



**REPORT OF
THE
STATE AUDITOR**

**COLORADO PRESCHOOL PROGRAM
DEPARTMENT OF EDUCATION**

**PERFORMANCE AUDIT
APRIL 2000**

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April 13, 2000

Members of the Legislative Audit Committee:

This report contains the results of the performance audit of the Colorado Preschool Program. This audit was conducted pursuant to Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct audits of all departments, institutions, and agencies of state government.

This report presents our findings, conclusions, and recommendations, and the responses of the Colorado Department of Education.

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**COLORADO PRESCHOOL PROGRAM
REPORT SUMMARY
April 2000**

Authority, Purpose, and Scope

This audit of the Colorado Preschool Program was conducted under the authority of Section 2-3-103, C.R.S., which authorizes the State Auditor to conduct audits of all departments, institutions, and agencies of state government. This audit was conducted according to generally accepted government auditing standards. Audit work was performed from September 1999 through January 2000.

The purpose of this audit was to review and evaluate:

- The Colorado Department of Education's oversight of and accountability for the Colorado Preschool Program.
- Program funding and expenditures.
- Delivery of Program services.
- The full-day kindergarten component of the Colorado Preschool Program.
- Program expansion.

This report contains findings and 17 recommendations for improving the Colorado Preschool Program. We would like to acknowledge the efforts and assistance extended by the Colorado Department of Education staff, school district officials, and Program providers. The following summary provides highlights of audit comments, recommendations, and responses contained in the report.

Oversight and Accountability

As part of our audit we evaluated the roles and responsibilities of the Colorado Department of Education and the participating school districts. We found that:

- More oversight by the Department could improve program operations and accountability.
- The re-application process for district participation in the Program needs to be streamlined.

For further information on this report, contact the Office of the State Auditor at (303) 866-2051.

SUMMARY

We recommend that the Department fulfill its statutory responsibility and improve how the Colorado Preschool Program is overseen and administered by (1) assigning at least one full-time staff to oversee and administer the Program at the state level; (2) providing more technical assistance to districts; (3) including information in its annual budget request regarding its allocation and prioritization of existing staff and resources; and (4) reevaluating the re-application process and making changes to improve the quality of the information provided by districts and ensure that the information requested is useful.

Financial Accountability

We analyzed how districts managed the Colorado Preschool Program funds they received in Fiscal Year 1999. We found that:

- Some districts did not comply with the Fiscal Year 1999 Appropriations Bill footnote requirements that (1) districts spend at least 95 percent of their Program funding on direct services to Program children, and (2) that all Program funds be used to benefit participating children except for "reasonable allocation" of district overhead costs.
- Rates paid to community providers varied.
- The Colorado Preschool Act is not clear on how often participating school districts should solicit participation from private community providers.

We recommend that the Department improve the financial accountability of the participating school districts for the Colorado Preschool Program funding by (1) seeking statutory changes on spending Program funds and replacing the footnote to the Appropriations Bill with substantive legislation; (2) proposing changes in the annual Public School Finance Act appropriation that would make the Colorado Preschool Program funding a separate line item; and (3) meeting with district council representatives to help clarify the statutory confusion on participation of private providers and proposing any needed statutory changes.

Program Delivery

We reviewed the files of 467 children who participated in the Program in Fiscal Year 1999 in 16 districts. We found that:

- Program screening of children needs to be improved. Districts use a wide variety of tools and methods to screen children for eligibility before they are admitted into the Program. We found that most of the children were eligible according to their own districts' requirements. However, we could not determine if these children were the most at-risk children in the State or if they met the legislative intent of lacking overall learning readiness.

- The Department has not evaluated Program effectiveness statewide since 1993, although Colorado law requires annual evaluations. Additionally, evaluations by the participating districts are limited.
- The Department does not ensure that participating districts meet quality standards for their programs. Additionally, district councils do not consistently monitor providers to ensure individual programs are of high quality.

We recommend that the Department (1) ensure that school districts' methods for selecting children for the Colorado Preschool Program comply with the statutory intent of the Program; (2) create a three-point screening method for districts to follow when determining eligibility and require that children are evaluated in person; (3) fulfill its statutory requirement of evaluating the effectiveness of the Colorado Preschool Program and annually reporting these results to the Joint Budget Committee and the House and Senate committees on education; (4) improve the evaluation of the Colorado Preschool Program by working with the participating school districts to establish goals for the Colorado Preschool Program (e.g., kindergarten readiness), identifying the data that are needed to evaluate the Program outcomes, providing technical assistance to participating school districts in designing evaluations, and requiring participating school districts to report their evaluation results annually; and (5) provide criteria and training to help the districts in monitoring the quality of the provider programs.

Full-Day Kindergarten Program

We reviewed the full-day kindergarten component of the Colorado Preschool Program. We found that:

- The overall impact of the full-day kindergarten component on the Colorado Preschool Program is unknown. Additionally, the full-day kindergarten component is significantly different from the Colorado Preschool Program. It targets a different age group and is overseen and administered differently.
- The Department has not established criteria for district participation in the full-day kindergarten programs. The Department has chosen five urban school districts to receive all full-day kindergarten slots.
- Districts need more guidance on administering the full-day kindergarten programs. Three of the five districts do not administer their programs as required by statute. Additionally, we could not determine if all children participating in the full-day kindergarten program in the five districts were eligible for the program.

SUMMARY

We recommend that the Department (1) determine whether the full-day kindergarten component should be continued as a part of the Colorado Preschool Program; (2) establish criteria for school district participation in the full-day kindergarten program and ensure that both urban and rural districts are allowed to participate; and (3) provide more oversight and assistance to school districts in establishing and administering their full-day kindergarten programs.

Program Expansion

We reviewed changes to the Colorado Preschool Program since it began in 1989. We found that:

- Forty-two (24 percent) of the 176 Colorado school districts do not currently participate in the Program. Some of these districts have characteristics that show a need for early childhood education programs, including high dropout rates.
- Better needs assessment could improve how the Department allocates Program slots to the districts. The current unmet needs data are unreliable.

We recommend that the Department (1) make all districts aware of the opportunity to participate in the Program; (2) work with district councils to more accurately assess the number of at-risk children who may be eligible for the Program; and (3) ensure that school districts have established an infrastructure to handle all eligible age groups before allotting slots to these districts.

The Department generally agrees or partially agrees with our recommendations. Responses can be found in the Recommendation Locator on pages 5-7.

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
1	20	Fulfill statutory responsibility and improve the Colorado Preschool Program by assigning at least one staff to administer the Program; providing information in its annual budget request regarding its allocation and prioritization of existing staff and resources; and clarifying the Department's role with the Program.	Colorado Department of Education	Agree	July 1, 2000
2	23	Reevaluate the re-application process, and make changes to improve the quality and usefulness of information requested.	Colorado Department of Education	Partially Agree	April 1, 2001
3	34	Improve financial accountability of participating school districts by clarifying legislative intent on the percentage of per pupil operating revenue that should be spent on direct services. Propose changes in the annual appropriation that would create a separate line item for the Program.	Colorado Department of Education	Partially Agree	January 1, 2001
4	35	Assist in clarifying the statutory confusion regarding the recruitment of private community providers by meeting with district councils and proposing any needed statutory changes.	Colorado Department of Education	Agree	March 1, 2001
5	43	Ensure that school districts' methods for selecting children comply with the statutory intent of the Colorado Preschool Program.	Colorado Department of Education	Partially Agree	Ongoing. Effective August 1, 2000

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
6	43	Create a three-point screening method that comprises an interview/intake portion, environmental/demographic risk factor review, and developmental screenings to determine need.	Colorado Department of Education	Partially Agree	June 1, 2001
7	45	Ensure that districts are maintaining similar information regarding children's eligibility documentation by clarifying the regulations.	Colorado Department of Education	Agree	Ongoing. Effective August 1, 2000
8	49	Develop an evaluation plan by January 1, 2001, in order to fulfill its statutory requirement to annually evaluate the effectiveness of the Colorado Preschool Program.	Colorado Department of Education	Agree	January 1, 2001
9	52	Improve the evaluation of the Colorado Preschool Program by working with school districts to establish goals, identify data needed to evaluate outcomes, and provide technical assistance to participating school districts in designing evaluations.	Colorado Department of Education	Agree	July 1, 2001
10	55	Assist participating school districts in monitoring the quality of the provider programs.	Colorado Department of Education	Agree	Ongoing. Effective September 1, 2000
11	57	Ensure that data are available to evaluate the quality of the Colorado Preschool Program by reviewing the value of currently available information and ensuring that school districts submit quality reports.	Colorado Department of Education	Agree	Ongoing. Effective July 1, 2000

RECOMMENDATION LOCATOR

Rec. No.	Page No.	Recommendation Summary	Agency Addressed	Agency Response	Implementation Date
12	61	Determine whether the full-day kindergarten component should be continued as a part of the Colorado Preschool Program by evaluating the effectiveness of the full-day kindergarten and assessing its impact on the Colorado Preschool Program.	Colorado Department of Education	Agree	September 1, 2001
13	64	Establish criteria for school district participation in the full-day kindergarten component program, and ensure that both urban and rural districts are allowed to participate.	Colorado Department of Education	Partially Agree	September 1, 2001
14	67	Provide more oversight and assistance to school districts in establishing and administering their full-day kindergarten programs.	Colorado Department of Education	Agree	Ongoing. Effective September 1, 2000
15	72	Make all districts aware of the opportunity to participate in the Colorado Preschool Program.	Colorado Department of Education	Agree	September 1, 2000
16	76	Work with district councils to more accurately assess the number of at-risk children who may be eligible for the Program.	Colorado Department of Education	Agree	July 1, 2001
17	79	Ensure that school districts have established an infrastructure to handle all eligible age groups before allotting slots to these districts.	Colorado Department of Education	Agree	January 1, 2001

Description

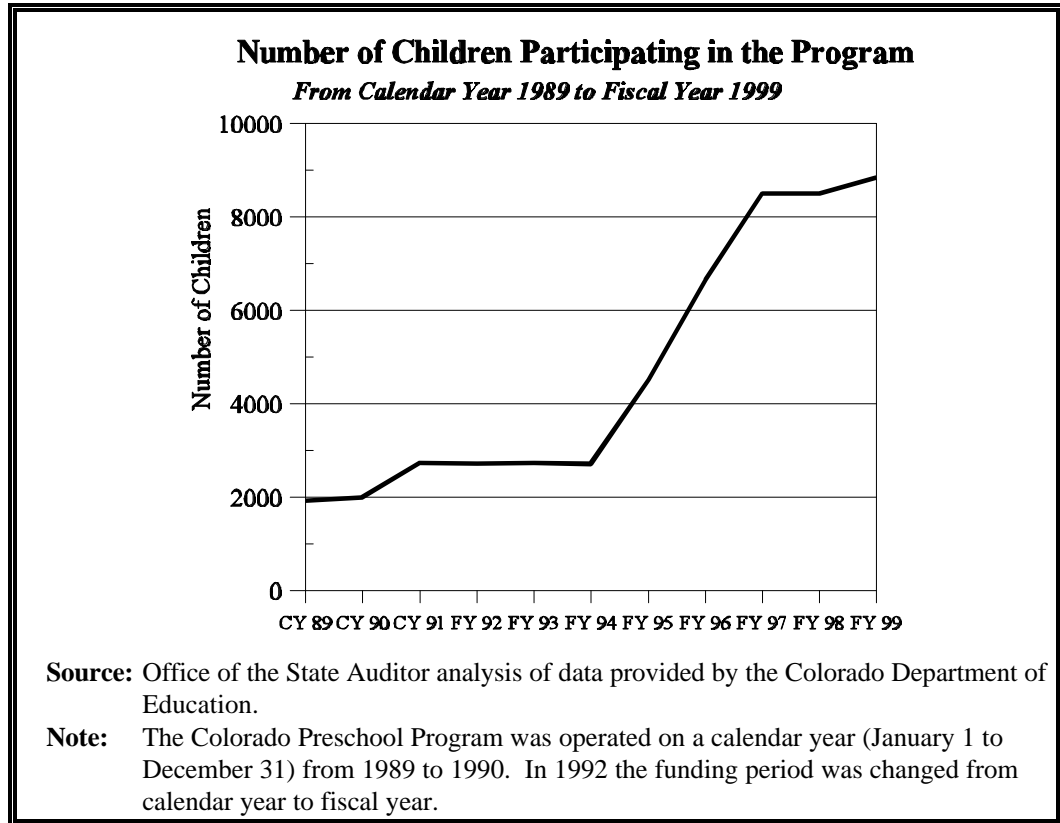
Background

The Colorado Preschool Program was created during the 1988 Legislative Session as a pilot program. The General Assembly created this Program in recognition of the need to adequately prepare children with specific at-risk factors to learn. The intent was that helping these children at an early age could result in lower dropout rates, less dependence on public assistance, and less involvement with criminal activities. In January 1989 the Program began its operations. At that time the Program targeted four- and five-year-olds who would be entering kindergarten the following year that were in need of language development.

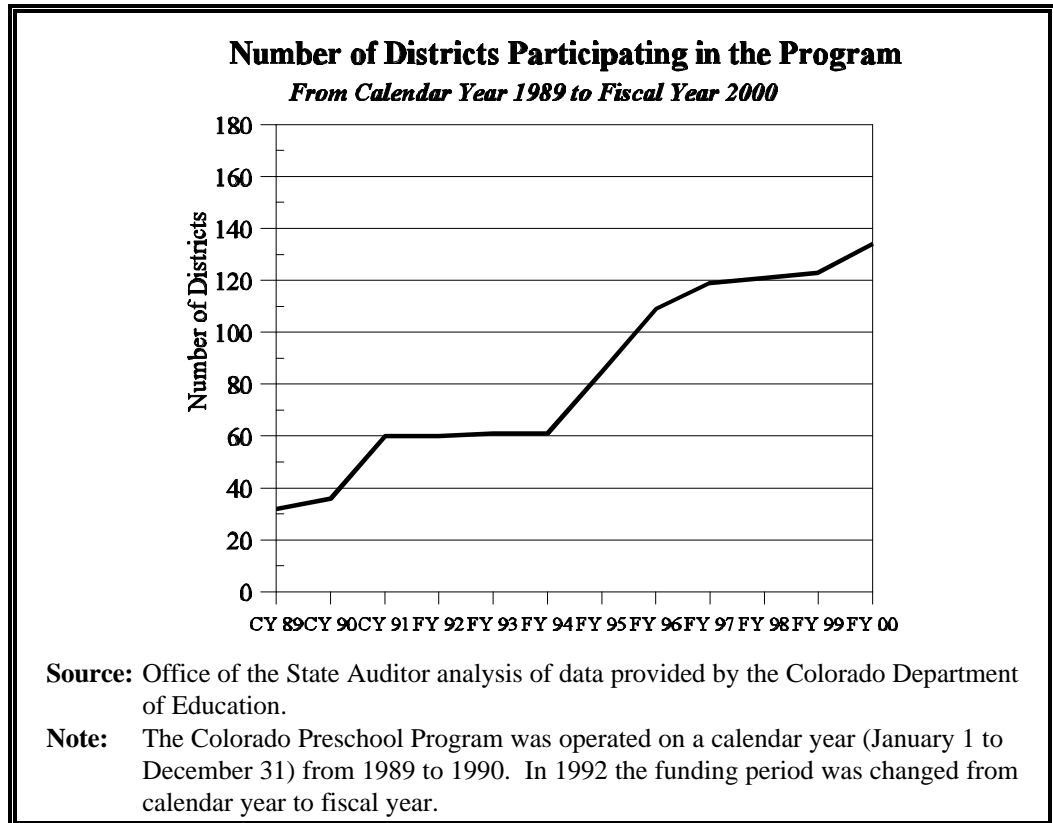
In 1992 the General Assembly passed Senate Bill 92-189, which resulted in the continuation of the Colorado Preschool Program as a permanent program. This bill also expanded the target population to not only include children in need of language development, but also children “who lack overall learning readiness due to significant family risk factors” and children being served by Social Services as neglected or dependent children.

Participation in the Program

The number of children and school districts participating in the Program has increased significantly since the Program began. Initially, the statutes allowed up to 2,000 children to be served annually in the Program. As the following chart shows, the number of children has increased to nearly 9,000 in Fiscal Year 1999. Current statutes permit 9,050 children to be served by the Program in Fiscal Year 2000.



The Colorado Department of Education and local school districts are responsible for administering the Program. Participation in the Program is voluntary. That is, school districts do not have to participate in the Program unless they choose to do so. Districts wanting to participate must submit an application to the Colorado Department of Education. Staff at the Department review each district's application and make a decision on whether districts can participate and the number of Program slots they will receive. As the following chart shows, the number of participating districts has greatly increased. In the Program's first year of operation, 32 districts participated. In Fiscal Year 2000 more than 130 districts are participating.



Program Funding

More than \$115 million has been distributed to the Colorado Preschool Program from 1989 to Fiscal Year 1999. The amount of state and local funds annually allocated to the Program during this time period has increased significantly. The Program received nearly \$3.6 million in 1989. In Fiscal Year 1999 more than \$21 million was appropriated for the Program.

