in 2008 and 2009. The scores on the Early Childhood Environment Rating Scale–Revised (ECERS) showed statistically significant ($p < .05$) improvements on all subscales and the total ECERS score between 2008 and 2009. The overall ECERS score improved by 18% and the largest gains were found in the areas of personal care routines (30% increase) and activities (35% increase).

While it is encouraging to observe increased quality in the sites, the more pressing question was whether higher quality translated into improved child outcomes. To assess child cognitive development during the initial year of UPK (2007-08), a stratified random sample of 208 children representing all UPK sites was drawn. Cognitive outcomes were measured using the Peabody Picture Vocabulary Test (PPVT-III), as well as 2 subtests of the Woodcock Johnson III: Letter/Word Recognition (WJ-LW) and Applied Problems (WJ-AP). The PPVT-III measures receptive language skills; the WJ-LW measures the child's ability to recognize words and letters; the WJ-AP measures children's beginning math skills. Children were assessed at three different time points.

Overall, the results confirm a positive pattern of cognitive outcomes for children who participated in UPK. They show meaningful developmental gains during exposure to UPK and higher levels of kindergarten readiness compared to peers. In addition, ***the results demonstrate that the children who showed the largest gains were those who started the farthest behind their peers, suggesting a compensatory effect of UPK exposure.***

More recently, the Poverty Center was able to match a subset of UPK children to kindergarten readiness data from the Cleveland Municipal School District. This sample of children attended UPK in Fall 2013 and attended kindergarten during the 2014-2015 year. See Table 4. Evaluators were able to compare these UPK children to children attending a range of alternative preschool

arrangements and found that, on average, UPK children demonstrate higher levels of kindergarten readiness than peers in other preschool arrangements. In fact, on average, children in UPK had a mean KRA score of 26.2 which is consistent with other children who attended non-UPK programs rated as high quality (26.8). These scores are higher than the CMSD average scores in 2014-2015. Conversely, children attending programs that were unrated or rated as lower quality had lower than average mean scores. In particular, children in our sample that attended schools rated as low quality had the lowest mean scores (22.8).

Although these results are promising, this sample is limited as it only represents a narrow subset of children attending UPK that we were able to match to data from the Cleveland Municipal School District. As more school district data is included in the Poverty Center's longitudinal panel, evaluators will be able to track more students and better assess levels of readiness as well as other academic outcomes moving forward.

Table 4. Children in Preschool or Child care in Fall 2013 that matched with Cleveland Municipal School District KRA score data in the 2014-2015 year. Comparison to Total CMSD kindergarten scores Mean Scores

	Number of Children	Mean KRA Score
UPK	149	26.2
High quality	38	26.8
Low Quality	76	22.8
Public preschool	695	24.9
Unrated	404	24.1
Total 2014-2015 CMSD Kindergarten Cohort	2,745	23.9

Goals, Objectives, and Outcomes

UPK seeks to prepare children for school readiness and future success. The feasibility study will focus on several measurable outcomes that demonstrate whether or not these goals are being accomplished and how appropriate they are for use in a Pay for Success model. The feasibility study will determine the appropriateness of the following outcomes for PFS: **kindergarten readiness, on-time grade matriculation, third-grade reading proficiency, and improved executive functioning.**

Research suggests that the achievement gap between affluent and poor students is widening and even exceeds the deep racial divide between African American and White students' academic

outcomes in the U.S.¹³ Typically measured by tests of literacy- and numeracy-related skills, recent findings suggest that less than half of children living in poverty (households with incomes below 100% of the federal poverty standard) are ready for kindergarten compared to 75% of children from families with incomes above 185% of federal poverty.¹⁴

Evidence from several large-scale, state-funded UPK programs in Georgia, Oklahoma, and New Jersey has shown substantial improvements in preparing children for kindergarten. At kindergarten entry, children who attended state-funded preschool programs in Oklahoma, Michigan, New Jersey, South Carolina, and West Virginia performed significantly better in the areas of reading, writing, spelling, math reasoning, and problem solving than children who did not attend the program.¹⁵ The largest benefits have been found among low-income and minority children; results that are mirrored in programs around the world.¹⁶ These positive outcomes are heartening and play a crucial role in convincing U.S. policymakers to invest in high quality preschool.

We understand why most studies of preschool impact have focused on academic gains: the data can be gathered from educational records, they are straightforward and easy to understand, and are viewed as a direct measure of school success and closing the academic achievement gap. However, the early childhood education field prides itself on being responsive to and affecting “the whole child,” including social/emotional development. And, in fact, the most robust longitudinal outcomes are “real life” outcomes such as high school graduation, higher earnings and reduced rates of teen pregnancy and criminal activity.¹⁷ These are the outcomes that economists, most notably Nobel Laureate James Heckman, have monetized and used to calculate a high return on investment, presenting a very convincing argument for expanding high quality early childhood education.¹⁸ An interesting unanswered question is: can we identify and measure the precursors of those positive life outcomes during preschool? We propose to use this Feasibility Study to explore this possibility.

Evaluators will randomly select a representative sample of UPK sites representing settings across the city and county. Based on previous research, a sample of 300 children (7.5% of the

¹³ Reardon, Sean F. (2011). “The Widening Academic Achievement Gap Between the Rich and the Poor: New Evidence and Possibly Explanations.” *Whither Opportunity? Rising Inequality and the Uncertain Life Chances of Low-Income Children*. New York: Russell Sage Foundation Press.

¹⁴ Isaacs, Julia B. (2012). “Starting School at a Disadvantage: The School Readiness of Poor Children. The Social Genome Project.” Washington, DC: Center on Children and Families at Brookings.

¹⁵ Fitzpatrick, Maria D. (2008). “Starting School at Four: The Effect of Universal Pre-Kindergarten on Children’s Academic Achievement.” *The B.E. Journal of Economic Analysis & Policy* 8 (1); and Gormley Jr., Q. and Gayer, T. (2005). “Promoting School Readiness in Oklahoma: An Evaluation of Tulsa’s Pre-K Program.” *Journal of Human Resources* 40 (3): 533-558; and Barnett, W. S, Lamy, C., and Jung, K. (2005). “The Effects of State of Prekindergarten Programs on Young Children’s School Readiness in 5 States. National Institute for Early Education Research.

¹⁶ Gabaro, L., Stewart, K., and Waldfogel, J. (2015). *An Equal Start? Providing Quality Early Education and Care for Disadvantaged Children*. Policy Press at the University of Bristol.

¹⁷ Yoshikawa, H., Weiland, C., Brooks-Gunn, J., Burchinal, M.R., Espinosa, L.M., Gormley, W.T., Ludwig, J., Magnuson, K.A., Phillips, D., Zaslow, M.J. (2013) “Investing in Our Future: The Evidence Base on Preschool Education.” Ann Arbor, MI: Society for Research in Child Development.

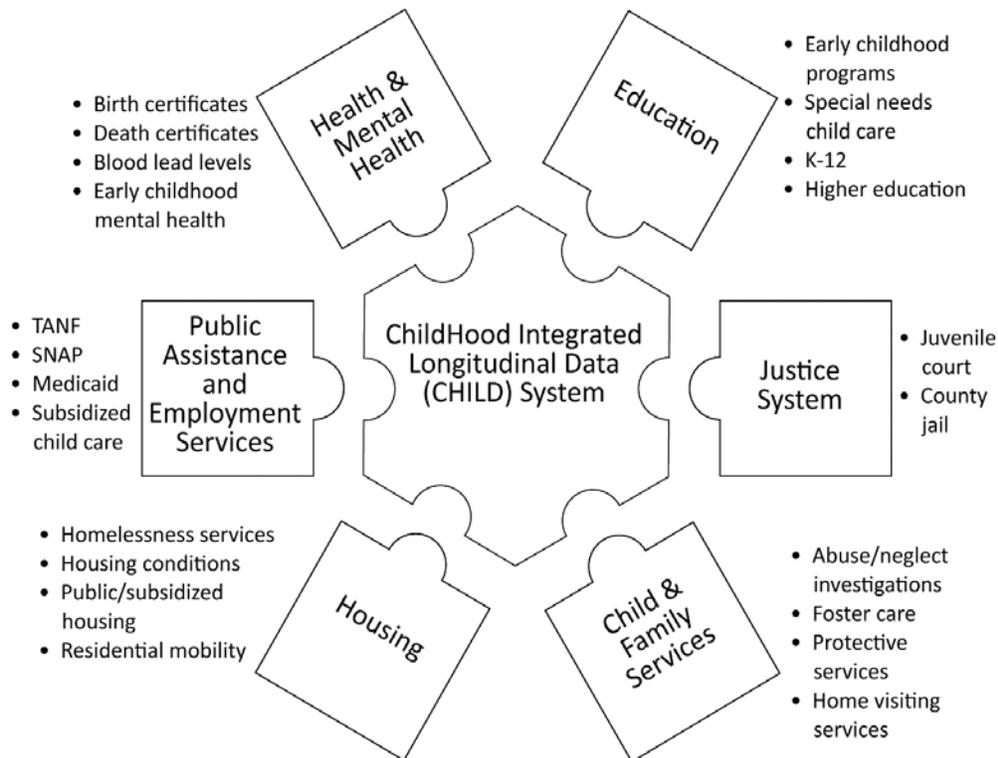
¹⁸ Heckman, James. (2011). “Starting School at a Disadvantage: The School Readiness of Poor Children. The Social Genome Project.” Washing, DC: Center on Children and Families at Brookings.

