



**ANNUAL EVALUATION**

**FAMILY LITERACY PILOT PROGRAM**

**Report to the Arizona Legislature  
By the Auditor General  
December 1995  
Report #95-20**



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December 26, 1995

Members of the Arizona Legislature

The Honorable Fife Symington, Governor

The Honorable Lisa Graham  
State Superintendent of Public Instruction

Transmitted herewith is a report of the Auditor General, an Annual Evaluation of the Family Literacy Pilot Program. This report is in response to the provisions of Session Laws 1994, 9th Special Session, Chapter 1, Section 9.

This is the first in a series of three reports. The second and final evaluation reports are scheduled to be released on or before December 31, 1996, and December 31, 1997, respectively. Our evaluation study finds that Arizona's family literacy sites follow nationally recommended standards in program design and implementation. However, budgeting errors by the Arizona Department of Education have created funding shortages for second-year services.

The Arizona Department of Education has reviewed a draft of this report, but chose not to submit a formal response.

My staff and I will be pleased to discuss or clarify items in the report.

This report will be released to the public on December 27, 1995.

Sincerely,

Douglas R. Norton  
Auditor General

# SUMMARY

The Office of the Auditor General has completed the first of a series of three annual program evaluation reports to be issued on the Family Literacy Pilot Program. This evaluation was conducted pursuant to the provisions of Session Laws 1994, 9th Special Session, Chapter 1, Section 9. The second and final evaluation reports are scheduled to be released on or before December 31, 1996, and December 31, 1997, respectively.

Arizona's Family Literacy Program aspires to stop the intergenerational cycle of undereducation and poverty by increasing the basic academic and literacy skills of preschool-aged children and their parents who live in areas with a high incidence of economic and educational disadvantages. The Arizona Department of Education (ADE) is responsible for family literacy administration. ADE funded 15 contractors serving 25 family literacy program sites in fiscal years 1994-1995 and 1995-1996. ADE also funded two existing family literacy programs (referred to as model programs throughout this report) to offer staff training and assist with the establishment and expansion of pilot programs. Appropriations for the Family Literacy Pilot Program totaled \$975,000 in fiscal year 1994-95 and \$1,000,600 in fiscal year 1995-96.

## **Arizona Family Literacy Sites Follow Nationally Recommended Standards (See pages 9 through 13)**

Most of Arizona's family literacy sites show strong potential for success in achieving overall program goals and objectives. Service delivery methods across the State emulate recognized family literacy practices and also explore new ways to serve Arizona's hard-to-reach populations. The following points illustrate several notable program practices:

- Arizona sites use service delivery models that integrate program components recommended by the National Center for Family Literacy (NCFL) as essential for successful implementation. The sites incorporate adult literacy and early childhood instruction, parent and child interaction time, and parent education and discussion groups.
- While incorporating standard family literacy components, Arizona sites have also adapted services to meet the special needs of each site's targeted population.
- Recruiting strategies are focused on enrolling families who both need, and are likely to remain in, the family literacy program. Participant retention is key in improving the program's chances for success.

- Arizona's pilot program staff started their first year of service delivery trained in the mechanics of successful family literacy implementation. Sound family literacy principles established prior to service delivery should assist site staff in implementing their programs both consistently and effectively.

### **Budgeting Errors Create Funding Shortage for Second-Year Services (See pages 15 through 17)**

The 1995-96 family literacy budgets approved by the ADE exceed the Program's available funding. Even after applying over \$425,000 in carryover funds from fiscal year 1994-95, the Program remains nearly \$103,000 short of fully funding the grants it has awarded. The funding shortage will impact family literacy programs and their participants, since it will either reduce or eliminate services at some sites.

ADE also did not possess the necessary information to make funding decisions for individual grant awards. ADE did not require the programs to report total program budgets (including local, state, and federal funds) so that ADE could judge the ability of contractors to provide services.

Family literacy administrators should establish proper budgeting procedures to ensure overallocations and funding shortages do not occur in the future. They should also consider the availability of additional local, state, and federal funding when making funding decisions.

### **ADE Should Expand and Enhance Program Monitoring (See pages 19 through 22)**

ADE's Adult Education Division should expand and enhance pilot program monitoring to guarantee quality family literacy service delivery. Pilot programs in their first implementation year require significant monitoring to ensure they are appropriately delivering legislated and other quality services.

The Adult Education Division's limited resources and expertise threaten its ability to perform adequate monitoring tasks. The Adult Education Division, while qualified to oversee the family literacy adult education component, does not have staff with adequate expertise to monitor family literacy programs' early childhood and parenting components.

We recommend that family literacy administrators develop an effective monitoring plan. A structured and coordinated monitoring plan can ensure adequate expertise exists to provide program oversight.

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# INTRODUCTION AND BACKGROUND

The Office of the Auditor General has completed the first of a series of three annual program evaluation reports to be issued on the Family Literacy Pilot Program. This evaluation was conducted pursuant to the provisions of Session Laws 1994, 9th Special Session, Chapter 1, Section 9. The second and final evaluation reports are required to be released on or before December 31, 1996, and December 31, 1997, respectively.