Oversight and Accountability

Chapter 1

Background

The Colorado Department of Education and participating school districts are responsible for the Colorado Preschool Program. The Department's statutory responsibilities include establishing standards and eligibility criteria for the Program, selecting districts for participation, ensuring program sites are licensed by the Department of Human Services, and reporting to the General Assembly on the Program's effectiveness.

School districts are responsible for operating their individual Colorado Preschool Programs. To be eligible to participate in the Program, each school district is required by statute to establish a "district council." The superintendent of the district appoints members to the district council. Members must include representatives from community businesses; local health, social services, and job service and training organizations; parents of preschool children; publicly funded early childhood education agencies; and privately funded child care centers as well as the superintendent. According to Section 22-28-105, C.R.S., each district council is responsible for:

- Developing a plan to identify eligible children.
- Studying and assessing the need for the Program.
- Distributing requests for proposals to local publicly funded early childhood education agencies and privately funded child care centers to determine who will provide Program services and recommending qualified providers to the local school board.
- Recommending a plan for its program operations to the local school board including whether its program should be provided by the district or by publicly or privately funded providers, or some combination.
- Submitting proposals to the Department requesting participation in the Program.

- Developing a comprehensive plan for its program including meeting quality standards, staff development, family involvement and support services, and evaluation. This plan must be submitted to the Department.
- Monitoring local providers to ensure compliance with quality standards. The council is also to make recommendations where improvements are needed and report on monitoring and evaluation to the Department.

All actions taken by the district council must be approved by the local school board.

More Oversight Could Improve Program Operations and Accountability

We evaluated the roles of the Department and participating districts. Overall, we found that there is a lack of accountability for the Program. Currently neither the Department nor the school districts ensure the Program is effective and operating as intended by statute in all participating districts.

The Department has had limited involvement with the Program since its inception. In the Program's first few years of operation, it was reasonable to assign most of the oversight and administrative duties to the local school districts and their district councils. The number of districts and children participating in the Program were relatively small. However, the Program has experienced a number of changes since its creation. Participation in the Program has grown rapidly, the amount of funding has greatly increased, and the target population has expanded. Specifically:

- **The number of children participating in the Program has increased by more than 350 percent since it was created.** During 1989, the first year of operation, about 1,930 children were served. In Fiscal Year 1999, 8,850 children participated in the Program. The Program is authorized to serve 9,050 children in Fiscal Year 2000.
- **The number of school districts participating in the Program has increased by more than 300 percent since the Program began.** In 1989, 32 districts participated in the Program. One hundred and thirty-four districts are participating in Fiscal Year 2000.
- **Annual funding for the Program has increased by \$18.3 million, or 485 percent.** In 1989 almost \$3.6 million in state and local funds was distributed to the Program. Program funding was more than \$21 million in Fiscal Year 1999.

- **Eligibility criteria have changed.** Initially, the Program was designed to serve children in “need of language development.” This included children who did not speak English as well as children who struggled with development of syntax, vocabulary, and language comprehension. Over time, the Program has expanded to target not only children in need of language development but also children “who lack overall learning readiness due to significant family risk factors” and children being served by Social Services as neglected or dependent.
- **The age of children participating in the Program has expanded.** These changes have resulted from:
 - S Full-day kindergarten.** During the 1995 Legislative Session, the full-day kindergarten component was created as a part of the Colorado Preschool Program. This addition has allowed a maximum of 500 kindergartners to be served for a full day. The Preschool Program funds the second half of these kindergartners’ day. The full-day kindergarten is discussed in greater detail in Chapter 4.
 - S Consolidated Child Care Pilot Program.** The General Assembly created the Consolidated Child Care Pilot Program in 1997 to give Colorado communities flexibility in developing and providing early childhood programs. One of the Pilot's areas is the Colorado Preschool Program. The Pilot expanded the population served by the Program by allowing pilot communities to request waivers to serve children younger than four years old and for more than one year in the Program. The Pilot is discussed in Chapter 5.

The Department Provides Minimal Assistance for the Program

With all the changes in the Program, it has become more critical for the Department to actively oversee the Program. Yet, we found that the Department's involvement is limited. In fact, the Department does not know whether all district programs are effective and if districts are operating their programs as intended by statute. As we will discuss in more detail throughout the report, the Department has little information about:

- Whether districts are properly screening and selecting children for the Program.

- How Program funds are being used.
- Whether districts are taking the proper actions to ensure their programs are of high quality.
- Whether the Program is preparing children to learn.

In addition, the Department provides little technical assistance to districts on how they should operate their programs. The primary source of guidance the Department gives to districts is a handbook and a list of required standards. The handbook consists of basic information about the Program, such as how to develop comprehensive plans and issue requests for proposals. However, the handbook fails to furnish guidelines on important Program functions, such as listing acceptable screening tools and methods, defining how the full-day kindergarten component should be established and administered, and detailing how district council members should conduct quality assurance site visits on program facilities.

In general, the districts we visited said that if they have questions about the Program, they can contact Department staff by telephone or electronic mail. However, several districts reported that it is often difficult to obtain timely responses from the Department. Districts told us that it sometimes takes several days before Department staff return their calls. One district preschool program coordinator said that she tried to contact the Department to clarify information she received regarding when districts must fill all their slots. The Department did not respond to her inquiry until after the district was required to have all slots filled. Consequently, the district lost these slots because they were not filled by the deadline. The coordinator said she had several children waiting to be screened and believes she could have filled these slots if the Department had provided accurate information before the deadline.

The lack of assistance provided by the Department has resulted in a number of problems with how districts are operating their programs. These problems, as discussed in greater detail later in the report, include:

- **Use of Program funds.** We found that not all districts complied with requirements on how to spend Program funds in Fiscal Year 1999. Further, districts are unsure how they should account for Program expenditures. This issue is discussed in more detail in Chapter 2.
- **Screening of children.** The Department gives districts wide discretion in the eligibility criteria they use to screen children for the Program. Additionally, it has provided little guidance on acceptable screening methods. This issue is discussed in more detail in Chapter 3.

- **Program evaluation.** We found that evaluation efforts by districts vary significantly. That is, the extent of the evaluation and methods are different from district to district. The Department gives limited direction to districts on how to establish their evaluation systems, the type of data to collect, and the methods for analyzing the data retrieved. In addition, the Department, itself, has done little to measure the effectiveness of the Program. In fact, the Department has not evaluated the Program statewide since 1993. This issue is discussed in more detail in Chapter 3.
- **Quality assurance.** We found that several districts in our audit sample did not comply with statutory requirements for ensuring quality. Further, the Department does not ensure districts are meeting the requirements nor does it provide direction on how districts are to fulfill these requirements. This issue is discussed in more detail in Chapter 3.
- **Full-day kindergarten.** We found the Department's allocation of full-day kindergarten slots needs to be improved. Additionally, there are a number of problems with how the districts administer their full-day kindergartens. Districts are confused about how to oversee the full-day kindergarten providers, select children for participation, ensure quality, and evaluate the component's effectiveness. This issue is discussed in more detail in Chapter 4.
- **District participation.** We found that several nonparticipating districts we surveyed either knew little about the Program or had received misinformation about it. This issue is discussed in more detail in Chapter 5.

More involvement by the Department in the Program can help districts better manage their programs. Ten of the eighteen districts we visited stated they would like more direction provided by the Department. In addition, some districts stated that more technical assistance, training and networking opportunities, and guidance on how to evaluate their programs would be beneficial.

The Department Should Assign a Program Administrator

Currently the Department has assigned two staff members to oversee the Program on a limited part-time basis. We reviewed the responsibilities of these staff and found that the Program is one of several programs and projects they are responsible for managing. In fact, the staff primarily assigned to oversee the Program is also responsible for managing the Consolidated Child Care Pilot Program for the Department. This individual's full salary is paid through a contractual agreement

established between the Departments of Human Services and Education. As a result, she states she has little time for the Colorado Preschool Program.

To improve oversight of the Program, the Department needs to ensure that at least one staff is assigned responsibility for the following Program functions:

- **Evaluating proposals submitted by districts and determining which districts will participate in the Program.** This is the primary function of the staff currently assigned to the Program. It is a statutory requirement.
- **Ensuring that all program sites are in compliance with Colorado rules and regulations for child care facilities.** Although the Department is required by statute to do this, it is currently not complying. There are a number of approaches the Department could take to fulfill this duty. For instance, the Department could require districts to submit documentation showing all program sites are licensed as part of the re-application process.
- **Conducting compliance/assistance reviews of a selected number of district programs each year.** Although it is not feasible for one staff member to annually visit all district programs, the Department could select a reasonable number of district programs to visit each year and review how these programs are administered as well as ensure that these districts are complying with Program requirements. Such reviews should include evaluation of the district's screening processes and eligibility criteria used, the types of children selected for participation, the district council's composition and involvement, quality assurance activities, evaluation efforts, and financial activities related to the district's program.
- **Coordinating training workshops for districts.** Several districts we visited identified additional training as an area they would like the Department to be more involved in coordinating. In addition, some districts want more opportunities to meet with other districts and exchange information on how to operate their programs. A staff member assigned to oversee the Program could coordinate a reasonable number of training workshops each year. This staff member should focus on offering training that will improve the Program, such as a workshop on how to screen children.
- **Revising and creating criteria, standards, and reference documents to assist districts in administering their programs.** As discussed earlier, the Department has created a handbook to guide districts in the creation and operation of their programs. However, we found that important guidelines and criteria have not been established. For example, the Department does not

include information on acceptable tools and methods districts should use to screen and select children for the Program.

- **Providing technical assistance to districts when needed.** As mentioned earlier, several districts we visited said it is often difficult to contact a Department staff member. If a full-time staff were assigned to oversee the Program, this individual would be available to respond to questions from districts, provide any documentation that would help these districts run their programs, and visit districts when needed.
- **Establishing an evaluation plan that measures the effectiveness of the Program and reporting evaluation results to the General Assembly.** Section 22-28-112, C.R.S., requires the Department to annually report the effectiveness of the Program to the Joint Budget Committee and the House and Senate committees on education. However, the Department has not done this since 1993. At a minimum, the staff member assigned to the Program should assist in developing an evaluation plan and ensuring that the analysis is completed.

Requests for Additional Staff Have Been Denied

According to the Department, it has not provided greater direction and technical assistance to districts and evaluated the Program statewide because it does not have the staff resources needed to perform these duties. Since the Program's creation, the General Assembly has not appropriated funds or staff to oversee the Program. In response to our 1996 audit, the Department submitted three consecutive requests to the Joint Budget Committee (JBC) for funding for a full-time staff to oversee the Program. These requests were not approved.

According to JBC staff, the Committee has expressed reluctance to recommend that the General Assembly provide additional funding for the Department to add staff to administer the Colorado Preschool Program because it is not clear that the Department is unable to improve its administration of the Program with existing resources. In the annual Appropriations Bill, funding for most of the Department's program administrators is provided through a single line item. Thus, the Department has the flexibility to allocate resources (\$7.1 million and 95.5 FTE in Fiscal Year 1999-00 Long Bill) among various programs. Each year since 1996 the Committee has requested that the Department submit a zero-based budget for the Administration section of the Bill in order to provide the Committee with more information to evaluate the Department's ability to reallocate resources among various programs. However, the Committee has not been satisfied with the Department's zero-based

budget submissions to date and thus has not approved requests for additional funding for the Department to add staff for the Colorado Preschool Program.

The Department Believes Roles and Responsibilities Are Not Clear

Another reason why the Department is not effectively overseeing the Colorado Preschool Program is that it is not sure it has the authority necessary to do so. For example, currently the Colorado Preschool Program Act does not require the Department to ensure that the districts are complying with Program requirements and operating their programs as statutorily intended. As we will discuss in Chapter 3, we found problems with how the districts operate their programs. Districts also want more technical assistance from the Department. While we believe the Department has adequate authority, it should seek clarification on its roles and responsibilities regarding the Program. As discussed previously, the Program has changed significantly since its creation, and there is greater need for more oversight by the Department. This may require statutory changes that better define the role of the Department.

The Department needs to provide more oversight to the Program. Doing so will help ensure better management and accountability of the Program statewide. The Department needs to proactively take the steps needed to make sure that this occurs. At a minimum, it should:

- Thoroughly respond to all budgeting concerns raised by the JBC, including providing detailed information on how its program administrators are used. If the Department believes it is necessary, it should submit another request for funding of a full-time staff to administer the Colorado Preschool Program. It should include the responsibilities listed above in the proposal.
- Analyze a realignment of its current Program administration. Assign one person responsibility for the Program whether that person is a new FTE or an existing staff.

Recommendation No. 1:

The Colorado Department of Education should fulfill its statutory responsibility and improve how the Colorado Preschool Program is overseen and administered by:

- a. Assigning at least one full-time staff to oversee and administer the Program at the state level, including providing more technical assistance to districts and ensuring districts comply with the Program requirements.

- b. Providing information in its annual budget request regarding its allocation and prioritization of existing staff and resources among its various statutory responsibilities and programs. Such information should clearly demonstrate why the Department requires additional resources to improve its administration and oversight of the Colorado Preschool Program.
- c. Working with the General Assembly to clarify the Department's role with the Colorado Preschool Program.

Colorado Department of Education Response:

Agree. The Department will look at available resources for the new fiscal year. The Colorado Preschool Program will be given a priority within the existing budget.

The Re-Application Process Needs to Be Streamlined

The Department requires participating school districts to reapply for the Program each year. According to Section 22-28-107, C.R.S., this re-application must include:

- The number of eligible children to be served by the program.
- The duration of the program (nine or twelve months).
- The types of program providers (district sites, Head Start agencies, and/or child care centers).
- A description of programs being provided by the school district that includes the number of schools in the district involved in the program, the number of additional personnel needed, and the training program for preschool teachers.
- A description of the programs being provided by Head Start agencies or child care centers that includes the community providers' names, the terms of the contracts, and the procedures to be used to monitor these sites.
- The district's plan for providing extended day services, family support and parenting services, and family and community involvement in the Program.

- Procedures to be followed to evaluate the effectiveness of the district program.

The Department requested various types of information from districts, such as the provider types, district council composition, children's eligibility criteria, unmet needs, evaluation efforts, and comprehensive plans in the 1999-2000 re-applications. Districts were supposed to use the comprehensive plans to explain how they would manage their programs. Additionally, the plans were supposed to include information about quality assurance efforts, staff development, family involvement, family support services, and program evaluation.

We reviewed 128 re-applications submitted for the 1999-2000 school year and identified the following problems:

- **The re-application process is cumbersome.** The Department requires districts to complete an 11-page re-application form as well as prepare a comprehensive plan that can vary in size. Many school districts in our sample told us that the application form is difficult and time-consuming to complete.
- **The usefulness of some of the information requested is questionable.** We attempted to analyze the information provided in the re-applications and compare the results from district to district. However, there were several instances where the types of data provided from one district to another varied so significantly that we could not compare them. Questions on the form were poorly structured and the Department did not provide clear directions on how districts should respond.

In general, the Department does not verify or compile the information on the re-applications. During the summer of 1999, the Department hired a student intern to enter re-application responses into a database. However, we reviewed sections of the database and found a number of errors. For example, information on unmet needs in the database did not match the information on the re-applications.

- **The data on the re-application are self-reported and are not verified by the Department.** As a result, the accuracy of the data provided by districts is questionable. We identified instances where the information provided by districts in their re-application forms did not match information they provided to us during the audit. For example, as discussed in Chapter 2, we found that only 5 (28 percent) of the 18 districts reviewed reported their spending for Fiscal Year 1999 accurately on their re-applications.

- **Not all districts submitted comprehensive plans with their re-application forms.** Nearly one-third of the districts participating in the Program did not submit plans with the 1999-2000 re-applications.

The re-application process could serve a valuable purpose in ensuring that districts are properly structuring and operating their programs. The Department could use this as a tool to oversee the Program and assist districts. However, this process, as it is currently designed, is ineffective. The information obtained is unreliable and not comparable. Additionally, the Department does not use it to improve the overall quality and effectiveness of the Program. Further, districts spend valuable time compiling information that serves no purpose. For this process to be worthwhile, the Department needs to redesign the re-application so that all the information requested by the Department is used to better manage the Program. The process also needs to be simplified. The Department should consider recommending statutory changes that would require districts to submit modified applications every three to five years rather than annually. Further, the Department should evaluate all contents of the re-application form and eliminate any sections that are unnecessary.

Recommendation No. 2:

The Colorado Department of Education should reevaluate the re-application process for the Colorado Preschool Program and make changes that will improve the quality of the information provided by districts and ensure that the information requested is useful. This should include:

- a. Determining what the Department wants to achieve with the re-application process.
- b. Considering longer terms of approvals, such as three to five years, for school district participation.
- c. Designing the process so that the Department can use it as a tool to oversee the Program.
- d. Eliminating any sections on the re-application form and comprehensive plan that are not useful.
- e. Clarifying how sections of the re-application form and comprehensive plan are to be completed.