4,000 total number of children anticipated to be enrolled in UPK in 2017) will be sufficiently powered (.80) to detect a statistically significant increase in academic preparedness, executive functioning, and social skills (one-tailed test, alpha level=.05) comparable in size to that found in previous samples.

Preschools and the children they serve will be linked within the ChildHood Integrated Longitudinal Data (CHILD) System maintained by the Poverty Center. The CHILD System is a comprehensive integrated data system comprised of individual-level student data used for planning, monitoring, and evaluation to improve child health and wellbeing in the City of Cleveland and Cuyahoga County. It is among the most complete integrated data systems (IDS) available for children within a county. Built on more than 30 years of expertise using administrative data, the CHILD System is nationally recognized as among the oldest and most comprehensive integrated data systems in the country and includes continually updated administrative data from 1992 to the present from nearly 20 government and nonprofit data providers. Data use agreements (DUA) with all data providing agencies ensure ongoing data acquisition and allow for the legal transfer of individually identifiable data on children and families. In each DUA, all confidentiality and privacy provisions are adhered to through the pertinent legal jurisdiction (e.g., FERPA, HIPAA, Ohio Revised Code), allowing for the use of secondary administrative data for program improvement. The data acquisition process is also fully governed by the authority vested in Case Western University's Institutional Review Board.

The linkage of records across time and systems is performed via deterministic and probabilistic matching techniques. The records contain geographic information that enables aggregation to the neighborhood, city, county or other jurisdiction level and also allows linking with other data systems at various levels of geographies such as parcel, address, or census tract. The end result is a longitudinal data system in which children are observed if and when they are served by one of the 20 administrative systems that compose CHILD.

The CHILD System contains information on the following observable events: birth, infant mortality, home visiting receipt, early childhood mental health service receipt, public assistance benefits (e.g., Medicaid, Cash Assistance, SNAP), positive lead test, child welfare involvement, subsidized child care, special needs child care, public pre-school attendance, kindergarten readiness, public school attendance and test scores for children enrolled in public school in several districts, juvenile court involvement, jail entrance, and homelessness.

Exhibit I: ChildHood Integrated Longitudinal Data (CHILD) System

The feasibility study will also include a rigorous evaluation component to determine if **kindergarten readiness** and subsequent academic success, including regular school attendance and on-time grade matriculation, have been achieved for those children participating in the program. The feasibility work will undertake two substudies of the UPK program. First, the evaluation will explore individual child level executive functioning and its relationship with preparedness for kindergarten. Second, students served in UPK 1.0 will be tracked over time to examine their subsequent grade progression and attendance, and third grade reading proficiency through the spring 2019. This approach combines studies of UPK children served under the original and revised program versions, tracking their outcomes for varying time lengths based on when the cohort received UPK.

Based on currently available data in the CHILD System, several outcomes for pre-school age children are measurable at the level of the individual child. In addition to kindergarten readiness, and executive functioning, the feasibility study will highlight **third grade reading proficiency** (as measured by the Ohio Academic Assessment administered to all third graders) and **on-time grade matriculation** (as measured using public school district data). Additional outcomes that can be measured through CHILD include:

- Chronic absenteeism – as measured using public school district data

- Annual in-grade reading assessments – as measured by whether student is on-track for 3rd grade reading proficiency or lags behind
- Grade progression/retention – as measured using public school district data
- Use of special education services – as measured by entry into special education services at a public school district
- Social/emotional development – as measured by the Devereux early Childhood Assessment (DECA) administered in selected preschool settings in Cuyahoga County

The evaluation will examine the relationship between UPK attendance and kindergarten readiness demonstrated in the literature as vital to later academic success and wellbeing as an adult through an assessment of **executive functioning**. Using a single-group pre-post-test design, children will be assessed upon enrollment in UPK and again in the spring before transitioning to kindergarten.

The feasibility study will adopt a measure of executive functioning in preschool age children. Several measures are under consideration (described below). Once a measure is selected it will be administered in a sample of settings to examine its usability and its predictive ability in relation to kindergarten readiness.

The following measures will be considered and the current plan is for one to be selected:

- 1.) The **Devereux Early Childhood Assessment (DECA)** is a nationally standardized, norm-referenced strength-based behavior rating assessment designed to measure and promote protective factors related to resilience in children ages 3 through 5. The DECA assessment measures three key protective factors related to resilience including Initiative, Self-Regulation, and Attachment/Relationships. These protective factors can generally be thought of as social and emotional skills important to a child's well-being. There is also a scale measuring Behavioral Concerns. Scores fall along a continuum ranging from Area of Need to Typical to Strength. The instrument is completed by teachers and parents at the beginning and end of the preschool year.
- 2.) The **Head-Toes-Knees-Shoulder (HTKS; McClelland, Cameron, Duncan, Bowles, Acock, Miao, & Pratt, 2014)** task of behavioral self-regulation integrates aspects of executive functioning (including working memory, cognitive flexibility, and inhibitory control) into a brief game appropriate for preschool age children. The HTKS has three sections with up to four paired behavioral rules: "touch your head" and "touch your toes;" "touch your shoulders" and "touch your knees." Children first respond naturally, and then are instructed to switch rules by responding in the "opposite" way (e.g., touch their head when told to touch their toes). If children respond correctly after all four paired behavioral rules are introduced, the pairings are switched in the third section (i.e., head goes with knees and shoulders go with toes). There is a total of 30 test items with scores of 0 (incorrect), 1 (self correct), or 2 (correct) for each item. A self-correct is defined as any motion to the incorrect response, but self-correcting and ending with the correct action. Scores range from 0 to 60 where higher scores indicate higher levels

of behavioral self-regulation. The task takes approximately 5–7 minutes with strong inter-rater reliability.

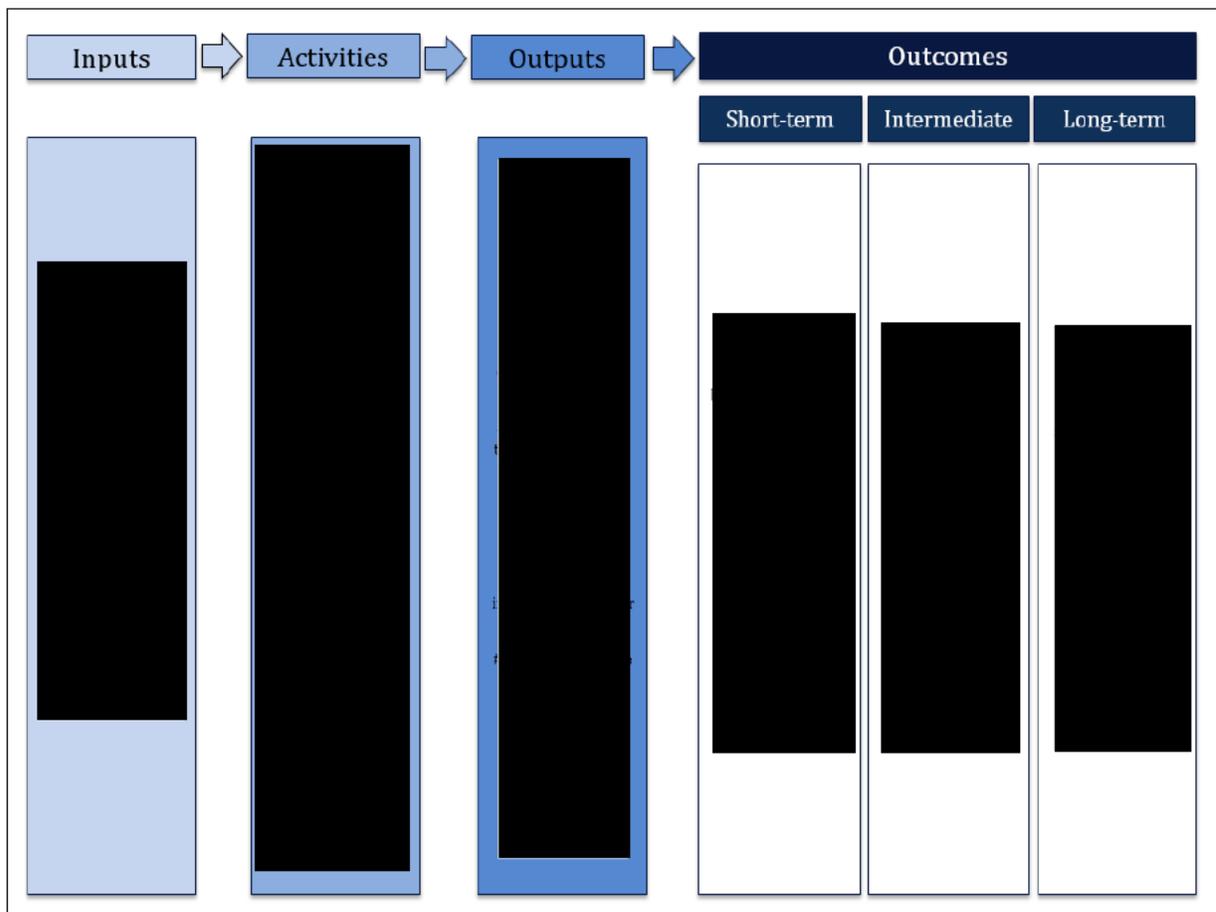
- 3.) The **Behavior Rating Inventory of Executive Functioning – Preschool Version (BRIEF-P)** is a standardized rating scale designed to assess multiple aspects of executive functioning in preschool-aged children in their natural settings. The instrument consists of 63-items organized into 5 subscales or domains: Inhibit (inhibition to stop his/her own behavior), Shift (to change focus from one thing to another), Emotional Control (to modulate emotional responses), Working Memory (to hold information in mind to complete a task), and Plan/Organize (to manage current and future-oriented task demands within the situation). The BRIEF-P is completed by either a parent, teacher or child care provider. Respondents rate how often (1 = never, 2 = sometimes, 3 = often) a child exhibits various behaviors (e.g., “acts too wild or out of control,” “resists change of routine, foods, places,” “overreacts to small problems,” when given two things to do, remembers only the first or last,” “when instructed to clean up, puts things away in a disorganized, random way”). Subscales are summed to create an overall score where lower scores represent higher levels of executive functioning. Raw scores can be converted to standardized scores; standardized scores above 60 are considered elevated and those above 65 are clinically significant. The instrument demonstrates high internal consistency reliability, moderate test-retest reliability, as well as convergent and discriminant validity with other measures of inattention and hyperactivity-impulsivity.
- 4.) The **Social Skills Improvement System (SSIS)** is a multi-rater instrument that measures perceptions of the frequency and importance of positive behaviors in three domains: social skills, problem behaviors, and academic competency. Only the social skills domain will be used in this evaluation. The social skills domain includes subscales of communication, cooperation, assertion, responsibility, empathy, engagement, and self-control. Teacher and parent raters provide frequency-based ratings from “never” to “almost always.” Scale scores are norm-referenced standard scores with a mean of 100 and a standard deviation of 15. Social skills subscale scores (i.e., communication, cooperation, etc.) are categorized by behavior levels: below average, average, and above average, which indicate the target child’s raw score relative to the distribution of the normative group. The measure typically takes 15-20 minutes to complete.

The State of Ohio mandated comprehensive **Kindergarten Readiness Assessment (KRA)** is used to assess four areas of early learning aligned with Ohio’s Early Learning and Development Standards including social foundations (i.e., social and emotional development), mathematics, language and literacy, and physical well-being and motor development. The KRA is administered by the child’s teacher in the first few weeks of the school year (on or before November 1). The assessment includes three response modalities that may occur in one-on-one interactions or group settings: 1) the child selects an answer to the question the teacher

asks; 2) the child performs a requested task; 3) the child is observed by the teacher during school and at recess. The assessment provides information to teachers and families about the supports a child may need during the first year of school to maximize success. The KRA returns a score for each area and overall performance. Overall performance scores are grouped into three levels: Demonstrating Readiness (the child demonstrates foundational skills and behaviors that prepare him or her for instruction based on kindergarten standards); Approaching Readiness (the child demonstrates some foundational skills and behaviors that prepare him or her for instruction based on kindergarten standards); and Emerging Readiness (the child demonstrates minimal foundational skills and behaviors that prepare him or her for instruction based on kindergarten standards). The language and literacy portion of the KRA can be used to meet the reading diagnostic assessment requirement of the Third Grade Reading Guarantee. Scores from the language and literacy portion identify a student as 'On-track' or 'Not On-track.'

Exhibit 2 details the various inputs, activities, outputs and anticipated outcomes for the UPK2.0 initiative.

Exhibit 2: Logic Model



Preschool PFS Partnership

Invest in Children

In 1999, leaders of Cuyahoga County government joined with private sector leaders in business and philanthropy to create the public/private partnership now known as *Invest in Children*. Its goals were to create a high quality, comprehensive early childhood system of services for children prenatally through age 5; build community awareness of the importance of healthy early childhood development, and advocate to change outcomes for disadvantaged children in our community. Seventeen years later, this public/private partnership is stronger than ever, as demonstrated by a new 2016 investment of [REDACTED] [REDACTED] in public dollars and [REDACTED] [REDACTED] in matching private dollars) to expand and enhance our county's successful Universal Prekindergarten (UPK) program.

This public/private partnership received recognition early in its tenure when, in 2001, The Federal Interagency Coordination Council presented the Communities Can! Award to *Invest in Children*, followed in 2003 with the Counties Care for Kids Award presented by the National Association of Counties. More national recognition followed in 2010 when an Urban Institute report on school readiness systems across the country stated, "The collaboration in Cuyahoga County, Ohio has perhaps the most impressive record—the *Invest in Children* Initiative."

In the past 17 years, over 200,000 children have been served by one or more of *Invest in Children's* programs. The work has benefitted from prior federal investment as well, including [REDACTED] in appropriations for UPK planning and initial implementation, grants totaling [REDACTED] from the U.S. Department of Education's Fund for Improvement of Education (FIE) to fund capacity building activities (research and professional development) needed to create and implement the UPK program, and a [REDACTED] U.S. Department of Education Early Learning Opportunities grant.

Invest in Children has been guided by community public and private leaders serving together on a stewardship committee. Now called the Partnership Council, this group is co-chaired by the Cuyahoga County Executive and the Regional President of PNC Bank, and is comprised of civic leaders from the business and philanthropic sector, including those who have been significant donors to the UPK 2.0 expansion, and community early childhood stakeholders. This Council has stewardship of the private dollars for UPK 2.0, now located in a donor-advised fund at The Cleveland Foundation and released to the Office of Early Childhood by the Council's authority.

In addition to this strong partnership at the leadership level, all of *Invest in Children's* programs are delivered via collaborative long-term relationships with anchor community service providers. In the case of UPK, the Cuyahoga County Office of Early Childhood partners with Starting Point, the state designated child care resource and referral agency, to provide training and technical assistance to the UPK sites across the county, maintain the enrollment system,

and assist with data collection for evaluation purposes. Starting Point will remain a critically important intermediary in UPK 2.0 and its executive director is a member of the advisory board for this feasibility study.