- f. Verifying the accuracy and completeness of information provided by districts during the process.

Colorado Department of Education Response:

Partially Agree. This recommendation increases administrative burden on both the state and local level. Changing the terms of approval would require legislative changes that the Department cannot control.

The response to this recommendation has already begun. The re-application for the 2000-2001 school year was shortened and language clarifying some of the sections was added. We see this as a transition year, with the goal of an improved process for the 2001-2002 school year. Several Pilot communities are considering methods of streamlining program applications. The Department will seek their specific recommendations for the CPP application process.

Financial Accountability

Chapter 2

Background

The Colorado Preschool Program is funded through the Public School Finance Act, which was established to provide equitable funding across all school districts for public education in the State. The Act defines the funding formula used to identify the amount each school district is to spend per student for the school year. This amount is referred to as the "per pupil operating revenue" (PPOR). Districts have different amounts of required per pupil operating revenue under the Act because the funding formula reflects cost factors unique to each district, such as cost of living. The Act also outlines the process for determining how much the state and local school districts will each contribute to generate the required per pupil operating revenue. The State share varies based on each district's ability to raise revenues from its tax base.

The Colorado Department of Education distributes monthly payments of state funds to school districts for kindergarten through 12th grade operations based on each district's state share of the per pupil operating revenue. Districts participating in the Colorado Preschool Program also receive funds for the Program as part of the monthly distribution. Each child participating in the Program is counted as equivalent to half of a full-time student since the Program is part-time. Therefore, the distribution for the Colorado Preschool Program is based on 0.5 per pupil operating revenue for each slot allocated to a district. The Department does not separately identify Colorado Preschool Program funds included in monthly distributions sent to districts. In Fiscal Year 1999 Colorado spent about \$21 million on the Program. The State share was \$11.8 million (56 percent), and the local share was \$9.3 million (44 percent). Appendix A shows the total amount of Colorado Preschool Program funding by district and by state and local share for Fiscal Year 1999.

Participating school districts may provide Program services through district-run programs (typically at existing elementary schools) or from publicly funded early childhood education agencies (e.g., Head Start) or privately funded child care centers. Publicly and privately funded providers are referred to collectively as community providers. Districts may choose to provide services through district programs only, community providers only, or a combination of both.

The General Assembly Has Provided Directions on How Funds Should Be Spent

We analyzed how 18 districts managed the Colorado Preschool Program funds they received in Fiscal Year 1999 and reviewed the financial information reported by 126 participating districts on their 1999-2000 re-applications. We found that 8 (44 percent) of the sample districts did not comply with legislative direction on how the funds were to be spent, and 13 (72 percent) of the sample districts did not report their spending for Fiscal Year 1999 accurately on their re-applications.

For several years the General Assembly included a footnote to the annual Appropriations Bill that sets requirements on how districts are to spend Colorado Preschool Program funds. For 1997 through 1999, the footnote had three parts:

- **95 percent requirement.** The footnote required that participating districts spend at least 95 percent of their Program funding on direct services to Program children. According to this part of the footnote:

No less than 95 percent of the per pupil operating revenue available to or through the preschool program shall be used to fund the costs of providing preschool services directly to children enrolled under the preschool program. Such costs shall include teacher and paraprofessional salaries and benefits, supplies and materials, home visits, and the entire cost of any preschool program contracted services.

- **100 percent requirement.** The footnote required that all Program funds be used to benefit participating children except for allocations (presumably up to 5 percent) for district overhead or administrative costs. In other words, districts may not use Program funds to directly support services for kindergarten through 12th grade students (e.g., athletic programs). According to this part of the footnote:

Moneys made available to or through the preschool program shall only be used to fund the costs of services provided by a district to participating children or parents, any associated professional development activities, costs which a district would not otherwise have incurred but for the services provided in conjunction with the

preschool program, and a reasonable allocation of district overhead costs.

- **Payments to community providers.** The footnote did not require districts to pay community providers certain rates. It allowed them to pay community providers less than 95 percent of the per pupil operating revenue they received for the Program. However, districts still had to spend at least 95 percent of the Program funding on direct services for the children. According to this part of the footnote:

This footnote is not intended to require the districts give 95 percent of the funds received through the preschool program to any community provider.

In May 1999 the Governor vetoed this footnote, along with many others in the Fiscal Year 2000 Appropriations Bill, because: "This footnote violates the separation of powers by attempting to administer the appropriation. The footnote also constitutes substantive legislation in the general appropriations bill." However, the footnote was in effect for Fiscal Year 1999, our audit sample year.

Some Participating Districts Did Not Comply With the Footnote Requirements for Fiscal Year 1999

Eight (44 percent) of the eighteen districts in our sample spent less than 95 percent of their Program funding for direct services to the Program children. Percentages spent on direct services by these eight districts ranged from 50 percent to 94 percent.

- Five of the districts made budgeting errors that resulted in these districts spending less on direct services for the Fiscal Year 1999 Program. In other words, these districts had allocated overhead/administrative expenses based on incorrect amounts they had budgeted for the Program.
- One district superintendent thought the district was exempt from the footnote requirements, since it contracted out its total program to a community provider.
- One district has a policy of withholding 15 percent of funding for all educational programs to cover administrative expenses.
- One district manager did not know why it did not meet the 95 percent requirement.

Nine of the eighteen districts spent more than 95 percent of their Program funding on direct services to the children. Percentages spent on direct services by these districts ranged from 96 percent to 131 percent. Explanations for why these districts spent more than 95 percent of their PPOR included:

- One district financial manager told us it did not track the Program funding and thus did not realize it had spent more than the total per pupil operating revenue.
- Two districts were aware that they were spending more than their per pupil operating revenues but did not know the exact amounts.
- The financial manager from one district told us that its board of education are willing to spend additional money to fund early childhood education.

Six districts did not spend 100 percent of their Program funding, including a "reasonable allocation of district overhead costs," on serving the preschool children. These districts were unable to provide documentation showing where these Program funds had been spent; presumably they went toward other district operating costs. Our analysis showed:

- One district spent part of its Program funding on kindergarten through 12th grade programs. It believed it was exempt from the footnote.
- One district has a policy of withholding 15 percent of funding for all educational programs (e.g., kindergarten through 12th grade, special education etc.) for administrative costs. This district also charges the district sites about 5 percent of the per pupil operating revenue for additional costs, including building use, field services, and risk management.
- Four districts made mistakes on their budgets for Fiscal Year 1999 that resulted in their spending less than their full funding on the Program. After we brought this to their attention, one district transferred the unbudgeted 1999 amount of about \$50,000 to its program budget for Fiscal Year 2000.

Additionally, only 5 of the 18 districts reported accurate information on their re-applications about their spending for the Program. Two districts did not answer the question about their Fiscal Year 1999 spending. Seven of the eleven districts that reported inaccurate data reported that they had spent more on direct services than they actually did. The other four reported that their administrative costs were higher than they actually were. In other words, they had spent more on direct services for the Program than they reported.

Contract Rates for Community Providers Vary

As discussed above, districts may provide Program services in three ways: (1) the district may provide all services in district schools (e.g., usually existing elementary schools); (2) the district may contract out its entire program to community providers (e.g., Head Start or private child care facilities); (3) the district may use a combination of district and community providers. The 18 districts in our sample provided services to 4,852 children in Fiscal Year 1999. Of the total, 1,158 (24 percent) were served by community providers. As shown in the following table, 4 of the 18 districts in our sample provided services in district schools only, 4 contracted out their entire programs, and 10 used a combination of district schools and community providers.

Children in District and Community Provider Sites Sample of 18 Districts, Fiscal Year 1999				
Total Number of Children	District Schools		Community Providers	
	Number	Percent	Number	Percent
341	341	100%	0	0%
259	215	83%	44	17%
125	115	92%	10	8%
1864	1338	72%	526	28%
664	538	81%	126	19%
79	0	0%	79	100%
690	651	94%	39	6%
15	0	0%	15	100%
89	4	4%	85	96%
22	22	100%	0	0%
7	0	0%	7	100%
90	17	19%	73	81%
280	265	95%	15	5%
15	15	100%	0	0%
55	55	100%	0	0%
35	0	0%	35	100%
22	8	36%	14	64%
200	110	55%	90	45%

Source: Office of the State Auditor analysis of sample of participating school district data.

Each district that contracts with community providers for Program services is responsible for negotiating the rates that it will pay to the providers. The Department is not involved in selecting providers, setting rates, or paying the providers, and the Colorado Preschool Act does not address payments to community providers. At the time of our 1996 audit, community providers raised concerns to the General Assembly about "districts not passing sufficient Colorado Preschool Program revenues to providers." One association of child care providers expressed the same opinions to us during this audit.

Some districts offer all community providers the same rate. Others base the contract on the provider's tuition rates or try to negotiate the lowest possible rate. As shown in the following table, the 14 districts in our sample that contract at least some of their Program services had annual per child contract rates that varied from \$1,116 to \$2,401. The percentage of the contract rate to the district's per pupil operating revenue also ranged from 37 percent to 102 percent.

Contract Rates Paid to Sample of Community Providers Fiscal Year 1999		
District Contract Rate(s)	District PPOR	Percent of District PPOR
\$1,980	\$2,232	89 percent
\$2,391	\$2,468	97 percent
\$2,033	\$2,522	81 percent
Three rates ranging from \$1,660 to \$2,007	\$2,264	Varied from 73 percent to 89 percent
Three rates ranging from \$1,250 to \$1,400	\$2,172	Varied from 58 percent to 64 percent
\$1,836	\$2,278	81 percent
\$2,383	\$2,524	94 percent
Eleven rates varying from \$1,561 to \$2,184	\$2,173	Varied from 72 percent to 101 percent. Nine of the percentages were greater than 95 percent.
\$1,216	\$3,279	37 percent
\$1,116	\$2,225	50 percent
\$2,223	\$2,174	102 percent
\$2,373	\$2,469	96 percent
Four rates ranging from \$1,968 to \$2,401	\$2,400	Varied from 82 percent to 100 percent. Two of the percentages were greater than 95 percent.
\$1,653	\$2,214	75 percent
Source: Office of the State Auditor analysis of sample of school district Colorado Preschool Program expenditures and contracts for Fiscal Year 1999.		

We found that contract rates for community providers decreased from Fiscal Year 1998 to Fiscal Year 1999 in two districts. One district had made a budgeting error that resulted in the lower rate. The central office for the other district began assessing 15 percent overhead costs to all educational programs. This district's early childhood education management believes that the low rates paid to community sites has made it difficult to recruit high-quality providers. Another district withheld about \$3,400 in Program funds that were to be paid to community providers as specified in the contracts. The early childhood education manager stated that the district does not pay community providers the full contract amount when a child's monthly attendance fluctuates.

Amounts Spent at District and Community Sites Vary

All 14 districts in our sample that contract with community providers also used Program funds to pay for equipment and services that benefit Program children. For example, some districts purchase toys and educational materials for the providers. Other districts provide transportation for the children. Most districts also provide initial eligibility screening and training for community providers. When the costs for the materials and services are included, the percentage of the per pupil operating revenue per child paid to and for the community providers ranged from 50 to 101 percent.

Ten districts in our sample offered Program services at both district and community sites. As shown by the following table, five districts spent a higher percentage of their PPORs at the district sites, two spent a higher percentage at the community sites, and three spent equally for the district and community sites.

Comparison of Per Pupil Operating Revenues Spent at District and Community Sites		
Percentage of Students at Community Providers	Percentage of PPOR Spent at District Sites	Percentage of PPOR Spent at Community Sites
8 percent	131 percent	97 percent
81 percent	98 percent	81 percent
5 percent	100 percent	100 percent
64 percent	122 percent	101 percent
45 percent	96 percent	96 percent
28 percent	98 percent	87 percent
6 percent	85 percent	80 percent
17 percent	88 percent	88 percent
19 percent*	90 percent	98 percent
96 percent**	83 percent	101 percent
<p>Source: Office of the State Auditor analysis of school district financial records for the Colorado Preschool Program.</p> <p>*The percentage of PPOR spent at the district non-charter sites was 85 percent. The percentage spent at the charter school sites was 106 percent.</p> <p>**All preschool children in this district were served at community providers. Four children participating in the full-day kindergarten component of the Program attended district schools.</p>		

The Colorado Preschool Act does not address what percentage of the per pupil operating revenue community providers should be paid. However, we found that there are reasons that district sites would cost more than community providers. In general, most districts have higher educational requirements for the preschool teachers than the community providers and pay their preschool teachers more than teachers at a community provider.

More Accountability for Use of Colorado Preschool Program Funds Is Needed

The Colorado Preschool Program Act requires all individual programs to meet quality standards, but it does not set requirements for how Colorado Preschool Program Funds are to be spent. As in our 1996 report, we found there is confusion about the intent of the footnote, including:

- **Lack of awareness about the footnote requirements.** Even though the Department had informed the districts about the footnote beginning in 1996,

we found that some district Program staff were still not aware of the requirements. For example, three districts in our sample did not know about the requirements of the footnote. In some cases previous district budget managers had set up budgets that allocated 5 percent for administrative costs. Although the current budget staff continued the practice, they did not know why the procedure was established.

- **Confusion regarding what represents administrative costs.** In general, the 18 districts we visited indicated that there is still no clear definition of administrative or other types of costs that should be paid for by Program funds.
- **Misinterpretation of parts of the footnote.** The first part of the footnote required schools to spend 95 percent of the PPOR on direct services while the third part stated that districts did not have to pay community providers 95 percent of the PPOR. Districts have interpreted this as meaning that if they contract out all their Program services at a lower rate than the PPOR, they could use the balance to support other district programs as they choose.

Additionally, some district Program representatives told us that they believed that the footnote did not have the "force of a law." In other words, these districts believed they were not statutorily required to follow the footnote and could spend the Program funding as they pleased. These districts believe that as long as they serve the allocated Colorado Preschool Program children, they should have the flexibility of spending the funds as needed on any of their educational programs.

As discussed in Chapter 1, the Department needs to improve accountability for the Colorado Preschool Program. To improve accountability, the Department needs to have a single administrator for the Program. One of this staff's responsibilities would be to provide additional technical assistance (including fiscal) to the participating districts and to oversee the Program statewide. An option for improving financial accountability is establishing a separate appropriations line item for the Program. Another option would be to include any requirements related to financial management of Program funds in the Colorado Preschool Program Act and not as a footnote to the Appropriations Bill. The Department should also seek clarification on the legislative intent for payments to community providers.

Recommendation No. 3:

The Colorado Department of Education should improve the financial accountability of the participating school districts for the Colorado Preschool Program funding by:

- a. Meeting with the House and Senate committees on education and the Joint Budget Committee to seek legislative clarification through statutory changes on spending Program funds and, thus, replacing the footnote to the Appropriations Bill with substantive legislation. Clarification should include the legislative intent on the percentage of the per pupil operating revenue that should be spent on direct services to children and contracts with community providers.
- b. Proposing changes in the annual Public School Finance Act appropriation that would make the Colorado Preschool Program funding a separate line item.

Colorado Department of Education Response:

Partially Agree While it is necessary to maintain accurate financial records at the local level, the statute does not address administrative costs. The Department believes that the legislature intended these decisions to be made locally through the local District Council, under the authority of the local school board. The problem appears to be a lack of understanding of the budget process and legislative intent in some District Councils.

The Department remains neutral on the recommendation to make the Colorado Preschool Program funding a separate line item in the annual Public School Finance Act. It may make the funds used for the Colorado Preschool program easier to track, but we are not certain that is necessary.

The Act Does Not Specify How Often Districts Should Recruit Community Providers

The Colorado Preschool Program Act is not clear on how often participating school districts should solicit participation from community providers. Section 22-28-105(2)(a.3), C.R.S., requires that each district council issue requests for proposals

"to any privately funded child care center and publicly funded early childhood education agency" as a part of its assessment for the need for a preschool program. Although the Act gives the districts the flexibility in providing services through district programs only, community providers only, or a combination of both, it also implies that districts should actively recruit community providers. According to Section 22-28-105(2)(a.5)(2), C.R.S., district councils must:

. . . annually submit a list to the board of education of such head start agencies or public and private child care agencies that are licensed by the department of human services and are in good standing whose proposals meet or exceed the criteria and guidelines specified in said paragraph (a.3) and are designated as eligible for participation in the district preschool program, including the number of district preschool children each agency will be eligible to serve under the program.

The Act also directs the Department to give priority "to school districts with proposals that indicate efforts to collaborate with public and private child care agencies located in the school district." We did not find that any of the districts we visited had imposed barriers to community providers. Some district Program coordinators were proactive in attempting to recruit private providers to the Program. However, 4 of the 18 districts in our sample provide Program services solely at district sites. One of these districts told us that it had not recently considered contracting out any part of its program because it was already well established at district sites. Another district said that private providers in its district were not interested in participating because of the "low reimbursement rates."