Our partnership also includes families. The UPK program was the first preschool system in the country to join the National Network of Partnership Schools (NNPS), headquartered at Johns Hopkins University. NNPS membership by our UPK programs brings with it a commitment to focus on meaningful family engagement in the preschool setting and at home. Cuyahoga County's UPK program has received national awards from NNPS for our engagement approach with fathers and use of technology in our work with families.

The PFS Feasibility Study partnership will build upon these strong, long-term relationships in the community that collectively comprise *Invest in Children*.

Pay for Success

In addition to our robust preschool partnership, Cuyahoga County also has a substantial history with Pay for Success that will significantly inform this PFS feasibility study. Cuyahoga County was the first county government in the United States to develop and launch a Pay for Success project. It is now 21 months into project implementation. That project, known as Partnering for Family Success, was launched in January 2015 and seeks to shorten the length of time in foster care through provision of stable housing and intensive family therapy for children in the child welfare system whose families have experienced homelessness. An exhaustive feasibility study to clearly identify: (1) the target population, (2) evidence-based interventions, and (3) an economic model that would generate government savings and investor success payments culminated in a detailed project design and formal PFS contract. Through that effort, Cuyahoga County has created a track record of success in completing a thorough PFS feasibility study leading to full Pay for Success project implementation.

Cuyahoga County Universal Pre-K Pay for Success Partnership

The same successful team that has guided the Partnering for Family Success project will bring their experience and expertise to this new PFS feasibility project. These partners include: Cuyahoga County as the project lead (specifically, the Office of Early Childhood), Third Sector Capital Partners as technical advisor, and Case Western Reserve University's Center for Urban Poverty and Community Development as the evaluators.

Procurement of Third Sector Capital Partners, Project Technical Advisors and Case Western Reserve University, Project Evaluator, is governed by Cuyahoga County procurement procedures. In cases such as this grant-funded project, where there is justifiable cause to select a vendor based on their unique qualifications to fulfill the contracted duties, there is a process that allows the county office in need of a vendor to forego a request for proposal process by completing a Justification for Other than Full and Open Competition Form. This form goes

through an approval process with the County Board of Control and thus allows the inclusion of both vendors in this grant proposal. This process is well established and was successfully employed in the current Cuyahoga County Partnering for Family Success Pay for Success project.

This core team will be enhanced by the creation of a PFS Advisory Committee that will include:

- Wendy Grove, Ph.D, Director, Office of Early Learning and School Readiness, Ohio Department of Education;
- Marcia Egbert, J.D., Senior Program Officer, The George Gund Foundation and co-Chair, Cleveland Early Childhood Compact;
- Todd Barnhouse, Executive Director, Ohio Child Care Resource and Referral Association;
- Billie Osborne Fears, Executive Director, Starting Point Resource and Referral Agency;
- Claudia Coulton, Ph. D., Lillian F. Harris Professor of Urban Research & Social Change; Distinguished University Professor, Jack, Joseph and Morton Mandel School of Applied Social Sciences, Case Western Reserve University;
- David Merriman, Director, Cuyahoga County Division of Job and Family Services; project lead for Cuyahoga County Partnering for Family Success PFS project; and
- Paul Clark, Regional President, PNC Bank and Co-Chair, Cuyahoga UPK Partnership Council¹⁹ and Kristen Baird Adams, Senior Vice President, PNC Bank and member, Cleveland Early Childhood Compact.

Work Plan

This proposed Feasibility Study will determine the viability of a Pay for Success approach to expand Cuyahoga County's Universal Prekindergarten program beyond 4,000 slots. Specific project goals include:

- 1. Determine the community capacity for expansion of the UPK program beyond 4,000 slots.**
 - a. Identify high quality eligible providers that serve low and moderate income children, including children with special needs.
 - b. Determine number of preschool seats in those providers.
 - c. Determine the capacity/eligibility/willingness of those providers to become a UPK 2.0 provider.
- 2. Determine the preschool high quality workforce capacity in the community.**

¹⁹ This Council was created to be stewards of the [REDACTED] in private funding raised for the current expansion of high quality preschool (UPK 2.0) in Cuyahoga County. It is comprised of major private donors, community leaders, and early childhood stakeholders. Central to the work of this Council is to create a Sustainability Plan for UPK2.0. Council representatives' participation on the PFS Advisory Committee is a natural extension of its mission.

- a. Identify the number of early childhood professionals that hold a B.A. level credential (using the Ohio Professional Registry).
 - b. Assess professional development avenues to increase highly trained, college credentialed teacher supply.
- 3. Evaluate child development outcomes (cognitive and social/emotional) of children participating in the UPK program.**
- a. Create data sharing agreements between Case Western Reserve University and the participating school districts in the county that have not yet completed an agreement.
 - b. Evaluate cognitive development through state Kindergarten Readiness Assessment and academic achievement, including attendance and on-time grade matriculation.
 - c. Evaluate social/emotional development and executive functioning through an evidence-based assessment selected for this feasibility study, its later impact on performance on the Ohio Kindergarten Readiness Assessment, and school functioning in first and second grades.
 - d. Evaluate Third Grade Reading Proficiency for UPK 1.0 participants who have reached third grade during the pilot project period.
- 4. Create a Cost/Benefit Analysis and Preliminary Economic Model based upon the outcomes observed.**
- a. Determine the financial benefit to the County and other stakeholders at various levels of impact on key preschool outcomes.
 - b. Evaluate the PFS project economics through a dynamic economic model that includes service costs, impact rates, financial benefits on key outcomes, and project financing costs.
- 5. Determine capacity to raise additional capital through a Pay for Success model.**
- a. Engage local and national funders on opportunity for preschool PFS in Cuyahoga County.
 - b. Evaluate funder interest and capacity to inform economic model.

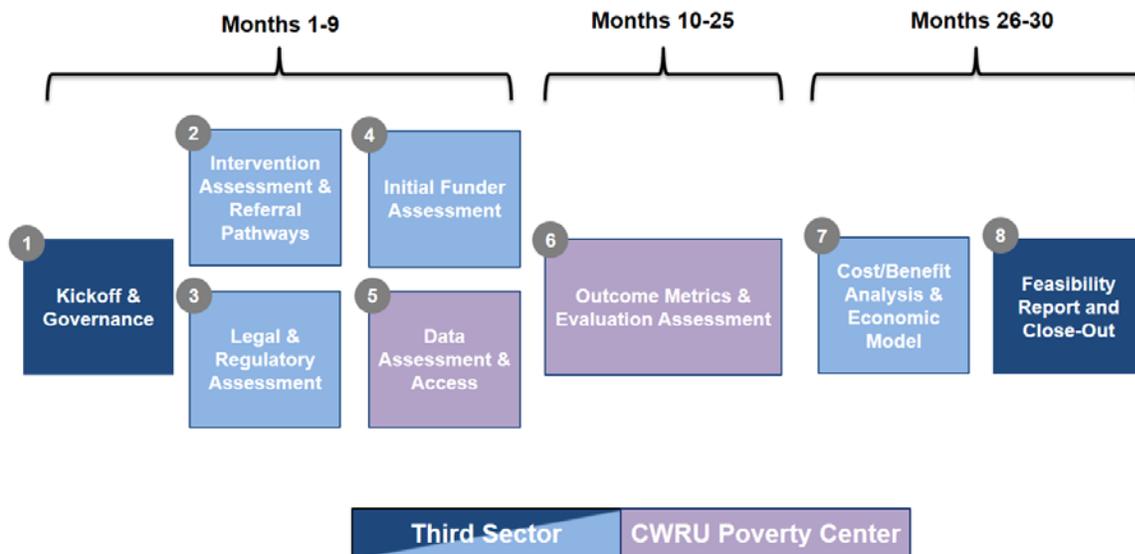
The feasibility study will be led by Third Sector Capital Partners, Inc. (Third Sector) and managed through a collaborative governance structure that solicits the guidance and input of key stakeholders. See Exhibit 3. Third Sector's experience leading over 50 feasibility studies, including 14 studies through a federal grant from the Social Innovation Fund, will ensure that work is completed on time and within budget. The work plan has been refined based on Third Sector's experience leading feasibility studies with governments across the U.S.