Parts of the Colorado Preschool Program Act have led to confusion regarding the recruitment of private community providers. The Act does not specify how often districts should attempt to recruit community providers. Some districts that have chosen to operate their programs solely at district sites may be unaware of community providers that could also offer quality services. Thus, private sector providers have not been given a complete opportunity to participate in the Program. Additionally, parents have not had the choice of public or community programs for their children. The Department should seek legislative clarification on this issue.

Recommendation No. 4:

The Colorado Department of Education should assist in clarifying the statutory confusion regarding the recruitment of private community providers by:

- a. Meeting with district council representatives to discuss possible solutions.
- b. Seeking statutory changes as needed.

Colorado Department of Education Response:

Agree. The Department believes that the intent of the legislation is for the District Council to make this decision. The District Council was put in place in order to meet the unique needs of each community. The issues vary by the size and location of each community. Some communities have no private providers others have many.

Program Delivery

Chapter 3

Background

As discussed in the Description Section, the Colorado Preschool Program was established in 1989 as a one-year pilot to serve four- and five-year-old children who were in need of language development. The target population included children who struggled with development in language comprehension, syntax, and vocabulary as well as children who did not speak English. In 1992 the General Assembly expanded the target population to "serve four-year- and five-year-old children who lack overall learning readiness" due to several factors, as discussed below. Preschoolers participating in the Program must be eligible to enroll in kindergarten the following academic year.

The Colorado Preschool Program Act governs the Program. Participating districts must ensure that children are eligible before they are admitted to the Program. The Act also requires that the Department report to the General Assembly on Program effectiveness annually and participating districts provide information to the Department. Districts are also required to monitor their public and private providers to ensure that their programs meet quality standards.

More Direction Is Needed to Improve Program Screening

Districts participating in the Colorado Preschool Program use a wide variety of tools and methods to screen children for eligibility before they are admitted into the Program. Through its regulations, as discussed below, the Department has provided a list of risk factors that districts may use in determining eligibility. Many districts have expanded this list to include factors that are questionable and do not reflect the statutory intent of the Colorado Preschool Act as discussed on page 38.

The statutory intent of the Act is clear. To participate in the Program, a child must have some level of potential learning problems or be neglected or dependent. According to Section 22-28-106, C.R.S.:

No child shall participate in the district preschool program unless such child lacks overall learning readiness due to significant family risk factors, is in need of language development, including but not limited to the ability to speak English, or is receiving services from the state department of human service pursuant to article 5 of title 26, C.R.S., as a neglected or dependent child.

The Act authorized the Department to establish criteria that districts could use in determining "significant family risk factors." The state regulations promulgated by the Department include the following 12 risk factors:

- 1) an abusive adult in the home
- 2) mother and/or father was a teenager at time of birth
- 3) low income
- 4) educational level of the parents or parent figure who is raising the child
- 5) in need of language development
- 6) unemployment in the family
- 7) frequent moves
- 8) homelessness
- 9) family history of learning problems
- 10) low self-esteem
- 11) poor social skills
- 12) drug and/or alcohol abuse in the family

Section 22-28-105, C.R.S., allows district councils to "define any additional student eligibility criteria specific to the population or the individual community." Additionally, state regulations allow districts to "expand the list of risk factors in order to meet the unique needs of the community."

Districts Use Broad and Inconsistent Risk Factors to Determine Eligibility

We found that most of the children whose files we reviewed for Fiscal Year 1999 were eligible according to their own district's eligibility requirements. However, we could not determine if these children were the most at-risk children in the State or if they met the legislative intent of lacking overall learning readiness. Additionally, we were unable to review 13 percent of the records we requested because the files were not available.

To determine eligibility of children participating in the Program in Fiscal Year 1999, we visited 17 districts and attempted to review a random sample of children's records at each district. We requested records for 540 children but were only able to obtain

records for 467, or 87 percent. One district was unable to provide any of the 30 records requested and two others were unable to locate a total of 43 files as discussed later. The districts we visited ranged from small to large and were in urban and rural areas. The characteristics of the children in our sample are shown in the table below.

Characteristics of Children in Sample	
Gender	52% female 48% male
Ethnicity	36% Hispanic 32% Caucasian 16% African American 8 % Unknown 4 % Native American 2 % Asian 2 % Other (e.g., Pacific Islander)
Mother's Education	35% some college education 29% high school diploma or GED 19% unknown 17% less than 12 th grade
Father's Education	30% no information available 28% some college education 28% high school diploma or GED 14% less than 12 th grade
Parental Marital Status	54 % married 17 % unknown 15 % single/never married 11 % divorced 3 % remarried
Language in Household	72% English 15% Spanish 7% Other (e.g., sign language, Turkish, Vietnamese) 6% Unknown
Number of People in Household	31% 4 people 26% unknown 23% 3 people 20% 5 people
Household Income	42% more than \$20,000 31% less than \$20,000 27% unknown
Source: Office of the State Auditor analysis of demographic data from a sample of children participating in the Colorado Preschool Program during the 1998-1999 school year.	

District Screening Methods Vary Significantly

We found that districts use a wide variety of methods to identify children who may be eligible for the Program. Additionally, individual districts have adopted various risk factors that children must meet in order to participate. Although we found that 462 of the 467 children whose records we were able to obtain met their own district's eligibility criteria, on the other hand, **there were a total of 22 children (5 percent) in nine districts who were not eligible according to statutory requirements.** In other words, the records for these children did not show they were in need of language development, had significant family risk factors (such as those listed by the Department), or were being served by the Department of Human Services as neglected or dependent children. Additionally, the records for five children were incomplete. As a result, we could not determine if these five children were eligible for the Program. Although only 5 percent of the children from the sample did not meet the state criteria, many districts could provide little or no information on the children's eligibility. Thus, the percentage of children not meeting the state criteria may be higher.

The sample districts use a range of 10 to 59 risk factors to determine the eligibility of children. Although some districts use the 12 risk factors in the state regulations, others have identified factors that do not reflect the statutory intent of the Act. In other words, some risk factors may not result in serving a child who "lacks overall learning readiness." For example, these questionable risk factors include:

- Poor personal hygiene
- Child referred by teacher
- No extended family in area
- Family providing primary care of elderly or sick grandparent
- Health referral
- Only child
- Child has siblings
- Child is a twin
- Family cannot afford preschool
- No previous preschool experience
- Bicultural
- Eligible for kindergarten next fall
- Both parents work
- Ear infections

It is hard to envision that any of the above factors would necessarily put a child at risk for learning. Additionally, the risk factors identified by the districts are inconsistent. For example:

- **Children who are eligible in one district may not be eligible in another.** For example, a child who is an only child with no previous preschool experience and has difficulty detaching from his/her mother may qualify in one district. In other districts, these factors would not qualify a child for participation in the Program.
- **Districts often use similar risk factors in different ways.** For example, one district uses ear infections as a primary stand-alone risk factor for eligibility. In other words, any child who had at least one ear infection at any point in his/her life would qualify for the Program. Another district has identified ear infections as a risk factor but requires that a child have additional factors in order to be eligible for the Program.
- **The 59 risk factors used by one district are repetitive.** This can lead to a child appearing to have more risk factors and thus be at higher risk than he/she is. Also, the district requires that each participating child have a minimum of three risk factors. The extended list improves a child's chances of meeting the district's eligibility requirements.

Although the Department requires districts to include information on their risk factors as part of their re-applications, its review of the data is limited. The Department does not provide feedback on a regular basis to the districts. The Department does not evaluate the risk factors to determine if they meet the statutory intent, are reasonable, or are consistent with other district-identified criteria.

The Accuracy and Effectiveness of Some Districts' Screening Tools and Methods Are Questionable

Districts also vary in how they screen children. Eight of the seventeen districts we visited use a "screening" team that may consist of speech pathologists, interpreters, nurses, psychologists, special education specialists, and early childhood educators to determine eligibility. These teams use tools such as vision tests, hearing tests, developmental screens, and cognitive, motor, and social adaptive tests. The children are seen in person and in many cases their parents are also interviewed.

Two of the seventeen districts did not ever meet with the children in person or interview the parents to determine if a child was eligible for the Program. In other words, these districts placed children in the Program based on the information on application forms filled out by a parent. Specifically:

- One district uses a developmental screening test that is mailed to and completed by the parent. The parent returns the test and an intake form to the

district. District teachers, who may not have any expertise in early childhood education, then score the test. They do not meet with the child and family in person. Additionally, the test is scored in a way other than how it is intended. Specific answers on the test that have been filled out by the parent such as “often seems unhappy” and “passive, seldom shows initiative” have been emphasized and are prioritized in the final score. The tool is complicated and does not seem to be a reliable way to determine eligibility for the Program based on the variability of possible responses and situations.

- The other district has staff inform parents before they complete the preschool application that if they can locate one risk factor for their child, the child will qualify for four free days of preschool through the Colorado Preschool Program. According to the preschool coordinator, the school secretary tells parents their other option is to pay for two days of preschool. The majority of parents in that district chose the risk factor that described the least about their child and family—“limited exposure to learning strategies.” The preschool coordinator for that district also informed us that she believes her salary is dependent on filling all of the 15 Program slots. The district needs to fill all slots in order to retain them and continue to receive funding. Further, the “limited exposure to learning strategies” risk factor gives parents an option if they do not want to list confidential demographic details. This screening process ensures that any child in the district whose parents list one risk factor be admitted to the Program.

National research on assessing young children for early childhood educational programs suggests that multiple criteria should be used to determine a child's eligibility. Further, qualified personnel should conduct all assessments. These comprehensive assessments should include a combination of approaches, including parent interviews, naturalistic observations of the children, and in-person developmental testing of the children. Demographic data should also be collected as part of the assessment.

The Department Should Provide More Guidance to Districts

The Department does not provide direction to the districts on acceptable screening methods, tools, and risk factors needed to determine eligibility according to statutory guidelines. Further, it does not ensure that the screening methods and eligibility criteria used by districts result in children who are the most at-risk being selected for the Program. In fact, the current methods used to screen children for the Program do not guarantee that the children with the greatest needs are selected for the Program. In some cases districts are merely filling slots to meet their allotment with any available children, not filling slots with children who necessarily would most benefit

from the Program. It is important to note the opportunity costs of placing non-eligible children in the Program. By this we mean that some eligible children may be excluded from participating because the slots are taken by non-eligible children. To better ensure that the children with the most needs are placed in the Program, the Department should provide more detailed directions to districts on the methods, tools, and risk factors that will result in children with the greatest needs being selected. One way to accomplish this is for the Department to consider recommending a three-point screening process that would ensure children are seen in person and tested with developmentally appropriate tools before they are admitted to the Program.

Recommendation No. 5:

The Colorado Department of Education should ensure that school districts' methods for selecting children for the Colorado Preschool Program comply with the statutory intent of the Program. To accomplish this, the Department should:

- a. Specify the statutorily intended target population to districts.
- b. Evaluate risk factors currently used by districts to ensure appropriateness for the targeted population.
- c. Provide a list of appropriate developmental tools and accepted methods that districts can use to determine eligibility.

Colorado Department of Education Response:

Partially Agree. The Department believes that the intent of the legislation is to give this authority to the District Council. However, the Department agrees that because of the turnover of personnel in the CPP, clarification of the rules and regulations related to child eligibility needs to be made more often. One step has already been taken, clarifying language was added to the re-application for the 2000-2001 school year. The Department is willing, within its capacity, to provide additional technical assistance on this issue.

Recommendation No. 6:

The Colorado Department of Education should create a three-point screening method for districts to follow when determining eligibility:

- a. Interview/Intake: Process should be in place to assess the child and family in person and to obtain additional information not available from paperwork.
- b. Environmental/Demographic Risk Factor Determination: Paperwork should be filled out by the parent with district supervision regarding the environmental and demographic background and problems facing the child and family.
- c. Developmental Screening: Various developmentally appropriate tools should be used by the district to determine a child's developmental disabilities, range, age, and need.

Colorado Department of Education Response:

Partially Agree. This is clearly a technical assistance need. The Department is willing, within its capacity, to provide the technical assistance on this issue. The responsibility for implementation still rests with the District Council.

The Pilots are currently implementing a variety of screening methods to be used for determining eligibility for CPP as well as other early childhood programs. Their aim is to design an effective, family friendly process that identifies a child's needs to the programs being offered. The Department will provide information on the methods they have used and the results they achieved with the rest of the state as soon as these results are available.

Some Children's Files Were Not Available

As discussed previously, we requested records for 540 children from 17 districts but only received 467 from 16 districts. One district said all 30 records requested had been destroyed. Two others could provide only some of the records. Additionally, the records for these two districts were often incomplete. As a result, we could not determine if five children for whom we had records met their own districts' eligibility requirements.

State regulations require that districts be able to verify that children participating in the Program are eligible. One regulation states that the "local education agency is responsible for assuring that the children counted for funding in the Colorado Preschool Program are eligible for participation." Another says that when "programs

are monitored for compliance, local educational agencies shall be able to justify children being counted for funding as meeting the criteria." These regulations imply that districts should keep screening records on the children who are participating. However, the districts we visited were often unaware of any need to maintain documentation on children who participate in the Program.

The records that were kept on the participating children varied from district to district and also within individual districts. Some files contained copies of screening tests, demographic information, hearing/vision test results, teacher evaluations, and samples of the children's work. Other files were missing important documents, such as developmental test results and parental intake forms. Some files contained only a single risk factor result sheet and not the actual screening documents.

The variability of documentation from one district to another made it difficult to verify that the children participating in the Program were eligible. The Department has not provided any guidance on the type of information districts need to keep on the participating children.

Recommendation No. 7:

The Colorado Department of Education should ensure that all districts are maintaining similar information regarding children's eligibility documentation by clarifying the regulations to include specific documentation that must be maintained by districts to comply with the regulations.

Colorado Department of Education Response:

Agree. The Department will inform CPP coordinators that the CPP should follow whatever their district policies are regarding record keeping for the K-12 system. The Department is willing, within its capacity to provide technical assistance on this issue.

The Effectiveness of the Program Has Not Been Evaluated Statewide Since 1993

Neither the Department nor the participating districts are evaluating the effectiveness of the Colorado Preschool Program. Participating districts are required to evaluate the effectiveness of their programs and submit quality reports to the Department annually. The Department has not enforced this requirement.

Additionally, the Department is required by Section 22-28-112, C.R.S., to submit a report each year to the Joint Budget Committee and the House and Senate committees on education showing the effectiveness of the Program. However, the Department has not fulfilled this mandate since 1993. In fact, the Department has made no efforts in nearly seven years to determine the overall effectiveness of the Program. In recent years the Department has limited its annual report to the General Assembly to describing the number and types of providers in participating school districts.

The Department cannot determine the ongoing effectiveness of the Program because there is no short- or long-term evaluation information available on a statewide basis. It cannot demonstrate how successfully the Program is preparing children for kindergarten or providing other benefits such as lower dropout rates in the long term. We identified these same problems in our 1996 audit. At that time we recommended that the Department “establish a framework for evaluating” the Program. The Department agreed with the recommendation and as the following chart shows, provided five options to achieve this.

Evaluation Options Provided by the Department in 1996		
Option	Description	Estimated Annual Cost
1	Institute the research design developed by the University of Colorado.	\$380,000 (based on actual cost)
2	Develop a new framework with fewer data collection demands that can be collected at the local level and aggregated at the state level. Evaluation to be contracted out.	\$100,000
3	Target a representative sample of district programs and conduct an in-depth evaluation with more comprehensive data. Evaluation to be contracted out.	\$100,000
4	Target a representative sample of districts and do case studies with families over time.	\$75,000
5	1.0 FTE plus operating to work with local district councils to develop evaluation designs locally. Evaluation will be reported by districts.	\$75,000
Source Office of the State Auditor 1996 Performance Audit Report on the Colorado Preschool Program.		

The Department stated it would implement the recommendation once it identified resources and staff to carry out this responsibility. However, it has done little to secure the resources needed to implement this recommendation.

Some States Are Evaluating Their Preschool Programs

Statewide evaluations of publicly sponsored preschool programs are important because they provide information on the effectiveness of the state efforts and identify problems that need to be addressed. They also can play a critical role in helping policymakers, community and business leaders, and the public understand the program.

We reviewed the evaluation reports of nine states that have state sponsored preschool programs. Specifically:

- Three states have ongoing longitudinal studies that will assess the impact of the participating children as they progress through school. Although the studies are either just beginning or are midway, reported results appear

favorable. For example, Washington reported that the participating children have made academic progress and have consistently had higher scores on positive behaviors than the comparison group.

- Three states have programs to evaluate the progress of children who participated in their programs at specific times (e.g., fourth and eighth grades). For example, Arizona evaluated the participating children on vocabulary, problem solving, gross motor, fine motor, and social skills. Arizona's analysis showed that although the participating children performed somewhat better than children who had not been exposed to preschool in many areas (e.g., standardized test scores), the benefits eroded over time and the positive effect of the preschool disappeared by the 3rd grade.
- Florida compared its preschool program with subsidized child care centers and found that the "quality of education in some private programs is not as high as in the public-prekindergarten program for several reasons including less stringent teacher credentialing."
- Two states evaluated children at the beginning and end of the preschool year using standardized pre- and post-tests. For example, Kentucky reported that children who were further behind at the beginning of the preschool year made more progress than their peers who tested higher at the beginning of the year. By the end of the preschool year, both groups had similar test results.

Additionally, Massachusetts reported that nine longitudinal evaluations of early childhood education programs showed that these programs resulted in:

- Short-term gains in emotional and cognitive development for the child and improved parent-child relationships.
- Improvements in educational outcomes for the child.
- Increases in economic self-sufficiency, initially for the parent and later for the child, through greater labor force participation, higher income, and lower public assistance usage.
- Improvements in health-related indicators, such as child abuse, maternal reproductive health, and maternal substance abuse.

The Department Should Evaluate Program Effectiveness

According to the Department, it has not evaluated the Program because of lack of resources and "mixed messages" from the General Assembly on the type and extent of evaluation that should be conducted. The Department does not know what type of evaluation is needed or wanted. Department staff said they want more direction from the General Assembly on how to evaluate the Program.

However, national research suggests that there are key issues that should be addressed when performing an effective outcome evaluation of a preschool program, including:

- How well does the program prepare children for success in school, i.e., what gains do children who participate make in their cognitive, motor, behavioral, and social development that encourage success in school?
- How well does the program prepare families to participate in and support their children's educational experiences?
- Do the effects of participation in the program last?

The Department needs to comply with statute and evaluate the effectiveness of the Colorado Preschool Program. Over the past 11 years, the Colorado Preschool Program has grown significantly in size and public funding. State policymakers, parents, and the public need to know if the Program is effective.

Recommendation No. 8:

The Colorado Department of Education should fulfill its statutory requirement of evaluating the effectiveness of the Colorado Preschool Program and annually reporting these results to the Joint Budget Committee and the House and Senate committees on education. To accomplish this, the Department should:

- a. Develop a plan to evaluate the effectiveness of the Colorado Preschool Program by January 1, 2001.
- b. Assign a staff member to oversee the implementation of this plan and incorporate specific tasks and deadlines into this staff member's performance evaluation plan.

Colorado Department of Education Response:

Agree. The Department has conducted an evaluation that spanned a 4-year period and cost one million dollars. The evaluation showed that the CPP was getting the kind of results expected from the research, particularly in the area of language development. Conversations with past members of the legislature shifted the focus to improving quality. This is reflected in changes to the legislation (22.28.108(1)). Evaluation and quality improvement both require administrative time and resources. There are no evaluation resources available to the Department at this time. If the Department could secure resources through the budget process or privately, it would be possible to do both quality improvement and evaluation. To do meaningful evaluation without a budget is not possible.

The Department recognizes the need to establish a more consistent accountability system at the local level. This would allow the State to more accurately report the overall status of the program.

National research continues to demonstrate that high quality early childhood programs lead to greater success for children as they proceed through elementary school. This is especially true for children with identified cognitive delays. The Pilots are currently developing and implementing methods of assessing program quality and documenting child outcomes. The evaluation of the Pilots will continue to look at the connection between program quality and child outcomes. This information will be made available state-wide through an evaluation report due October 1, 2001.

District Evaluations Are Limited

Most districts have not evaluated the effectiveness of their programs as required by state statutes and regulations. Further, they have not formally determined if the children participating in the programs have benefitted. None of the 17 districts we visited could provide an overall assessment of their programs. Although the legislative declaration of the Colorado Preschool Act states that the overall purpose of the Colorado Preschool Program is “to adequately prepare all children to learn through preschool programs in school districts with high dropout rates or low performance of children in kindergarten and primary grades,” no one in the State knows whether the participating children have learned the skills they need to succeed in school.

Section 22-28-105, C.R.S., requires each district council to design an evaluation plan for its program. Additionally, state regulations mandate that the local school districts have evaluation plans that assess children's progress, measure parent satisfaction, determine whether a comprehensive program is in place, and monitor providers. The regulation states that:

General Assembly requires the Colorado Department of Education to submit annually a report on the status of Colorado Preschool Program. The Colorado Department of Education shall use the information required in the annual re-application for participating in the Colorado Preschool Program as the basis of that report. In addition, each district council is required to select methods for measuring and reporting child progress. Such methods may include portfolio assessment. Districts are discouraged from using standardized tests as a means of measuring progress. Colorado Department of Education may request a report on child progress from districts as part of the final report. . . .

Districts Use Various Methods to Evaluate Their Programs

All 17 school districts we visited require that individual learning plans be used to track each child's progress during the school year. Fifteen districts conducted parent satisfaction surveys. However, only two compiled or analyzed the results of the surveys. Nine districts conduct pre- and post-tests of participating children, and eight districts solicit feedback from kindergarten teachers.

Seven of the districts are beginning to track the progress of the children who participated in the Colorado Preschool Program through their elementary schools. One district has contracted with an institution of higher education for an evaluation. The study will evaluate the progress of children who formerly participated in the Program when they are in the 3rd grade (2000-2001). In addition, three districts will be tracking Colorado State Assessment Program (CSAP) scores, and three are beginning longitudinal studies of the children who participated in the Program. Although some districts are beginning to track children's progress, very little aggregate outcome data are available from these districts at this time. Districts have reported that they either have not had the resources to compile and analyze the data or are just beginning their evaluation efforts.

Many district preschool coordinators expressed concerns regarding evaluation of the progress of the children who participate in the Program, including lack of resources, lack of assistance by the Department, lack of control groups for comparisons, and lack of automated systems.

The Department Cannot Assess the Outcomes of the Program Without Data From the Districts

Although the Department requires districts to submit a description of the evaluation process, it does not require districts to report on the results of their evaluation efforts. Most districts do not aggregate the data and could not provide any analysis showing the outcomes of their programs. As a result, the Department cannot effectively assess the outcomes of the Colorado Preschool Program.

The Department provides little technical assistance to school districts on designing evaluations to measure outcomes. Eight of the seventeen districts we visited reported that the Department has not provided any guidance in regard to establishing evaluation systems and measuring outcomes. Five districts told us that they would welcome assistance in this area from the Department. Neither the Department nor the districts have developed goals or reported on outcomes for the Colorado Preschool Program.

Recommendation No. 9:

The Colorado Department of Education should improve the evaluation of the Colorado Preschool Program by:

- a. Working with the participating school districts to establish goals for the Colorado Preschool Program (e.g., kindergarten readiness).
- b. Identifying the data that are needed to evaluate the Program outcomes.
- c. Providing technical assistance to participating school districts in designing evaluations.
- d. Requiring participating school districts to report their evaluation results annually.

Colorado Department of Education Response:

Agree – While there may be a need for technical assistance on the issues of effective evaluation of local programs, the Department sees this as an important local process to be designed by District Councils. As mentioned in the response to recommendation 8, the Department concurs with the national research that demonstrates that certain levels of child success are predictable

when high levels of program quality are maintained. The Department has developed quality standards that assist District Councils with the determination of quality in their programs. The current handbook contains information on the importance and definition of quality. The Department is willing, within its capacity to provide additional technical assistance on this issue.

The Department has recently (April 2000) released the draft of a document called “Building Blocks to Colorado’s Content Standards”. It lists specific skills, or building blocks, that children acquire through quality early childhood experiences. It demonstrates how these building blocks are directly connected to the State’s K-12 Content Standards, and provides specific steps for achieving each skill, as well as examples of what it might look like in a preschool classroom. The Department is currently developing a plan for the distribution of this document.

The Department Does Not Ensure That Districts Meet Quality Standards for Their Programs

In general, research shows that the key to an effective preschool program is high quality. The quality of early childhood education is critical in determining whether it helps a child develop a strong foundation for future learning and development. A good-quality program keeps children safe from harm, helps them learn, stimulates their confidence and curiosity, and provides them with experiences that help them learn a range of skills that they will need in school and in life—from paying attention to working with others. The Department is required by statute to establish standards for the Colorado Preschool Program. Section 22-28-108, C.R.S., states:

The department shall establish basic program standards for district preschool programs using nationally accepted standards for preschool programs and requiring compliance with the Colorado rules and regulations for child care centers promulgated by the department of human services pursuant to section 26-6-106, C.R.S.

Further, according to state regulations:

The Colorado General Assembly established the Colorado Preschool Program based upon research that indicates that young children who

experience a high quality preschool program have greater success in their education than comparable children who do not. The key is high quality. It is not appropriate to have or to contract with a program that does not demonstrate the capacity to deliver high quality developmentally appropriate services as measured by the *Colorado Department of Education Quality Standards for Early Childhood Services*.

The *Colorado Department of Education Quality Standards for Early Childhood Services* were developed jointly by the Departments of Education and Human Services. The standards were based on those established by the National Association for the Education of Young Children. These detailed standards, which are organized into 11 categories, have basic elements including class size, frequency of contact, and learning plans that identify the child's need for language, cognition, gross motor, fine motor, and social/self-esteem skills. The standards encourage providers to become accredited by the National Association for the Education of Young Children or other nationally recognized accrediting agencies.

District Councils Do Not Consistently Monitor Providers to Ensure Individual Programs Meet Quality Standards

According to Section 22-28-105, C.R.S., district councils are required to make at least two on-site visits per year to all individual providers in their districts. The purpose of these site visits is to monitor overall Program compliance and make recommendations for any needed improvements. However, the district councils for 11 (65 percent) of the 17 districts we visited did not conduct site visits as required by statute. One district did not conduct any site visits during the year. Another does not require site visits. We found other problems with the required site visits, including:

- Seven district Program representatives told us that the required site visits had been conducted. However, these districts did not maintain any documentation on the site visits. Without documentation, it is impossible to determine if the site visits were conducted and if the programs met the quality standards.
- Three of the seventeen district Program representatives told us that several of the community providers in their districts had programs of "poor" quality. However, the districts did not report their concerns to the Department. District representatives stated that they were often hesitant about documenting problems with providers.

Expected outcomes cannot be achieved if the Department does not hold districts accountable for monitoring providers. The Department needs to provide more

technical assistance and training to districts on monitoring of providers to ensure quality.

Recommendation No. 10:

The Colorado Department of Education should assist the districts in monitoring the quality of the provider programs by:

- a. Establishing consistent criteria for site visits, including how deficiencies should be identified, reported, and improved.
- b. Including training on site visits in its Colorado Preschool Program training curricula.

Colorado Department of Education Response:

Agree. There is a clear need for technical assistance. While the Department has made available “Colorado Quality Standards for Early Childhood Care and Education Service”, a checklist to accompany this document and now the “Building Blocks to Colorado’s Content Standards”, it is clear that methods used to evaluate the local providers of CPP vary greatly. The Department worked with Douglas County Public Schools to field test an expanded version of the quality checklist during the 1998-99 school year. Training on the use of the “Building Blocks” document will begin in the summer of 2000.

The Pilots are developing professional development plans for the providers in their communities. They are also participating in the training of trainers who will then be qualified to use a nationally accepted tool for the assessment of program quality.

The Value of District Quality Reports Is Questionable

Participating school districts are required to submit quality reports to the Department annually. According to state regulations:

The council shall document its monitoring and evaluation findings and make them available to the Colorado Department of Education as part of their year end report. Such information shall be used by the Department in making its report to the General Assembly as required by Section 22-28-112, C.R.S. Any needs identified through monitoring by the council shall result in recommendations for improvements to the participating programs.

We reviewed the quality reports included in the 1999-2000 Colorado Preschool Program re-applications and compared them with information we collected during our site visits to 17 districts. In most cases it was impossible to determine whether the school districts accurately reported quality issues to the Department. Eight (47 percent) of the seventeen districts did not submit the required quality reports for each site. Additionally, eight districts did not have relevant documentation for us to review during our site visits because documentation had been destroyed or could not be located. Only two of the districts reported quality issues to the Department as required. However, documentation for five other districts showed that there were quality issues at several providers which were not reported to the Department, including:

- Deficiencies in safety precautions.
- Problems with playground equipment.
- Child care licensing violations.
- Inadequate equipment and supplies.
- High noise levels.
- Inadequate student/teacher ratios.
- Deficiencies in nutrition programs.
- Failure to use the *Quality Standards*.

No one in the State has complete and accurate information on the quality of the individual programs because the Department does not enforce the requirement that districts document and report problems. Additionally, the Department does not verify the reports that it receives. In other words, the Department does not have the data needed to report on the quality of the Program statewide to the General Assembly.

Recommendation No. 11:

The Colorado Department of Education should ensure that data are available to evaluate the quality of the Colorado Preschool Program statewide by:

- a. Reviewing the value of information currently included in the reports and making needed improvements.
- b. Ensuring that school districts submit quality reports for each Colorado Preschool Program site.

Colorado Department of Education Response:

Agree. The department will take this recommendation into consideration and respond by making changes in the reporting requirements for the 2000-2001 school year. The Department believes it is the intent of the legislation to have the District Council be responsible for addressing problems and complaints about local program quality.

Full-Day Kindergarten Program

Chapter 4

Background

In 1995 the General Assembly passed House Bill 95-1327, which allowed the Department to “establish a pilot program under which a school district could apply to the Department for authorization to implement a full-day kindergarten component of the district’s preschool program.” According to this Bill, a maximum of 150 slots could be used for state-sponsored full-day kindergarten. House Bill 96-1354 made full-day kindergarten a permanent part of the Colorado Preschool Program and increased the number of slots allowed for it to a maximum of 500. The state-sponsored full-day kindergarten is meant to supplement half-day kindergarten programs already in place. In other words, a child participating in a full-day kindergarten would attend classes all day at the same school.

The Department has chosen to allot the full-day kindergarten slots to five urban school districts: Denver County 1, Colorado Springs 11, Mesa County Valley 51, Poudre R-1 (Fort Collins), and Sheridan 2. According to the Department, these districts were chosen because “they have strong district councils.” Further, Department staff stated they selected only a few districts to participate in the full-day kindergarten program because they wanted to evaluate its effectiveness and believed that allotting slots in larger blocks would better facilitate evaluation efforts.

During the 1998-99 school year, the five school districts that participated in the state-sponsored full-day kindergarten used district and charter schools to operate their programs. Three assigned all of their kindergarten slots to their district schools. One district distributed all of its slots to two charter schools while another used a combination of district and charter schools. Forty-five percent of the kindergarten slots were given to charter schools by districts.

The Overall Impact of the Full-Day Kindergarten on the Colorado Preschool Program Is Unknown

In Fiscal Year 1996 the full-day kindergarten was classified as a “pilot program.” Typically, when a “pilot program” is created, there is an expectation that the agency administering this pilot will evaluate the pilot’s operations and effectiveness and report these results to the General Assembly. We found that this did not occur with the full-day kindergarten. Since the full-day kindergarten was added to the Colorado Preschool Program, the Department has not evaluated its effectiveness nor has it assessed its overall impact on the Colorado Preschool Program. Further, as we mention later, the Department has done little to assist school districts in establishing and administering their full-day kindergartens. As a result, the Department has limited knowledge of how the full-day kindergarten is being operated and how it has affected the Program.

It is important for the General Assembly and the Department to know how the full-day kindergarten impacts the Colorado Preschool Program, particularly because the full-day kindergarten is significantly different from the Colorado Preschool Program. We identified several problems with placing the full-day kindergarten as a part of the Colorado Preschool Program. Specifically:

- The full-day kindergarten **targets a different age group** than the Colorado Preschool Program.
- The full-day kindergarten is **overseen and administered differently** than the Colorado Preschool Program. For example, most districts use screening tools and eligibility criteria to identify and select children for the Colorado Preschool Program. However, we found that not all districts screen children for participation in the full-day kindergarten. In fact, at least one school district allows its provider, a charter school, to select all children enrolled in its kindergarten class to participate in the full-day kindergarten. There are no assurances that all of these children meet the statutory eligibility criteria prescribed for the Colorado Preschool Program. We discuss this in further detail later in this chapter.
- The Department’s approach to **selecting districts for participation and allotting slots differs** from that of the Colorado Preschool Program. As we mentioned above, the Department has allowed only five districts to participate

in the full-day kindergarten. We will discuss in more detail later in this chapter.

- There are **opportunity costs** associated with using Colorado Preschool Program slots for the full-day kindergarten. By this we mean that at least 500 at-risk preschool-aged children will not be served because these slots will be filled by kindergartners.

With all these issues related to the full-day kindergarten, we question whether the current placement of the state-sponsored full-day kindergarten is appropriate. That is, we are not sure why the full-day kindergarten is blended with the Colorado Preschool Program. If the General Assembly wants to spend more money on kindergarten, then the full-day kindergarten should be a part of the kindergarten through 12th grade curriculum. During the audit we identified seven states that operate state-sponsored full-day kindergarten programs. All of these states reported that their full-day kindergarten programs are separate from their state-sponsored preschool programs. This indicates that Colorado's approach in grouping its full-day kindergarten with its preschool program is unique. Yet, the General Assembly and the Department do not know whether this approach is the most effective way to provide full-day services to kindergartners.