The Poverty Center will lead the feasibility study components in regard to Data Assessment and Access, and Outcome Metrics and Evaluation Assessment. The Center completed similar work in the development of the County's Partnering for Family Success social impact bond launched in 2015. Center staff possess deep familiarity and expertise in the use of existing early

childhood data streams and has data sharing agreements in place with many relevant data steward agencies. The team of Ph.D.-level investigators (see staff vita), research staff and SAS programmers are well versed in the use of administrative data for tasks of target population definition, needs assessment, and outcome tracking. With training in social work, psychology, economics, public policy, and public health, the Center fields a multi-disciplinary team that is able to draw on a wide array of models and theoretical frameworks in its approach. The Center’s work is further supported by a data technology and legal infrastructure at the Jack, Joseph and Morton Mandel School of Applied Social Sciences within Case Western Reserve University. In addition, the Center has considerable expertise in the conduct of field-based data collection and analysis of data from such evaluative studies.

The final deliverable of the study is a Feasibility Report reviewing the viability of PFS and potential next steps or alternatives for implementing a PFS project through transaction structuring and agreement implementation. In addition to the final report, the study will produce a public brief summarizing the study’s activities and recommendations.

Exhibit 3: Feasibility Study Work Streams



The proposed feasibility study is estimated to be completed in 30 months, dependent on access to key inputs and participating from stakeholders. The 30-month time frame will allow for the following of children over time to assess the predictive value of new executive functioning measures that are under consideration. Under this plan two cohorts of preschoolers will be followed to kindergarten entry in fall 2017 and fall 2018. In addition, with Ohio’s adoption of a

new kindergarten readiness assessment (KRA) in 2015, this window will allow for additional analysis of data available from this measure on more children.

The feasibility study work plan will include:

1. **Kickoff & Governance:** At the start of the study, the Steering Committee will meet to review the work plan, establish deadlines for key milestones, and address access to key inputs necessary to complete the feasibility study. Working Groups will be formed and initial meeting dates set.
2. **Intervention Assessment & Referral Pathways:** The goal of this work stream is to determine how an intervention may best succeed in a PFS project construct, including the existing program assets in the community and capacity to scale the intervention to address the identified needs. The study will also assess the cost structure of the program's expansion and/or enhancement and the barriers/challenges to that expansion and/or enhancement. Finally, the study will model the system details in an integrated time-dependent cost and service throughput model, which connects costs of the intervention with proposed impact on specific outcome(s) and savings/required success payments. These referral pathways identify and guide future work streams of the study, including identification of challenges/barriers for serving a particular target population and costs associate with the lack of intervention.
3. **Legal & Regulatory Assessment:** Every location has a unique set of legal requirements that frame the project and may impact an end payer's ability to contract for outcomes. This work stream aims to identify the simplest path to a performance contract by assessing the opportunities and challenges/barriers for PFS projects given the specifics of the local legal and regulatory ecosystem. We will evaluate the need for a Special Purpose Vehicle (separate contracting entity), or other legal entities to manage the PFS project.
4. **Initial Funder Assessment:** A traditional project has multiple types of funders that contribute to the project. We will work with local and national sources of philanthropy, project related investment (PRI) sources, and potential senior debt holders to ensure that each category of funder is available to the project and engaged early on in project development to test viability.
5. **Data Assessment & Access:** The basis of any outcome-based contract is the data by which the outcome(s) are measured. This work stream determines the available data sources from service providers and state, local, and federal agencies, as needed to support a viable PFS contract. The study will evaluate the accessibility and quality of data and provide recommendations for how to address challenges/barriers. This portion of the work will be led by the Poverty Center.
6. **Outcome Metrics & Evaluation Assessment:** PFS feasibility requires a clear definition of outcome(s) sought that are relevant to the target population and of interest to the potential end payer. Assessment of the outcome(s) requires concrete and measurable criteria for inclusion in the target population, as well as consideration of the

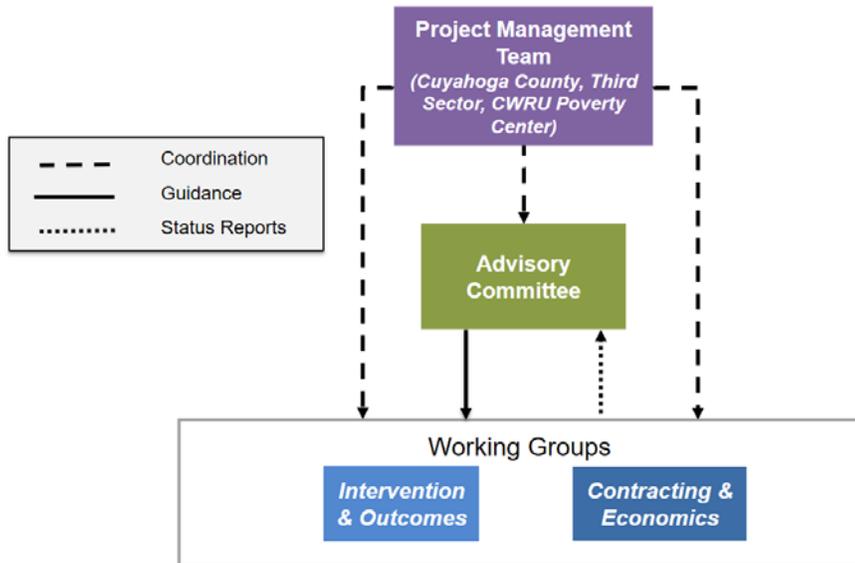
evidence base of the proposed preschool program. The goal of this assessment is to provide alignment between a particular program's core outcomes and the pricing/payment rates of a particular end payer. In addition, the study will include the development of a rigorous evaluation methodology to determine if outcome(s) have been achieved and that provides appropriate safeguards for the target population. If awarded, the Cuyahoga County Office of Early Childhood would like to work with the Department of Education to leverage work done by the National Head Start Association (NHSA) Investing in Impact Working Group, which is exploring best practices for outcomes measurement and data collection. However, we are aware that Head Start programs are **not** included in this feasibility study, rather our collaboration with NHSA on this project will inform our work with *other* provider types. This work would not use any federal dollars from the grant, please see attached letter of support. This portion of the work will be led by the Poverty Center.

- 7. Cost/Benefit Analysis & Economic Model:** The study will include a cost/benefit analysis that evaluates the estimated financial benefit and/or cost savings generated by the preschool program for the target population. This analysis will contribute to the creation of a shared economic model that will help determine the willingness and capacity of stakeholders to implement a PFS project.

- 8. Feasibility Report and Close-Out:** At the conclusion of the study, a written report will detail the viability of PFS. If viable, the report will provide guidance for entering transaction structuring, including a description of the roles and responsibilities of each partners, an effective governance structure to facilitate implementation of PFS, description of the proposed rigorous evaluation plan, and description of how to overcome barriers/challenges to scaling the program to serve the target population. If not viable, the report will provide a description of why the project is not feasible and a discussion of potential alternatives to PFS that would contribute to the public good and goals of stakeholders. If awarded, the Cuyahoga County Office of Early Childhood would like to work with the Department of Education to leverage the expertise of NHSA in collecting and disseminating lessons learned from this feasibility study to its vast network across the country. This work would not use any federal dollars from the grant, please see attached letter of support.

- 9.** See Exhibit 4 for a schematic of the governance structure for the feasibility study.

Exhibit 4: Proposed Governance Structure



The Advisory Committee, which will meet bi-weekly, is responsible for the oversight of project visioning, thought partnership with working groups, and troubleshooting. The Project Management Team will oversee project direction, resource allocation, and risk management. At the project kickoff, the Advisory Committee and Project Management Team (PMT) will review and finalize the work plan. Throughout the project, the Advisory Committee will receive status reports from working groups.

See Exhibit 5 for a detailed work plan timeline for the PFS Feasibility Pilot.

See Exhibit 6 for a schematic of the working groups for the feasibility study.

Exhibit 6: Working Group Participants

		Oversight		Working Groups	
		Advisory Committee	Project Management Team	Intervention & Outcomes	Contracting & Economics
	Scope	<ul style="list-style-type: none"> Project visioning Thought partnership Troubleshooting 	<ul style="list-style-type: none"> Project direction Resource allocation Risk management 	<ul style="list-style-type: none"> Prioritized outcomes Target population Referral pathways Data mapping Data sharing agreements Data requests Evaluation options 	<ul style="list-style-type: none"> Procurement and contracting assessment Current contracts review Cost/benefit analysis Project sizing Economic model Discussions with key funders (public or private)
	Meeting Frequency	Quarterly	Bi-weekly	Bi-Weekly	Bi-Weekly
Project Participants	Group Lead(s)	Cuyahoga County	Cuyahoga County; Third Sector	CWRU Poverty Center; Third Sector Capital Partners	Third Sector Capital Partners
	Team	[REDACTED]	CWRU Poverty Center	Cuyahoga County	Cuyahoga County

Day-to-day coordination and execution of the feasibility study will be managed by the PMT. The PMT includes Third Sector staff as well as representatives from Cuyahoga County and CWRU. The PMT is responsible for leading individual working groups and work streams.

Project Leadership

Cuyahoga County Office of Early Childhood/Invest in Children

The project will be managed by Office of Early Childhood/Invest in Children. Office of Early Childhood Executive Director, Dr. Rebekah Dorman, Ph.D, will serve as Project Lead for the Feasibility Study working closely with Third Sector and Case Western Reserve University to coordinate the team effort from her position in County Government. Dr. Dorman has been Director of Invest in Children and the Cuyahoga County Office of Early Childhood for eight years and, in that role, has overseen the implementation of Cuyahoga County’s successful Universal Prekindergarten Program, along with many other Invest in Children programs. She worked closely with Case Western Reserve University on the design and implementation of the five-year evaluation study of UPK and is now leading the expansion and enhancement of the UPK 2.0 program with the new [REDACTED] investment. Dr. Dorman is a developmental psychologist

with a strong background in early childhood development, program design and delivery, and evaluation methodology and has deployed that combination of skills in the academic, nonprofit, philanthropic and government sectors for over thirty years on behalf of children and families.

The Office of Early Childhood has received and successfully managed four US Department of Education grants over the past decade, three of which funded the Universal Prekindergarten program's design and implementation. The Office has a staff of eleven, with four staff devoted to the management of the Universal Prekindergarten program.

Third Sector Capital Partners, Inc.

The feasibility study will be led by Tim Pennell, Director, Third Sector Capital Partners, Inc. (Third Sector) and his staff.

Third Sector leads governments, high-performing nonprofits, and private funders in building evidence-based initiatives that address society's most persistent challenges. As experts in innovative public-private contracting and financing strategies, Third Sector is an architect and builder of the nation's most promising Pay for Success projects including those in Commonwealth of Massachusetts, Cuyahoga County, Ohio, and Santa Clara County, California. These projects are rewriting the book on how governments contract for social services: funding programs that work to measurably improve the lives of people most in need while saving taxpayer dollars. A 501(c)(3) nonprofit based in Boston, San Francisco, and Washington, DC, Third Sector is supported through philanthropic and government sources, including a grant from the Corporation for National and Community Service's Social Innovation Fund.

In 2014, Third Sector was awarded a [REDACTED] million grant from the Corporation for National and Community Service's Social Innovation Fund to deliver PFS technical assistance and feasibility assessments to governments interested in performance-based solutions. Third Sector has since held two national Competitions, selecting a total of 14 sub-recipients to receive feasibility and technical assistance nationwide. The sub-recipients have included projects in the areas of early childhood health, pre-K, child welfare, and workforce development.

Third Sector has an expansive national footprint as a leader in the PFS field, with PFS feasibility and construction engagements underway across the United States. Third Sector has conducted feasibility assessments for governments at the state, county and city level. Third Sector has conducted more PFS feasibility assessments than any US firm, and is one of the few national technical-assistance providers who has launched and implemented multiple PFS projects, mobilizing over [REDACTED] for project development and funding. Since 2011, Third Sector has conducted over 50 PFS engagements and developed expertise on the front line of the PFS movement that positions Third Sector well to drive projects from feasibility to implementation.

Third Sector has experience in early childhood and pre-K PFS feasibilities, including the Washington State Department of Early Learning, Commonwealth of Virginia, and a joint project with the State of Nevada and City of Las Vegas.

Case Western Reserve University Center on Urban Poverty and Community Development

The Center on Urban Poverty and Community Development at the Jack, Joseph and Morton Mandel School of Applied Social Sciences at Case Western Reserve University (CWRU), the "Poverty Center," works to inform public policy and program planning through data and analysis to address urban poverty, its causes, and its impact on communities and their residents. The Poverty Center has established itself as a key partner in studies relating to children and families in our region.

Co-Director of the Poverty Center, Dr. Robert Fischer, will lead the data and outcomes analysis work streams. Dr. Fischer is a research professor at the Jack, Joseph and Morton Mandel School of Applied Social Sciences, Case Western Reserve University. Dr. Fischer leads a range of evaluation research studies and teaches evaluation methods to students in the school's social science administration and nonprofit management program. Dr. Fischer is the former board president of the Ohio Program Evaluators' Group. He brings over 20 years of expertise in evaluations of social/behavioral interventions, nonprofit outcome measurement, and policy analysis.

Since 2001, the Poverty Center has served as the evaluator of the portfolio of early childhood services funded by Cuyahoga County, through the county's *Invest in Children* initiative. As a result, the Poverty Center holds advanced data resources on children, families, and neighborhoods. The Poverty Center has conducted studies of early care programs, home visiting, medical outreach, special needs child care, early childhood mental health, family and youth homelessness and the effects of childhood lead exposure. Results of these studies have driven local decision making regarding policies and practices. The work has also received national attention. The Poverty Center's researchers have shared their findings at national meetings such as the Zero to Three National Training Institute, the National Healthy Start Conference, the National Summit on Quality in Home Visiting, Society for Social Work and Research, as well as the American Evaluation Association, and the Association for Research on Nonprofit Organizations & Voluntary Action. Center researchers have also published their findings from these studies in peer-reviewed journals, such as *Child and Youth Care Forum*, *Children & Youth Services Review*, *Families in Society*, *Journal of Family Strengths*, *Journal of Social Service Research*, and *Maternal and Child Health Journal* among others.

For almost thirty years, the Poverty Center has been a national leader in the development of integrated geographic and administrative data systems. The Poverty Center's ChildHood Integrated Longitudinal Data (CHILD) system is nationally recognized as among the oldest and most comprehensive in the country and includes continually updated administrative data from 1992 to the present from nearly 20 data providers. Data from CHILD, and from our place-based integrated system, Northeast Ohio Community and Neighborhood Data for Organizing (NEO CANDU), deliver deep and more comprehensive knowledge to effectively measure program impact. Poverty Center data have been used in hundreds of projects, including a

number of groundbreaking studies evaluating policy effects and interventions on topics such as juvenile justice, neighborhood effects on child development, the foreclosure crisis, and the effects of high quality pre-kindergarten on child development.

Among their many projects, the Poverty Center currently serves as the independent evaluator for the country's first county-level pay for success program, Partnering for Family Success in Cuyahoga County, Ohio, evaluator for the City of Cleveland's Pre4Cle initiative to increase the availability of high quality pre-kindergarten in northeast Ohio, and evaluator of the federally-funded Healthy Start home visiting program (Moms First) operated by the City of Cleveland Department of Public Health.

Adequacy of Resources

Cuyahoga County has worked diligently through the Office of Early Childhood to provide high quality preschool options to residents and has raised considerable capital through a robust public/private partnership. When the County Executive set aside the additional \$10 million in public monies to fund the expansion of UPK, and reached out to the private funding community to match that amount, he stipulated that a sustainable funding strategy needed to be identified to maintain and continue the UPK expansion. A Sustainability Committee of the UPK Partnership Council is being convened to take on the task of identifying sustainable funding mechanisms and this Feasibility Study will be critical to assisting that Committee in determining a path forward for financing of the program. Pay for Success offers a potential tool in this sustainability strategy. In order to maintain current UPK services and to continue to scale up to meet the community need, this feasibility pilot offers an opportunity to evaluate the effectiveness of UPK on both academic and social/emotional measures and to find new avenues for investment in our children, which would not be possible without this funding opportunity.