The Department needs to evaluate how the full-day kindergarten has affected the Colorado Preschool Program. Upon completing its evaluation, the Department needs to report these results to the General Assembly and recommend whether the full-day kindergarten should be continued as a part of the Colorado Preschool Program.

Recommendation No. 12:

The Colorado Department of Education should determine whether the full-day kindergarten should be continued as a part of the Colorado Preschool Program. To accomplish this, the Department should:

- a. Evaluate the effectiveness of the full-day kindergarten and assess its impact on the Colorado Preschool Program.
- b. Report the evaluation results to the General Assembly by January 1, 2002.
- c. Consider recommending to the General Assembly that the full-day kindergarten be discontinued as a part of the Colorado Preschool Program and that the full-day kindergarten be funded through the kindergarten through 12th grade curriculum.

Colorado Department of Education Response:

Agree – Evaluation requires administrative time and resources. The Department will follow-up with the districts currently using CPP slots to provide full-day kindergarten to request any evaluation data they have collected. Language reminding each community of the eligibility requirements for CPP was included in the re-application for the 2000-2001 school year.

The Department remains neutral on recommendations of how full-day kindergarten should be funded. The Department supports an open dialogue with policy makers on the appropriate funding mechanism for full day kindergarten.

Better Management of the Full-Day Kindergarten Is Needed

If the General Assembly and the Department decide that the full-day kindergarten should remain a part of the Colorado Preschool Program, the Department should make a number of changes in how the full-day kindergarten is overseen and administered. As we will discuss in the following sections, the Department needs to improve its methods for selecting districts for participation. Further, it needs to provide more assistance to school districts in establishing and operating their full-day kindergartens. The Department needs to provide more direction to ensure that the children most in need of the full-day kindergarten are selected and the services provided to them are of high quality.

The Department Has Not Established Criteria for District Participation in the Full-Day Kindergarten Programs

The Department's allocation of full-day kindergarten slots has been arbitrary and also exceeded the statutory maximum for school year 1998-99. According to Section 22-28-104, C.R.S., the Department, "using established criteria, shall select school districts to participate in such full-day kindergarten programs until the total number of full-day kindergarten positions applied for has been filled or the limitation of five-hundred children has been reached, whichever event occurs first."

For the 1998-99 school year, the Department allotted 583 kindergarten slots as shown in the following table. Thus, the Department violated the statute by allotting 83 more kindergarten slots than allowed. As a result, 83 preschool-aged children were not served by the Program in that year. Additionally, the 83 slots were allotted to a district that already had 120 kindergarten slots. According to the Department, these additional slots were "the result of waivers in the consolidated [Child Care] pilot" for that district. However, the Department was unable to provide us with documentation supporting this statement nor could we identify any waivers given to the school district that would allow it to include additional kindergarten children.

Full-Day Kindergarten Slots Allotted to Districts <i>For 1998-99 School Year</i>		
School District	Number of Kindergarten Slots Allotted	Percentage of Total Kindergarten Slots
Denver County 1	150	25.7%
Colorado Springs 11*	233	40.0%
Mesa County Valley 51	96	16.5%
Poudre R-1	4	0.7%
Sheridan 2	100	17.1%
TOTALS	583	100.0%
Source: Office of the State Auditor analysis of information provided by the Colorado Department of Education and the school districts in our site visit sample.		
* In January 1999 the Colorado Department of Education allotted an additional 113 slots to the Colorado Springs 11 School District for its full-day kindergarten program. The district had been allotted 120 full-day kindergarten slots at the beginning of the 1998-99 school year. However, it only used 115 of these slots. This chart shows the number of slots the Department allocated to the district.		

As discussed above, the Department has chosen five urban school districts to receive all full-day kindergarten slots. It has not provided the basis of its decision to the 134 districts that participate in the Colorado Preschool Program. Two of the districts we visited told us they have requested full-day kindergarten slots for two years but have been denied. Both of these districts are rural and depressed economically. Additionally, our review of district re-applications identified 22 districts that expressed an interest in participating in the full-day kindergarten program. However, due to the limited number of full-day kindergarten slots available and the approach the Department has taken in selecting districts for participation, these districts' requests were denied.

We believe the Department's allocation approach is flawed because:

- **Not all of the five participating district councils are involved in the full-day kindergartens.** Yet, the Department told us that it chose the districts currently participating in the full-day kindergarten program because they have strong district councils.
- **Not all districts are evaluating their full-day kindergarten providers.** Department staff stated that they selected only a few districts to participate in the full-day kindergarten program so that evaluations could be conducted. This implies that the Department would be reporting the impact of full-day kindergarten. However, neither the Department nor the five districts have established goals on which to evaluate program outcomes.
- **The number of slots allotted to districts participating in the kindergarten program varies significantly.** As shown in the chart on the previous page, Colorado Springs 11 received 40 percent of all the full-day kindergarten slots allotted for the 1998-99 school year. However, Poudre R-1 school district received less than 1 percent of the slots. If the Department chooses to select only a few districts to participate in this program due to the need to evaluate the program, it should use a more systematic and balanced approach for distributing the slots. For example, it could evenly distribute the kindergarten slots to each district or use a percentage of the total kindergarten enrollment. This would allow for the Department to better assess how the kindergarten program is working in various environments.

The Department should reevaluate its approach in allotting full-day kindergarten slots to ensure that the districts most in need of this program and those that will administer it as intended by statute are chosen. Both rural and urban districts should be allowed to participate.

Recommendation No. 13:

The Colorado Department of Education should establish criteria for school district participation in the full-day kindergarten program and ensure that both urban and rural districts are allowed to participate.

Colorado Department of Education Response:

Partially Agree. The Department will establish new criteria for school district participation in the full-day kindergarten program should additional slots

become available for this purpose. The Department believes it would cause unnecessary disruption of local programs to redistribute slots at this time.

The Department Should Provide More Guidance on Administering the Kindergarten Program

The Colorado Preschool Program Act provides little direction on how the full-day kindergartens should be established, overseen, and administered. The Act primarily gives the Department authorization to allot up to 500 slots to districts for this program. It does not provide specific details on how children should be selected and served. However, because the kindergarten program is a part of the Preschool Program, the requirements established for the Preschool Program also apply to the full-day kindergartens.

We reviewed how the five participating districts oversee and administer their full-day kindergarten programs. Overall, we found that the programs have been poorly managed. We identified a number of issues with how the districts are operating their kindergarten programs. Three school districts did not administer their kindergarten programs as required by statute. Specifically:

- **These districts are not involved in overseeing their kindergarten programs.** These districts have little or no involvement in the kindergarten program once the slots are distributed to the providers. Two of these districts stated they have little control over how slots allotted to charter schools are used.
- **These districts did not screen children for the kindergarten program or use eligibility criteria established by statute, the Department, and the districts to select children.** As a result, these districts cannot ensure that all the children participating in the full-day kindergartens are eligible. In fact, as we mentioned earlier, one district coordinator stated that a participating charter school enrolls all of its kindergartners in the full-day kindergarten. District staff admitted that not all the children in this program are “at risk.”

In addition, we identified other weaknesses with how districts are administering their full-day kindergartens, including:

- **We could not determine whether all children were eligible for the kindergarten program in these districts.** During our site visits we

attempted to review the records for children participating in the full-day kindergartens. We found that:

S Two districts could not provide any of the kindergarten children's files. One district coordinator said the kindergarten teachers had disposed of the files. The coordinator from the other district told us that it has "little control over the charter school" where the kindergarten children were.

S We reviewed 21 files at the other three districts. Nineteen of the children met eligibility criteria. However, we could not determine eligibility for two of the children because the files were incomplete.

- **Not all of the districts monitor the full-day kindergarten sites to ensure they are operating high-quality programs.** Two districts do not visit their kindergarten sites. However, Section 22-28-105, C.R.S., requires all district councils to make at least two on-site visits of each Colorado Preschool Program provider each year "to monitor overall program compliance and make recommendations for any needed improvements."
- **Not all districts are evaluating the effectiveness of their full-day kindergartens.** Three of the five districts have conducted some evaluations. However, these evaluation efforts primarily focus on short-term results. None have provided information to the Department for it to use in its assessment of the state-sponsored full-day kindergartens. We also found that the Department and the participating school districts have not created measurable goals for the full-day kindergarten. It is unclear what is supposed to be accomplished with the full-day kindergarten.

Additionally, we found that there is confusion among the districts participating in the full-day kindergarten program about how they should operate this program. For example, one district coordinator told us that its district does not screen children for its full-day kindergarten because no criteria have been established for the program. This district coordinator does not believe that the eligibility criteria created for the Colorado Preschool Program are also intended to be used for the full-day kindergarten.

Misunderstandings, such as the one just mentioned, are a result of the Department's limited involvement in the Colorado Preschool Program, including the full-day kindergarten. The Department has provided little direction on how districts are to establish, oversee, and administer their full-day kindergartens. The handbook distributed by the Department provides minimal information about the full-day kindergarten and does not describe how districts are to select and serve children in it.

In addition, the Department does not know how districts are managing their full-day kindergartens. For example, the Department staff were unaware that some districts are not screening children for these programs until we brought this issue to their attention.

It is important for the Department to provide more direction on how to operate the full-day kindergartens. The state-sponsored full-day kindergarten program is relatively new, and it is unknown at this time how its addition to the Colorado Preschool Program will affect the Program as a whole.

Recommendation No. 14:

The Colorado Department of Education should provide more oversight and assistance to school districts in establishing and administering their full-day kindergarten programs by:

- a. Defining a participating district's role in overseeing and administering the full-day kindergarten component of the Colorado Preschool Program.
- b. Developing measurable goals for the full-day kindergarten program.
- c. Clarifying the type of child eligible for the full-day kindergarten program and the appropriate methods to select children for participation.
- d. Ensuring that districts are conducting quality reviews of the full-day kindergarten program sites and taking actions on those sites not complying with requirements.
- e. Providing guidance to districts in evaluating their full-day kindergarten programs.

Colorado Department of Education Response:

Agree. The Department believes that the intent of the CPP legislation is that the rules and regulations that apply to the preschool program also apply to the full-day kindergarten program. The district's role in establishing and administering their full-day kindergarten program is the same as their role in establishing and administering their preschool program.

The confusion about this at the school district level indicates a clear need for technical assistance on this issue. The Department shall do the following:

- Revise the language of the handbook to make it clear that the full-day kindergarten program is governed by the same rules as the preschool program.
 - Compile and distribute the information related to full-day kindergarten that is a result of the experiences of the Pilots, and
 - Provide, within its capacity, additional technical assistance on this issue.
-

Program Expansion

Chapter 5

Background

As described in Chapter 1, the Colorado Preschool Program has experienced a number of significant changes since its creation in 1989. During its 11 years of operation it has evolved into a program serving more than 9,000 children in 76 percent of the State's school districts and receiving about \$22 million in public funding annually.

The Consolidated Child Care Pilot Program has also expanded the population of the children served for several Colorado communities. The Department needs to address several issues to ensure the Colorado Preschool Program will meet the needs of its changing target population. These include encouraging district participation and improving slot allocation methods.

Twenty-Four Percent of Colorado School Districts Do Not Participate in the Program

Currently 42 (24 percent) of the 176 Colorado school districts do not participate in the Colorado Preschool Program. These nonparticipating districts currently have 3,452 children enrolled in public school kindergartens, or 14.5 percent of the State's total kindergarten enrollment for school year 1999-2000. The Department has not determined why some districts are not requesting slots for the Program. The Colorado Preschool Program Act does not require districts to participate. However, the Act is clear in its declaration that early childhood education is needed in those districts with high dropout rates and poor school performances. Section 22-28-102, C.R.S., states:

The general assembly hereby finds, determines, and declares that there are substantial numbers of children in this state entering kindergarten and the primary grades who are not adequately prepared to learn. The general assembly further finds that early school failure may ultimately contribute to such children dropping out of school at an early age,

failing to achieve their full potential, becoming dependent upon public assistance, or becoming involved in criminal activities. By enacting this article, the general assembly acknowledges the need to adequately prepare all children to learn through preschool programs in school districts with high dropout rates or low performance of children in kindergarten and primary grades.

We found that 4 out of the 13 districts with dropout rates above the State's 1997-1998 average were not participating in the Program. Additionally, the 42 districts that do not participate in the Program have characteristics that show a need for early childhood education programs, including:

- Higher per pupil costs as calculated under the State's equalization formula for funding under the Public School Finance Act. Smaller districts typically receive higher per pupil operating funding due to increased costs and decreased purchasing power. Districts that are "poorer" and meet certain economic criteria also receive greater per pupil funding.
- Higher share of state funding required to meet the district's per pupil operating costs. State funding is provided to each school district whose local share is insufficient to fully fund its total public school program.

Nonparticipating Districts May Benefit From the Program

The Colorado Preschool Program is intended to serve children who are at risk for educational failure. According to the Department, research has shown that certain predictors can be identified with students placed at risk of educational failure, including:

- Use of non-English language in the home
- School dropouts in the family
- Low socioeconomic status
- Single parent household
- Teenage mothers
- Major family stresses, such as unemployment, homelessness, and medical problems

Many of the 42 nonparticipating districts could benefit from the Program. Although there are some wealthy school districts (e.g., Pitkin) that do not participate in the Program, in general, the nonparticipating districts have lower median incomes, higher percentages of children living in poverty, higher teen birth rates, and slightly lower high school graduation rates compared with districts that participate.

The Department Needs to Inform Districts About the Program

We surveyed the districts that are not participating in the Program to determine the reasons and/or barriers to their participation. We received 41 completed surveys. Respondents cited various reasons for not participating, ranging from lack of available slots and corresponding funding to having existing programs that serve an equivalent population of children. Five district superintendents stated that they do not have the adequate number of at-risk children to support the Program. Many of the respondents focused on issues related to the Colorado Department of Education.

- Nine district superintendents cited a lack of available slots and corresponding funding from the Department as a reason for not participating. Four district superintendents stated that they have either applied for slots and not received them or have been told that there are no slots and/or funding available.
- Five district superintendents expressed concern over the prohibitive rules and regulations involved with the Program. These ranged from the application process to the required staff-to-child ratios.

One district superintendent told us that he is not able to access as much information as he would like about the Program from the Department. Another district superintendent stated that she believes “larger districts get the majority of spots for the program. The needs of smaller districts for preschool services are often much greater because of the limited access to programs.”

Some districts are also confused about the Program and whether they are participating. Two school district superintendents reported to us that they were not participating in the Program. However, we determined that they actually do participate. In addition, another two superintendents reported that they were participating in the Program. However, our review of the Department's records showed that they were not. Numerous new school district superintendents also told us that they were not thoroughly informed about the Program or able to get enough information from the Department.

As more slots become available the Department should make an effort to encourage participation by districts that have factors that place children at risk for educational

failure (e.g., high dropout rates). It should also ensure that districts are informed whenever there is a change in the superintendent.

Recommendation No. 15:

The Colorado Department of Education should make all districts aware of the opportunity to participate in the Colorado Preschool Program and contact the superintendents of nonparticipating districts regarding the Program and slot availability.

Colorado Department of Education Response:

Agree. The Department has made a concerted effort to contact Superintendents of all nonparticipating school districts whenever additional CPP slots have been available, as evidenced by the memo sent March 5, 1999. The only time this has not happened has been in the years when there was not an expansion of the program.

The Department will provide information on CPP as part of the orientation held at the Department for all new Superintendents.

Better Needs Assessments Can Improve How Slots Are Allotted to Districts

The Department's current system for allotting and adjusting slots does not guarantee that the districts with greatest needs receive Program slots on a priority basis. The Department does not base its decision on the needs of participating districts. It does not have complete and reliable data on each district's needs. Some districts believe the current allotment process is arbitrary and unfair.

Every summer the Department determines each district's "official" slot allotment for the following school year. Districts are required to report the number of slots they need on their re-application form. The Department typically allots a district the same number of slots it had received the previous year. It rarely reduces official allotments. From Fiscal Year 1997 to 1999 it reduced the official slot allotments 13 times. However, as discussed below, the Department makes several temporary adjustments to slot allotments each year.

According to the Department, the number of slots districts request should, in most cases, be no more than 25 percent of the district’s kindergarten enrollment because national research suggests that about one-quarter of the kindergarten children are at risk for learning delays. In other words, according to the Department, a district should not receive more than 25 percent of its kindergarten enrollment for the Program. The Department recognizes that in some cases the percentage of at-risk children in a district could be higher because of certain district-specific factors (e.g., high school dropout rates). As shown in the following table, we found that the number of slots the Department allotted to 6 of the 18 districts we visited for the 1998-99 school year represented more than 25 percent of those districts’ kindergarten enrollments. All but one of these districts were located in rural areas. The remaining 12 districts were given less than 25 percent. Seven of these twelve districts were located in urban areas. Four reported large waiting lists, ranging from 150 to 466 children, indicating high unmet needs.