Cuyahoga County has demonstrated its ability to commit the resources necessary to pursue successfully a PFS project from feasibility through construction to launch and implementation. In addition, the County has demonstrated local capacity to provide philanthropic and government support for PFS initiatives. Many of the same stakeholders involved in Cuyahoga County's first PFS project will be involved in the delivery of this feasibility study. The proposed feasibility study does not require any additional financial resources. Grant funding from the Department of Education combined with in-kind staff support from Cuyahoga County will be adequate to deliver the outputs and outcomes of the feasibility. In addition, two national organizations: The Urban Institute and National Head Start Association have offered in-kind support as well. The County will be able to leverage Third Sector's and the Poverty Center's existing knowledge of Cuyahoga County, and its CHILD data system, as well as Third Sector's PFS feasibility work plan, templates, and processes to support an efficient use of the budget to achieve the feasibility goals. The 30-month time frame will allow for a larger sample of children who have participated in UPK in the past to be included in the follow-up study to third grade. It will also allow time

to assess the predictive value of new executive functioning measures that are under consideration. Executive functioning will be assessed on a sample of UPK children in 2017 who will be followed prospectively to kindergarten entry in the fall of 2018. In addition, with Ohio's adoption of a new kindergarten readiness assessment (KRA) in 2015, this window will allow for additional analysis of data available from this measure on more children.

In addition, with Ohio's adoption of a new kindergarten readiness assessment (KRA) in 2015, this window will allow for additional analysis of data available from this measure on more children.

The Center on Urban Poverty and Community Development maintains one of the most complete integrated data systems (IDS) available for children within a county. The Childhood Integrated Longitudinal Data (CHILD) System is composed of linked administrative records of children in Cuyahoga County, Ohio, beginning with the 1992 birth cohort to the present. The linkage of records across time and systems is performed via deterministic and probabilistic matching techniques. The records contain geographic information that enables aggregation to the neighborhood, city, county or other jurisdiction level and also allows linking with other data systems at various levels of geographies such as parcel, address, or census tracts. The end result is a longitudinal data system in which children are observed if and when they are served by one of the 20 administrative systems that compose CHILD. The Center has standing data sharing arrangements with these data stewards that allow for the transfer, use, and protection of individually-identifiable data on individuals served by these programs and services.

The CHILD System began in the late 90's as part of the Cuyahoga County Invest in Children (IIC) initiative. IIC is a community-wide, public-private partnership of government leaders and agencies, non-profit organizations and local foundations. The purpose of IIC is to assure that all the County's young children and their families receive the supports they need so that they and their families, communities, and schools are ready for them to enter kindergarten and succeed. Since no one agency or system within the initiative can achieve this outcome on their own, the CHILD System was required to support joint planning and the evaluation of collective impact. Since its inception, the CHILD System has gone from comprising information across 7 to 20 administrative systems.

The CHILD System contains information on the following observable events: birth, infant mortality, home visiting receipt, early childhood mental health service receipt, public assistance benefits (e.g., Medicaid, Cash Assistance, SNAP), lead exposure, child welfare involvement, subsidized child care, special needs child care, public pre-school attendance, kindergarten readiness. See Table 5 for a description of the data providers and data holdings of the CHILD system.

The Urban Institute has also committed to provide expert consultation to the feasibility study. Working with Third Sector and local evaluators, Urban Institute expert advisors will: (a) provide information on the evidence base for different types of potential program enhancements, (b) assist the team in designing an enhanced Pre-K program model to maximize impact on future educational performance, and (c) advise on data analysis and evaluation design

in preparation for a PFS project. The Urban Institute has agreed to provide these services and travel costs as an in-kind donation, at no cost to the project, using funds from Urban Institute's funding from the Laura and John Arnold Foundation.

Table 5. Data providers and holdings within CHILD system

Agency or Data Provider	Dataset(s)	Years (and ages)
	Individual Level Data	
Ohio Department of Health	Births	1992-2012
Ohio Department of Health	Deaths	1992-2012
Ohio Department of Health	Blood-lead testing	2000-present (0-6)
Cuyahoga County Job and Family Services	Medicaid eligibility, Food Stamps (SNAP), Cash Assistance	1992-present (starts at birth)
Cuyahoga County Job and Family Services	Subsidized Child Care	1997-present (starts at birth)
Cuyahoga County Children and Family Services	Child Maltreatment, Foster Care	1990-present (0-18)
Help Me Grow	Newborn, Ongoing, and Early Intervention Home Visiting	1999-present (prenatal to kindergarten)
Cleveland Department of Public Health	MomsFirst Home Visiting	2007-present (prenatal to 2)
Cuyahoga County Board of Health	Newborn Home Visiting	2010-present (first months of life)
Starting Point	Special Needs Child Care	2000-present (0-6)
Starting Point	Universal Pre-Kindergarten	2007-present (3-5)
Multiple Providers	Early Childhood Mental Health	2008-present (0-6)
Cleveland Metropolitan School District	Attendance, KRA-L, Proficiency tests	2005-present (pre-k to 12 th)
Cuyahoga County Office of Homeless Services	Homeless services (shelter stays, permanent supportive housing, etc.)	2010-present (0 to adulthood)
Cuyahoga County Sheriff's Office	County Jail Inmates	2002-present (18 and older)
Cuyahoga County Juvenile Court	Juvenile Court Filings	2000-present (10 to 17)
	Provider Level Data	
Starting Point	Family Child Care Homes	1999-present
Starting Point	Annual Child Care Slots and Enrollment	2002-present

Competitive Preference Priority: Outcome Measures Across Various Domains

The evaluation will examine the relationship between **executive functioning** and kindergarten readiness. Using a single-group pre-post-test design, children will be assessed upon enrollment in UPK and again in the spring before transitioning to kindergarten. Several measures of executive functioning are under consideration (described below). Once a measure is selected it will be administered in a sample of settings to examine its usability and its predictive ability in relation to kindergarten readiness.

The following measures will be considered and at least one will be selected:

- 1.) The **Devereux Early Childhood Assessment (DECA)** is a nationally standardized, norm-referenced strength-based behavior rating assessment designed to measure and promote protective factors related to resilience in children ages 3 through 5. The DECA assessment measures three key protective factors related to resilience including Initiative, Self-Regulation, and Attachment/Relationships. These protective factors can generally be thought of as social and emotional skills important to a child's well-being. There is also a scale measuring Behavioral Concerns. Scores fall along a continuum ranging from Area of Need to Typical to Strength. The instrument is completed by teachers and parents at the beginning and end of the preschool year.
- 2.) The **Head-Toes-Knees-Shoulder (HTKS; McClelland, Cameron, Duncan, Bowles, Acock, Miao, & Pratt, 2014)** task of behavioral self-regulation integrates aspects of executive functioning (including working memory, cognitive flexibility, and inhibitory control) into a brief game appropriate for preschool age children. The HTKS has three sections with up to four paired behavioral rules: "touch your head" and "touch your toes;" "touch your shoulders" and "touch your knees." Children first respond naturally, and then are instructed to switch rules by responding in the "opposite" way (e.g., touch their head when told to touch their toes). If children respond correctly after all four paired behavioral rules are introduced, the pairings are switched in the third section (i.e., head goes with knees and shoulders go with toes). There is a total of 30 test items with scores of 0 (incorrect), 1 (self correct), or 2 (correct) for each item. A self-correct is defined as any motion to the incorrect response, but self-correcting and ending with the correct action. Scores range from 0 to 60 where higher scores indicate higher levels of behavioral self-regulation. The task takes approximately 5–7 minutes with strong inter-rater reliability.
- 3.) The **Behavior Rating Inventory of Executive Functioning – Preschool Version (BRIEF-P)** is a standardized rating scale designed to assess multiple aspects of executive functioning in preschool-aged children in their natural settings. The instrument consists of 63-items organized into 5 subscales or domains: Inhibit (inhibition to stop his/her own behavior), Shift (to change focus from one thing to another), Emotional Control (to

modulate emotional responses), Working Memory (to hold information in mind to complete a task), and Plan/Organize (to manage current and future-oriented task demands within the situation). The BRIEF-P is completed by either a parent, teacher or child care provider. Respondents rate how often (1 = never, 2 = sometimes, 3 = often) a child exhibits various behaviors (e.g., “acts too wild or out of control,” “resists change of routine, foods, places,” “overreacts to small problems,” when given two things to do, remembers only the first or last,” “when instructed to clean up, puts things away in a disorganized, random way”). Subscales are summed to create an overall score where lower scores represent higher levels of executive functioning. Raw scores can be converted to standardized scores; standardized scores above 60 are considered elevated and those above 65 are clinically significant. The instrument demonstrates high internal consistency reliability, moderate test-retest reliability, as well as convergent and discriminant validity with other measures of inattention and hyperactivity-impulsivity.

- 4.) The **Social Skills Improvement System (SSIS)** is a multi-rater instrument that measures perceptions of the frequency and importance of positive behaviors in three domains: social skills, problem behaviors, and academic competency. Only the social skills domain will be used in this evaluation. The social skills domain includes subscales of communication, cooperation, assertion, responsibility, empathy, engagement, and self-control. Teacher and parent raters provide frequency-based ratings from “never” to “almost always.” Scale scores are norm-referenced standard scores with a mean of 100 and a standard deviation of 15. Social skills subscale scores (i.e., communication, cooperation, etc.) are categorized by behavior levels: below average, average, and above average, which indicate the target child’s raw score relative to the distribution of the normative group. The measure typically takes 15-20 minutes to complete.

Budget Narrative

Federal Funds Requested

1. Personnel

N/A

2. Fringe Benefits

N/A

3. Travel

N/A

4. Equipment

N/A

5. Supplies

N/A

6. Contractual

Products to be acquired, and/or the professional services to be provided

Third Sector will provide advisory services to the County as well as subcontracting with specific subject matter experts are necessary to complete key work stream activities. The advisory services include coordination of project partners in executing the work plan and completing the written feasibility report.

CWRU will provide data collection and analysis for key parts of the work plan. In addition, they will provide evaluation of preschool program outcomes.

Justification for the use of the contractors selected

The County has worked previously with Third Sector as a contractor to conduct a feasibility study, construct, and launch a Pay for Success project. Third Sector is uniquely qualified as a contractor for this work based on the firm's understanding of Cuyahoga County, proven ability to execute feasibility studies in multiple jurisdictions, and status as a federal Pay for Success grantee through the Corporation for National and Community Service's Social Innovation Fund.

The County has worked previously with the CWRU Poverty Center as a contractor to conduct a feasibility study, construct, and launch a Pay for Success project. The Poverty Center is uniquely qualified based on their understanding of Cuyahoga County, their experience with PFS, and the fact that they are a national leader in the development of integrated geographic and administrative data systems, such as the CHILD system which will be invaluable to this project.

Cost per contractor

Costs for Third Sector Capital Partners, Inc.

Third Sector Capital Partners, Inc. Contract Budget					
January 1, 2017 - June 30, 2019					
Role	Role Description	Year 1	Year 2	Year 3	Total
Relationship Manager (Director)	Oversees project, including managing Project Lead and Support	██████████ (██████████)	██████████ (██████████)	██████████ (██████████)	██████████
Project Lead (Associate)	Leads execution of work plan and serves as day-to-day contact for project partners	\$██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Project Support (Analyst)	Supports execution of work plan and creation of key deliverables	\$██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Subject Matter Experts	Provide expertise for specific work streams	\$██████████	██████████	██████████	██████████
Travel		\$██████████	██████████	██████████	██████████
Total		██████████	██████████	██████████	██████████

Costs for CWRU Poverty Center

CWRU Poverty Center Contract Budget					
January 1, 2017 - June 30, 2019					
Role	Role Description	Year 1	Year 2	Year 3	Total
Project Leader	Provides project oversight and leadership	██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Data Analysts	Leads data collection & analysis	\$██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Cost-benefit Analyst	Performs cost-benefit analysis	██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Project Staff	Data cleaning & matching	\$██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Administrative Personnel	Provides administrative assistance	\$██████████ ██████████	██████████ ██████████	██████████ ██████████	██████████
Fringe		██████████	██████████	██████████	██████████
Students		██████████	██████████	██████████	██████████
Travel		\$██████████	██████████	██████████	██████████
Indirect Costs		██████████	██████████	██████████	██████████
Total		██████████	██████████	██████████	██████████

Note: Indirect costs on this grant have been calculated at ██████████, below the university's federally agreed rate of ██████████.

Amount of time that the project will be working with the contractor(s).

The County will work with Third Sector for the full 30-month duration of the project. During the 30 months, Third Sector will provide [REDACTED] hours of direct service to complete the feasibility.

The County will work with the CWRU Poverty Center for the full 30-month duration of the project. During the 30 months, CWRU will provide [REDACTED] hours of direct service.

Amounts of time to be devoted to the project, including the costs to be charged to this proposed grant award

Third Sector will provide [REDACTED] of direct service to complete the feasibility. Including travel, the costs to be charged to this proposed grant award is [REDACTED].

The CWRU Poverty Center will provide [REDACTED] of direct service towards completing the feasibility study. Including fringe, student support, travel, and indirect costs, the costs to be charged to this proposed grant award is [REDACTED].

Procurement procedures

Procurement of Third Sector Capital Partners, Project Technical Advisors and Case Western Reserve University, Project Evaluator, is governed by Cuyahoga County procurement procedures. In cases such as this grant-funded project, where there is justifiable cause to select a vendor based on their unique qualifications to fulfill the contracted duties, there is a process that allows the county office in need of a vendor to forego a request for proposal process by completing a Justification for Other than Full and Open Competition Form. This form goes through an approval process with the County Board of Control and thus allows the inclusion of both vendors in this grant proposal. This process is well established and was successfully employed in the current Cuyahoga County Partnering for Family Success Pay for Success project.

Basis for cost estimates or computations

These estimates are based on Third Sector’s experience completing PFS feasibilities in other jurisdictions and knowledge of the additional resources available to the project from applicant staff and other contractors.

The costs estimates for CWRU Poverty Center are based on the Poverty Center’s experience with similar projects and their related knowledge of the time and resources required to complete data collection, data analysis, and evaluation.

7. Construction

N/A

8. Other

N/A

9. Total Direct Costs

The total direct costs for this project are [REDACTED].

10. Indirect Costs

N/A

11. Training Stipends

N/A

12. Total Costs

The total costs for this project are [REDACTED]

In-kind Funds Committed by Cuyahoga County

The in-kind Contributions from staff in the Office of Early Childhood are funded by Cuyahoga County through a local Health and Human Services Levy.

Project Director, Dr. Rebekah Dorman, will provide ongoing project management at [REDACTED] for a total of [REDACTED] in wages and [REDACTED] in benefits during the first year of the project. In her role she will coordinate the work of both the Project Management Team and the Advisory Committee.

The Office of Early Childhood Evaluation Manager, (vacant) will assist the CWRU evaluation team with data collection in the program sites, and on other data related tasks. The in-kind contribution for this position is estimated at [REDACTED] for [REDACTED] in wages and [REDACTED] in benefits in the first year of the project.

Total Annual In-kind Contribution for Year One in Personnel [REDACTED] and \$ [REDACTED] in benefits.

Annual salary increases are estimated at [REDACTED] and the amounts for Years II and six months of Year III are listed below.

Total Annual In-kind Contribution for Year Two in Personnel is [REDACTED] and [REDACTED] in Benefits.

Total Annual In-kind Contribution for the six months of Year Three would be [REDACTED] in Personnel and [REDACTED] in Benefits.

In-kind Contributions by the Urban Institute and National Head Start Association

Although both the Urban Institute and National Head Start Association have pledged their in-kind support to this project (see Letters of Support), they felt unable to monetize that support at this point in time. Thus the in-kind support specified in the budget numbers does not include the contributions from these national organizations.