Percentage of Preschool Slots to Kindergarten Enrollment for Sample Districts		
Urban/Rural District	Percentage	Number on Waiting List
Urban	14 percent	180
Rural	16 percent	15
Urban	17 percent	466
Rural	56 percent	Did not respond to question on re-application
Urban	31 percent	240
Rural	22 percent	17
Rural	16 percent	16
Rural	19 percent	2
Urban	12 percent	150
Rural	63 percent	0
Urban	13 percent	15
Urban	12 percent	150
Rural	50 percent	3
Urban	5 percent	17
Urban	15 percent	5
Rural	18 percent	5
Rural	46 percent	113
Rural	32 percent	0
Source: Office of the State Auditor analysis of Colorado Preschool Program data for school year 1998-99.		
Note: Kindergarten slots were not included in the analysis.		

After the October 1 school enrollment count, the Department may adjust the number of slots districts receive based upon whether the districts can fill them. Prior to the October count date, the Department sends out a memorandum to all participating districts, asking for the number of slots they have not filled. According to the Department, not all districts respond to this memo. On the basis of the responses received, the Department adjusts the number of slots districts will receive for that year. For example, if a district reports it will not be able to use five of its slots, the Department reduces this district's slot allotment by five and reassigns those slots temporarily to other districts.

During the 1998-99 school year the Department made several adjustments in the number of slots districts were allotted. Specifically, the Department:

- **Reduced slot allotments for 27 school districts.** The number of slots reduced in these districts ranged from 1 to 40 slots. Four rural districts accounted for more than 55 percent of the slots taken away.
- **Increased slot allotments for 10 school districts.** The number of slots added to these districts ranged from 1 to 113 slots. Two urban districts received more than 85 percent of the added slots.

Adjusting the number of slots districts receive is necessary to ensure that all the slots allowed for the Program are used. However, we identified problems with how the Department allots and adjusts slots, including:

- **The Department's approach for allotting slots fails to ensure that districts' requests reflect their true needs.** Districts may have greater or lesser needs than they are reporting to the Department.
- **The Department's method for adjusting slot allotments is arbitrary.** For example, in the 1998-99 school year, one district received an extra 113 slots for it to use for a kindergarten program. This district had to establish a kindergarten program for these extra slots. Twenty-two districts had requested full-day kindergarten slots. According to the Department, determining which districts will receive the additional slots is a "judgment call." The Department stated that there may be a better approach to adjusting these slots, but claims it does not have the resources to change the current method to be more fair.
- **The Department has not permanently reduced slot allotments for all districts that have not consistently used their official allotments.** We identified 12 districts that did not use their full official allotments for three

consecutive years. The Department only permanently reduced the official allotments for four (33 percent) of these districts. The remaining eight districts had their slot allotments temporarily reduced, but the Department has taken no actions to permanently reduce their official allotments. These eight districts, all of which are located in rural areas, were unable to use 5 to 80 percent of their official allotments from Fiscal Year 1997 to Fiscal Year 1999. During these three years these districts in total did not use more than 25 percent of their official allotments. One district had at least 40 slots temporarily reduced annually for Fiscal Years 1998 and 1999.

- **There is no motivation for districts to return unused slots or slots that may not be filled by children most in need of the Program.** Each district is primarily concerned about its own program, and does not always consider the needs of the Program as a whole. For example, as we mentioned in Chapter 3, one district preschool program coordinator told us that she has to fill all her district's slots to keep her job.

Unmet Needs Data Are Unreliable

The Department has attempted to determine the Program's unmet needs for a number of years. In our 1996 audit report, we reported that the Department used an annual survey to collect information from districts on their unmet needs. However, there were problems with the information obtained in these surveys. For example, some districts did not respond to questions about their unmet needs. Also, districts used a variety of methods to determine these needs.

We found that the same problems identified in 1996 still exist. The Department has included a series of questions intended to identify districts' unmet needs in the 1999-2000 re-application form. Districts were asked to state the number of children, ages three to five, who were eligible for the Program but were not being served. According to the data reported on the re-applications, there were more than 20,000 such children. In addition, districts stated that nearly 2,500 children were on waiting lists for the Program. Although this information provides an indication of the Program's unmet needs, we found that it is not reliable. We identified weaknesses with how this information was determined, including:

- **The Department does not provide guidance on how to determine unmet needs.** Districts we visited said that the unmet needs section of the re-application was difficult to complete because of the lack of instructions. Consequently, districts "guessed" on how they should determine these needs.

- **There are flaws with the methods and sources districts used to determine their unmet needs.** Districts we visited used a variety of methods to identify their unmet needs. Some merely guessed the number of children not being served, while others used more systematic approaches. One district included all kindergartners not being served in a full day program as part of its unmet needs. Although some of these children may be eligible, it is likely that not all are eligible for the Program. Some districts only used income-based information (e.g., poverty rates) to identify its unmet needs. Although income is considered a risk factor in some districts, the Program was designed to address several other risk factors and needs. This approach excludes children from families who may not be considered low-income, but who have other risk factors.

The Department needs to identify a more useful and reliable approach for determining the unmet needs of participating school districts. One option for improving these assessments is for the Department to use demographic data collected by various government agencies and private organizations. One valuable source of information is the annual *KidsCount* report prepared by the Colorado Children's Campaign. It contains various demographic data on families and children in all Colorado counties. These data include family income, children living in poverty, births to single mothers, teen birth rates, out-of-home placements, and high dropout rates.

Another option for obtaining need assessment data is for the Department to continue surveying participating districts. However, the Department must make improvements. For example, the Department could work with the districts councils to develop ways to more accurately estimate the number of at-risk preschool-age children.

Recommendation No. 16:

The Colorado Department of Education should work with the district councils to more accurately assess the number of at-risk children who may be eligible for the Colorado Preschool Program.

Colorado Department of Education Response:

Agree. As was mentioned earlier (recommendations 5 & 6) the Department will, within its capacity provide additional technical assistance on this issue. However, the Department believes it is the intent of the legislation that local District Councils have the authority to decide how many children are eligible for CPP.

The Department has prepared a data base that shows how many districts have not used their official CPP allotment for the past three years (1997 –2000). That data is currently being analyzed and districts consistently not using their full allotment will have that number reduced.

The Department Needs to Examine the Impact of Expanding the Target Population

In 1997 the General Assembly created the Consolidated Child Care Pilot Program. The Colorado Preschool Program is just one of several early childhood programs and initiatives that are a part of the Pilot.

One of the primary goals of the Pilot is to give local communities and providers more flexibility in operating their early childhood programs. The General Assembly recognized that Colorado child care providers “have to overcome barriers and inflexible requirements in order to design and implement programs that are more responsive to the needs of working families.” To provide this flexibility, pilot communities may request waivers from state laws, rules, regulations, and policies in any area that “may inhibit their ability to help families obtain quality, reliable and responsive child care.” Eight of the twenty-seven waivers approved for the Pilot were related to the Colorado Preschool Program. The most frequently requested waivers for the Program include:

- Using Program funds to serve children younger than four years old.
- Serving children more than one year if they begin participating in the Program before they are four years old.
- Using two slots to serve the same child for a full day.

Nine of the twelve pilot communities requested and received waivers to serve children younger than four in the Program. Thus, some participating school districts have had a chance to determine if children younger than four can be adequately served by the Program. Six of these districts were in our sample. We reviewed 39 program files for children ages zero to three in these districts. Twenty-five (about 65 percent) of these children were three years old. We found that nearly all these children met the eligibility criteria for the Program. Yet, we were unable to determine whether these

children were benefitting from the Program and how serving them impacted the Program as a whole.

National research suggests that providing high-quality early childhood education to at-risk children who are three years old is beneficial. For example, the Children's Defense Fund recommends that state-sponsored preschool programs "ensure that every disadvantaged child or child with disabilities has access to at least two years (and preferably more) of high quality, comprehensive prekindergarten services prior to entering school." Additionally, 8 of the 39 states that provide state-sponsored prekindergarten services include children who are three years old in their programs. Three of the states also include children from birth to five.

While including very young children in state-sponsored programs may be beneficial, states must take the steps needed to ensure that appropriate infrastructures are in place. The Department of Education has not yet done so for the Colorado Preschool Program. The Colorado Preschool Program Act and the state regulations address serving children one year before they enter kindergarten. To expand the Program to younger children, the Department would need to address certain issues that are associated with younger children, including:

- **Program effectiveness.** As discussed in Chapter 3, the Department does not know if the current Program is effective in preparing children who are four and five years old for school.
- **Child care licensing requirements.** Providers participating in the Program have to be licensed by the Colorado Department of Human Services. Licensing requirements are stricter for younger children than for children who are four and five. For instance, staff ratios are higher.
- **Staffing needs.** Program administrators would need to ensure that they had the adequate number of qualified staff members to meet the specific needs of younger children.
- **Facilities and equipment.** Some school districts might have difficulty locating space where younger children could be served. Currently over half of the Program children are being served in public schools. These schools do not typically have facilities for very young children.
- **Developmentally appropriate curriculum.** School districts would have to ensure that the appropriate teaching methods were used with younger children.

- **Costs.** Serving younger children could increase costs because of the higher staffing ratios required and other needs.

The Department and the General Assembly need to thoroughly explore how expansion will affect the Program as a whole. These decision makers need to ensure that any expansion will enhance the Program and not diminish its effectiveness, that all eligible age groups and types of children will benefit from the Program, and that all participating school districts have established solid programs that can handle these young children.

Recommendation No. 17:

The Colorado Department of Education should ensure that school districts have established an infrastructure to handle all eligible age groups before allotting slots to these districts. This can be done by confirming that:

- a. All program sites are licensed to serve the various age groups eligible for the Program.
- b. School districts have adequate facilities and equipment for the types of children participating in their programs.
- c. Teaching staff are qualified to serve the age groups in their classrooms and have established appropriate curriculum for all ages.

Colorado Department of Education Response:

Agree. The pending legislation that would allow for the expansion of the CPP and flexibility on how the slots could be used did not pass this legislative session. The flexibility sought through this bill has already been granted to most of the programs participating in the Pilots. Because of their focus on doing everything necessary to ensure high quality programs, they will serve as models demonstrating answers for the questions regarding licensing, facilities, equipment and staff qualifications raised by this recommendation.

APPENDIX A									
COLORADO DEPARTMENT OF EDUCATION									
PUBLIC SCHOOL FINANCE ACT OF 1994									
COLORADO PRESCHOOL PROGRAM FUNDING									
Fiscal Year 1998-1999									
COUNTY	DISTRICT	PUPILS	PER-PUPIL OPERATING REVENUES	TOTAL FUNDING	% STATE SHARE	STATE FUNDS	% LOCAL SHARE	LOCAL FUNDS	
1	ADAMS	MAPLETON	135.0	2,255.85	304,539.75	55.05%	167,642.62	44.95%	136,897.13
2	ADAMS	NORTHGLENN	259.0	2,231.83	578,043.97	74.33%	429,645.86	25.67%	148,398.11
3	ADAMS	COMMERCE CITY	241.0	2,332.28	562,079.48	63.98%	359,618.58	36.02%	202,460.90
4	ADAMS	BRIGHTON	62.0	2,241.59	138,978.58	66.38%	92,260.39	33.62%	46,718.19
5	ADAMS	BENNETT	10.0	2,446.11	24,461.10	62.96%	15,400.90	37.04%	9,060.20
6	ADAMS	STRASBURG	11.0	2,609.55	28,705.05	72.01%	20,671.60	27.99%	8,033.45
7	ADAMS	WESTMINSTER	110.0	2,238.44	246,228.40	69.43%	170,954.43	30.57%	75,273.97
8	ALAMOSA	ALAMOSA	94.0	2,266.64	213,064.16	76.00%	161,936.51	24.00%	51,127.65
9	ALAMOSA	SANGRE DE CRISTO	0.0	3,037.91	0.00	70.43%	0.00	29.57%	0.00
10	ARAPAHOE	ENGLEWOOD	70.0	2,288.34	160,183.80	56.88%	91,107.28	43.12%	69,076.52
11	ARAPAHOE	SHERIDAN	125.0	2,467.73	308,466.25	68.68%	211,865.22	31.32%	96,601.03
12	ARAPAHOE	CHERRY CREEK	139.0	2,315.61	321,869.79	46.95%	151,125.64	53.05%	170,744.15
13	ARAPAHOE	LITTLETON	110.0	2,204.57	242,502.70	59.99%	145,474.45	40.01%	97,028.25
14	ARAPAHOE	DEER TRAIL	5.0	4,137.57	20,687.85	64.10%	13,260.37	35.90%	7,427.48
15	ARAPAHOE	AURORA	341.0	2,311.35	788,170.35	71.68%	564,927.33	28.32%	223,243.02
16	ARAPAHOE	BYERS	12.0	2,781.45	33,377.40	68.39%	22,828.29	31.61%	10,549.11
17	ARCHULETA	ARCHULETA	0.0	2,347.53	0.00	43.73%	0.00	56.27%	0.00
18	BACA	WALSH	11.0	3,362.40	36,986.40	50.14%	18,545.90	49.86%	18,440.50
19	BACA	PRITCHETT	3.0	4,519.76	13,559.28	78.22%	10,605.94	21.78%	2,953.34
20	BACA	SPRINGFIELD	22.0	2,837.40	62,422.80	70.41%	43,950.70	29.59%	18,472.10
21	BACA	VILAS	5.0	4,664.31	23,321.55	74.43%	17,357.63	25.57%	5,963.92
22	BACA	CAMPO	5.0	4,594.14	22,970.70	76.04%	17,466.11	23.96%	5,504.59
23	BENT	LAS ANIMAS	0.0	2,491.25	0.00	76.38%	0.00	23.62%	0.00
24	BENT	MCCLAVE	12.0	3,168.49	38,021.88	83.21%	31,639.29	16.79%	6,382.59
25	BOULDER	ST VRAIN	37.0	2,232.81	82,613.97	56.11%	46,356.39	43.89%	36,257.58
26	BOULDER	BOULDER	120.0	2,278.01	273,361.20	22.60%	61,775.32	77.40%	211,585.88
27	CHAFFEE	BUENA VISTA	0.0	2,426.91	0.00	52.74%	0.00	47.26%	0.00
28	CHAFFEE	SALIDA	24.0	2,324.97	55,799.28	62.90%	35,097.89	37.10%	20,701.39
29	CHEYENNE	KIT CARSON	0.0	4,058.79	0.00	35.24%	0.00	64.76%	0.00
30	CHEYENNE	CHEYENNE	7.0	2,954.52	20,681.64	53.59%	11,083.85	46.41%	9,597.79
31	CLEAR CREEK	CLEAR CREEK	20.0	2,404.78	48,095.60	26.57%	12,779.21	73.43%	35,316.39
32	CONEJOS	NORTH CONEJOS	0.0	2,376.90	0.00	92.72%	0.00	7.28%	0.00

				PER-PUPIL OPERATING	TOTAL FUNDING	% STATE SHARE	STATE FUNDS	% LOCAL SHARE	LOCAL FUNDS
	COUNTY	DISTRICT	PUPILS	REVENUES					
33	CONEJOS	SANFORD	0.0	2,994.15	0.00	92.35%	0.00	7.65%	0.00
34	CONEJOS	SOUTH CONEJOS	0.0	2,647.37	0.00	77.10%	0.00	22.90%	0.00
35	COSTILLA	CENTENNIAL	12.0	2,932.04	35,184.48	66.03%	23,231.77	33.97%	11,952.71
36	COSTILLA	SIERRA GRANDE	0.0	3,051.89	0.00	33.43%	0.00	66.57%	0.00
37	CROWLEY	CROWLEY	0.0	2,589.91	0.00	81.03%	0.00	18.97%	0.00
38	CUSTER	WESTCLIFFE	10.0	2,814.74	28,147.40	25.78%	7,257.28	74.22%	20,890.12
39	DELTA	DELTA	0.0	2,234.31	0.00	70.11%	0.00	29.89%	0.00
40	DENVER	DENVER	1,864.0	2,522.02	4,701,045.28	39.82%	1,872,137.28	60.18%	2,828,908.00
41	DOLORES	DOLORES	0.0	3,071.28	0.00	59.79%	0.00	40.21%	0.00
42	DOUGLAS	DOUGLAS	30.0	2,239.98	67,199.40	55.10%	37,025.20	44.90%	30,174.20
43	EAGLE	EAGLE	60.0	2,396.21	143,772.60	1.83%	2,630.05	98.17%	141,142.55
44	ELBERT	ELIZABETH	15.0	2,305.11	34,576.65	72.31%	25,003.52	27.69%	9,573.13
45	ELBERT	KIOWA	0.0	3,115.88	0.00	74.30%	0.00	25.70%	0.00
46	ELBERT	BIG SANDY	0.0	3,112.05	0.00	80.67%	0.00	19.33%	0.00
47	ELBERT	ELBERT	7.0	3,542.78	24,799.46	82.44%	20,444.27	17.56%	4,355.19
48	ELBERT	AGATE	2.0	4,963.36	9,926.72	62.25%	6,179.49	37.75%	3,747.23
49	EL PASO	CALHAN	18.0	2,643.96	47,591.28	83.22%	39,603.50	16.78%	7,987.78
50	EL PASO	HARRISON	210.0	2,247.53	471,981.30	75.01%	354,010.44	24.99%	117,970.86
51	EL PASO	WIDEFIELD	0.0	2,176.87	0.00	85.43%	0.00	14.57%	0.00
52	EL PASO	FOUNTAIN	30.0	2,186.11	65,583.30	89.41%	58,637.49	10.59%	6,945.81
53	EL PASO	COLORADO SPRINGS	664.0	2,263.52	1,502,977.28	58.14%	873,796.67	41.86%	629,180.61
54	EL PASO	CHEYENNE MOUNTAIN	0.0	2,195.67	0.00	46.25%	0.00	53.75%	0.00
55	EL PASO	MANITOU SPRINGS	0.0	2,376.03	0.00	64.80%	0.00	35.20%	0.00
56	EL PASO	ACADEMY	0.0	2,169.55	0.00	65.96%	0.00	34.04%	0.00
57	EL PASO	ELLCOTT	0.0	2,572.07	0.00	85.59%	0.00	14.41%	0.00
58	EL PASO	PEYTON	0.0	2,575.58	0.00	80.72%	0.00	19.28%	0.00
59	EL PASO	HANOVER	0.0	4,016.79	0.00	75.63%	0.00	24.37%	0.00
60	EL PASO	LEWIS-PALMER	0.0	2,218.76	0.00	67.37%	0.00	32.63%	0.00
61	EL PASO	FALCON	0.0	2,175.47	0.00	75.54%	0.00	24.46%	0.00
62	EL PASO	EDISON	0.0	5,118.06	0.00	84.87%	0.00	15.13%	0.00
63	EL PASO	MIAMI-YODER	0.0	3,193.84	0.00	87.48%	0.00	12.52%	0.00
64	FREMONT	CANON CITY	79.0	2,172.29	171,610.91	71.81%	123,229.68	28.19%	48,381.23
65	FREMONT	FLORENCE	0.0	2,247.54	0.00	73.28%	0.00	26.72%	0.00
66	FREMONT	COTOPAXI	0.0	3,072.14	0.00	49.69%	0.00	50.31%	0.00
67	GARFIELD	ROARING FORK	52.0	2,360.75	122,759.00	28.99%	35,582.90	71.01%	87,176.10
68	GARFIELD	RIFLE	53.0	2,247.37	119,110.61	70.97%	84,532.06	29.03%	34,578.55
69	GARFIELD	PARACHUTE	0.0	2,608.38	0.00	69.95%	0.00	30.05%	0.00
70	GILPIN	GILPIN	3.0	3,097.26	9,291.78	52.11%	4,842.36	47.89%	4,449.42
71	GRAND	WEST GRAND	10.0	2,689.97	26,899.70	33.52%	9,017.64	66.48%	17,882.06
72	GRAND	EAST GRAND	18.0	2,343.02	42,174.36	12.05%	5,082.86	87.95%	37,091.50

				PER-PUPIL OPERATING	TOTAL FUNDING	% STATE SHARE	STATE FUNDS	% LOCAL SHARE	LOCAL FUNDS
	COUNTY	DISTRICT	PUPILS	REVENUES					
73	GUNNISON	GUNNISON	35.0	2,351.04	82,286.40	13.64%	11,227.90	86.36%	71,058.50
74	HINSDALE	HINSDALE	0.0	5,098.33	0.00	19.19%	0.00	80.81%	0.00
75	HUERFANO	HUERFANO	30.0	2,436.34	73,090.20	43.54%	31,824.72	56.46%	41,265.48
76	HUERFANO	LA VETA	5.0	2,934.08	14,670.40	58.22%	8,541.53	41.78%	6,128.87
77	JACKSON	NORTH PARK	10.0	3,171.18	31,711.80	49.83%	15,802.62	50.17%	15,909.18
78	JEFFERSON	JEFFERSON	690.0	2,277.83	1,571,702.70	57.25%	899,839.94	42.75%	671,862.76
79	KIOWA	EADS	12.0	3,049.47	36,593.64	54.67%	20,004.39	45.33%	16,589.25
80	KIOWA	PLAINVIEW	0.0	4,428.35	0.00	39.77%	0.00	60.23%	0.00
81	KIT CARSON	ARRIBA-FLAGLER	4.0	3,402.46	13,609.84	58.94%	8,022.06	41.06%	5,587.78
82	KIT CARSON	HI PLAINS	3.0	4,196.73	12,590.19	68.42%	8,613.82	31.58%	3,976.37
83	KIT CARSON	STRATTON	10.0	2,981.55	29,815.50	71.82%	21,412.91	28.18%	8,402.59
84	KIT CARSON	BETHUNE	4.0	4,056.10	16,224.40	73.72%	11,959.98	26.28%	4,264.42
85	KIT CARSON	BURLINGTON	24.0	2,329.62	55,910.88	61.74%	34,518.84	38.26%	21,392.04
86	LAKE	LAKE	60.0	2,427.20	145,632.00	65.06%	94,743.15	34.94%	50,888.85
87	LA PLATA	DURANGO	147.0	2,286.38	336,097.86	29.95%	100,651.52	70.05%	235,446.34
88	LA PLATA	BAYFIELD	15.0	2,465.51	36,982.65	35.55%	13,147.83	64.45%	23,834.82
89	LA PLATA	IGNACIO	15.0	2,524.02	37,860.30	57.21%	21,659.69	42.79%	16,200.61
90	LARIMER	POUDRE	89.0	2,172.68	193,368.52	49.86%	96,414.76	50.14%	96,953.76
91	LARIMER	THOMPSON	75.0	2,170.44	162,783.00	63.88%	103,991.57	36.12%	58,791.43
92	LARIMER	ESTES PARK	8.0	2,409.17	19,273.36	4.39%	845.89	95.61%	18,427.47
93	LAS ANIMAS	TRINIDAD	60.0	2,461.23	147,673.80	77.40%	114,293.14	22.60%	33,380.66
94	LAS ANIMAS	PRIMERO	0.0	3,798.76	0.00	56.56%	0.00	43.44%	0.00
95	LAS ANIMAS	HOEHNE	0.0	3,031.41	0.00	67.75%	0.00	32.25%	0.00
96	LAS ANIMAS	AGUILAR	0.0	3,984.44	0.00	72.65%	0.00	27.35%	0.00
97	LAS ANIMAS	BRANSON	0.0	4,821.17	0.00	40.54%	0.00	59.46%	0.00
98	LAS ANIMAS	KIM	6.0	4,370.73	26,224.38	69.64%	18,263.04	30.36%	7,961.34
99	LINCOLN	GENOA-HUGO	9.0	3,093.33	27,839.97	63.18%	17,589.39	36.82%	10,250.58
100	LINCOLN	LIMON	22.0	2,507.62	55,167.64	72.54%	40,020.61	27.46%	15,147.03
101	LINCOLN	KARVAL	4.0	4,448.85	17,795.40	79.70%	14,182.64	20.30%	3,612.76
102	LOGAN	VALLEY	90.0	2,224.51	200,205.90	68.62%	137,388.21	31.38%	62,817.69
103	LOGAN	FRENCHMAN	6.0	3,661.16	21,966.96	81.20%	17,837.55	18.80%	4,129.41
104	LOGAN	BUFFALO	7.0	3,279.41	22,955.87	78.43%	18,003.75	21.57%	4,952.12
105	LOGAN	PLATEAU	0.0	4,115.76	0.00	68.94%	0.00	31.06%	0.00
106	MESA	DEBEQUE	11.0	4,031.71	44,348.81	31.70%	14,058.56	68.30%	30,290.25
107	MESA	PLATEAU	11.0	2,523.30	27,756.30	68.81%	19,098.57	31.19%	8,657.73
108	MESA	MESA VALLEY	280.0	2,173.51	608,582.80	69.49%	422,914.67	30.51%	185,668.13
109	MINERAL	CREEDE	6.0	4,275.32	25,651.92	53.03%	13,602.64	46.97%	12,049.28
110	MOFFAT	MOFFAT	57.0	2,174.31	123,935.67	16.02%	19,848.89	83.98%	104,086.78
111	MONTEZUMA	MONTEZUMA	75.0	2,219.59	166,469.25	61.16%	101,804.39	38.84%	64,664.86
112	MONTEZUMA	DOLORES	12.0	2,542.75	30,513.00	71.15%	21,709.65	28.85%	8,803.35

				PER-PUPIL OPERATING	TOTAL	% STATE	STATE	% LOCAL	LOCAL
	COUNTY	DISTRICT	PUPILS	REVENUES	FUNDING	SHARE	FUNDS	SHARE	FUNDS
113	MONTEZUMA	MANCOS	0.0	2,534.29	0.00	73.98%	0.00	26.02%	0.00
114	MONTROSE	MONTROSE	55.0	2,253.15	123,923.25	69.33%	85,911.22	30.67%	38,012.03
115	MONTROSE	WEST END	15.0	2,707.78	40,616.70	60.80%	24,694.92	39.20%	15,921.78
116	MORGAN	BRUSH	22.0	2,416.50	53,163.00	29.03%	15,435.72	70.97%	37,727.28
117	MORGAN	FT. MORGAN	55.0	2,361.31	129,872.05	69.68%	90,500.92	30.32%	39,371.13
118	MORGAN	WELDON	17.0	4,388.71	74,608.07	78.58%	58,623.41	21.42%	15,984.66
119	MORGAN	WIGGINS	12.0	2,630.44	31,565.28	68.46%	21,610.30	31.54%	9,954.98
120	OTERO	EAST OTERO	126.0	2,309.50	290,997.00	82.76%	240,836.50	17.24%	50,160.50
121	OTERO	ROCKY FORD	0.0	2,514.11	0.00	83.46%	0.00	16.54%	0.00
122	OTERO	MANZANOLA	0.0	3,321.67	0.00	90.95%	0.00	9.05%	0.00
123	OTERO	FOWLER	0.0	2,757.29	0.00	78.48%	0.00	21.52%	0.00
124	OTERO	CHERAW	11.0	3,623.45	39,857.95	90.92%	36,238.85	9.08%	3,619.10
125	OTERO	SWINK	0.0	2,939.23	0.00	86.85%	0.00	13.15%	0.00
126	OURAY	OURAY	0.0	3,893.17	0.00	53.30%	0.00	46.70%	0.00
127	OURAY	RIDGWAY	0.0	3,457.79	0.00	45.18%	0.00	54.82%	0.00
128	PARK	PLATTE CANYON	12.0	2,395.86	28,750.32	68.28%	19,631.62	31.72%	9,118.70
129	PARK	PARK	22.0	2,648.41	58,265.02	6.24%	3,635.01	93.76%	54,630.01
130	PHILLIPS	HOLYOKE	0.0	2,435.25	0.00	58.52%	0.00	41.48%	0.00
131	PHILLIPS	HAXTUN	15.0	2,927.83	43,917.45	64.29%	28,233.82	35.71%	15,683.63
132	PITKIN	ASPEN	0.0	3,128.25	0.00	7.14%	0.00	92.86%	0.00
133	PROWERS	GRANADA	0.0	3,049.64	0.00	81.23%	0.00	18.77%	0.00
134	PROWERS	LAMAR	82.0	2,268.96	186,054.72	77.61%	144,404.46	22.39%	41,650.26
135	PROWERS	HOLLY	15.0	2,828.68	42,430.20	71.58%	30,372.29	28.42%	12,057.91
136	PROWERS	WILEY	18.0	2,869.45	51,650.10	79.99%	41,314.83	20.01%	10,335.27
137	PUEBLO	PUEBLO CITY	350.0	2,246.67	786,334.50	72.40%	569,324.79	27.60%	217,009.71
138	PUEBLO	PUEBLO RURAL	110.0	2,147.26	236,198.60	65.76%	155,314.42	34.24%	80,884.18
139	RIO BLANCO	MEEKER	20.0	2,419.31	48,386.20	56.74%	27,453.20	43.26%	20,933.00
140	RIO BLANCO	RANGELY	20.0	2,334.64	46,692.80	51.33%	23,968.09	48.67%	22,724.71
141	RIO GRANDE	DEL NORTE	35.0	2,468.58	86,400.30	68.81%	59,449.24	31.19%	26,951.06
142	RIO GRANDE	MONTE VISTA	40.0	2,350.11	94,004.40	80.95%	76,092.89	19.05%	17,911.51
143	RIO GRANDE	SARGENT	25.0	2,655.32	66,383.00	57.70%	38,300.60	42.30%	28,082.40
144	ROUTT	HAYDEN	14.0	2,714.39	38,001.46	30.09%	11,435.59	69.91%	26,565.87
145	ROUTT	STEAMBOAT SPRINGS	22.0	2,400.26	52,805.72	2.10%	1,110.16	97.90%	51,695.56
146	ROUTT	SOUTH ROUTT	7.0	2,747.77	19,234.39	22.05%	4,240.98	77.95%	14,993.41
147	SAGUACHE	MOUNTAIN VALLEY	0.0	3,884.56	0.00	71.81%	0.00	28.19%	0.00
148	SAGUACHE	MOFFAT	8.0	4,064.88	32,519.04	66.58%	21,652.24	33.42%	10,866.80
149	SAGUACHE	CENTER	0.0	2,688.55	0.00	76.63%	0.00	23.37%	0.00
150	SAN JUAN	SILVERTON	0.0	4,691.38	0.00	38.71%	0.00	61.29%	0.00
151	SAN MIGUEL	TELLURIDE	12.0	3,385.61	40,627.32	11.52%	4,679.59	88.48%	35,947.73
152	SAN MIGUEL	NORWOOD	8.0	3,304.66	26,437.28	74.18%	19,611.67	25.82%	6,825.61

				PER-PUPIL OPERATING REVENUES	TOTAL FUNDING	% STATE SHARE	STATE FUNDS	% LOCAL SHARE	LOCAL FUNDS
	COUNTY	DISTRICT	PUPILS						
153	SEDGWICK	JULESBURG	15.0	3,054.38	45,815.70	68.09%	31,198.08	31.91%	14,617.62
154	SEDGWICK	PLATTE VALLEY	0.0	4,231.19	0.00	63.18%	0.00	36.82%	0.00
155	SUMMIT	SUMMIT	15.0	2,434.92	36,523.80	1.19%	434.06	98.81%	36,089.74
156	TELLER	CRIPPLE CREEK	25.0	2,525.79	63,144.75	33.32%	21,040.30	66.68%	42,104.45
157	TELLER	WOODLAND PARK	35.0	2,212.33	77,431.55	64.61%	50,027.14	35.39%	27,404.41
158	WASHINGTON	AKRON	8.0	2,569.46	20,555.68	64.86%	13,332.82	35.14%	7,222.86
159	WASHINGTON	ARICKAREE	4.0	4,415.71	17,662.84	40.70%	7,188.91	59.30%	10,473.93
160	WASHINGTON	OTIS	18.0	3,889.79	70,016.22	72.68%	50,888.67	27.32%	19,127.55
161	WASHINGTON	LONE STAR	0.0	4,859.64	0.00	79.65%	0.00	20.35%	0.00
162	WASHINGTON	WOODLIN	2.0	4,310.59	8,621.18	45.01%	3,880.23	54.99%	4,740.95
163	WELD	GILCREST	73.0	2,324.42	169,682.66	45.76%	77,654.79	54.24%	92,027.87
164	WELD	EATON	0.0	2,323.17	0.00	63.59%	0.00	36.41%	0.00
165	WELD	KEENESBURG	31.0	2,371.85	73,527.35	59.56%	43,792.38	40.44%	29,734.97
166	WELD	WINDSOR	46.0	2,213.99	101,843.54	36.72%	37,399.08	63.28%	64,444.46
167	WELD	JOHNSTOWN	9.0	2,357.81	21,220.29	68.50%	14,536.57	31.50%	6,683.72
168	WELD	GREELEY	200.0	2,213.65	442,730.00	68.02%	301,160.34	31.98%	141,569.66
169	WELD	PLATTE VALLEY	43.0	2,396.32	103,041.76	35.94%	37,033.26	64.06%	66,008.50
170	WELD	FT. LUPTON	105.0	2,366.08	248,438.40	64.79%	160,953.59	35.21%	87,484.81
171	WELD	AULT-HIGHLAND	9.0	2,483.36	22,350.24	64.07%	14,320.39	35.93%	8,029.85
172	WELD	BRIGGS DALE	0.0	4,397.06	0.00	76.66%	0.00	23.34%	0.00
173	WELD	PRAIRIE	7.0	4,537.64	31,763.48	59.61%	18,935.76	40.39%	12,827.72
174	WELD	PAWNEE	0.0	4,394.24	0.00	69.46%	0.00	30.54%	0.00
175	YUMA	WEST YUMA	20.0	2,479.96	49,599.20	48.54%	24,077.78	51.46%	25,521.42
176	YUMA	EAST YUMA	18.0	2,367.01	42,606.18	49.94%	21,277.90	50.06%	21,328.28
					21,107,386.69	55.83%	11,784,670.36	44.17%	9,322,716.33

Source: Colorado Department of Education

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