## Family Literacy Goals

Arizona's Family Literacy Program aspires to stop the intergenerational cycle of undereducation and poverty by increasing the basic academic and literacy skills of eligible parents and their preschool children. The program is based on the premises that 1) the educational skills of parents must increase in order to increase literacy and reduce poverty among the current generation of families; and 2) the educational skills of children must increase in order to increase literacy and reduce poverty among the next generation of families.

Poverty and undereducation interact across generations in the following ways:

- The National Center for Children in Poverty reports that children whose parents lack a high school diploma are more than twice as likely to live in poverty than children whose parents are high school graduates.
- Research shows that preschool participation for at-risk children leads to long-term outcomes such as increased levels of high school completion, better employment, higher incomes, a reduced dependency on welfare, and lower involvement in the criminal justice system. However, a 1994 United States General Accounting Office (GAO) study found that children in families where the most educated parent had less than a high school diploma were 20 percent less likely to participate in preschool than children whose parents had a high school diploma. In addition, children in or near poverty were 16 to 20 percent less likely to attend preschool programs than middle-income children.
- Children from low-income families show poorer performance in school even at the earliest grades. The National Center for Education Statistics reports that children from low income families are 50 percent more likely than children from high income families and 35 percent more likely than children from middle income families to be retained in the early grades. In 1991, the high school dropout rate among children of low income families was more than twice the rate of middle income families, and ten times the rate of high income families.

Family literacy programs incorporate adult, child, and parent education in a manner that is more effective than programs that focus exclusively on adults or children. Services target the entire family, and include adult and early childhood education, as well as instruction in parenting and parent-child interaction.

Evaluations of two National Centers for Family Literacy (NCFL)-endorsed models serving more than 500 families in 10 cities found that family literacy programs are useful in reaching undereducated and poor families. Specifically:

- Adults and children in family literacy programs produce higher literacy and developmental gains than those in programs focusing only on adults or only on children.
- Family literacy increases adult retention in programs and parents express greater support for their children's education.
- After participation in family literacy programs, children performed well in kindergarten and first grade, and adults continued their progress by obtaining employment, furthering their education, and reducing their welfare dependence.

Family literacy participants are, perhaps, most able to describe how the program works. The following excerpts written by students in the Mesa Family Tree Program, one of Arizona's model family literacy programs, reflect the programs' importance in the participants' lives:

*"We have learned that without a high school diploma life isn't that great. You need an education to get anywhere in life, especially to get a good-paying job. . . That's why we're here in Family Tree. We are trying harder to make life better with an education. In the Family Tree Project we also have a preschool for our children to attend. We really love the way the preschool is set up for the children. . . "*

*"The year was 1991 and the day was August 11. That was the day a 14-year-old girl became a mother. . . that 14-year-old girl was me. . . I had to make very serious decisions in my life and I had to choose between school and my family, I chose my family. I dropped out of school and I am now trying to get my GED. Going to GED classes has also been hard. My goal is to get my GED, start at Pima Medical College and become a nurse, and begin a good life for me and my son."*

## Target Population

Family literacy serves preschool-aged children and their parents living in areas with a high incidence of economic and educational disadvantages. Eligible parents include those who: 1) have a three- or four-year-old child; 2) lack sufficient mastery of basic educational or basic English language skills needed to function in society, or lack a high school diploma or its equivalent; and 3) are United States citizens or legal residents, or are otherwise lawfully present in this country.

## Administrative Entity

The State Board of Education and the Arizona Department of Education (ADE) are responsible for family literacy administration. The family literacy legislation requires the State Board of Education to: 1) establish and administer a family literacy pilot program through the Division of Adult Education; 2) adopt procedures necessary to implement the Family Literacy Pilot Program; 3) authorize two model and training program grants; and 4) authorize and establish family literacy pilot projects at locations where there is a high incidence of economic and educational disadvantage.

The ADE's Division of Adult Education maintains the State's family literacy administration and coordination authority. The Division has 12 total FTEs, and dedicates 1 FTE to family literacy administration and coordination.

## Appropriation and Budget

Appropriations for the Family Literacy Pilot Program totaled \$975,000 in fiscal year 1994-95 and \$1,000,600 in fiscal year 1995-96. The two-year appropriation marks the State's first budgetary commitment to family literacy services, and makes Arizona one of a handful of states to fund a family literacy initiative through its department of education.

Several programs in Arizona have, however, been operating with local, private, and federal support for at least seven years. Arizona's federally funded Even Start program began in 1988 and currently supports eight Even Start sites. These family literacy programs serve undereducated parents with children ages 0 to 7 years, and must fund a percentage of the program through local contributions.<sup>1</sup> In addition, Pima County Adult Education began operating a family literacy program through the Toyota Families for Learning Program in 1991, and the Mesa Unified School District also began operating their Family Tree Program in 1991.

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<sup>1</sup> Local contribution can mean state funding (e.g. ADE K-12, K-3 At-Risk, Pre-School At-Risk), district funding, Head Start, or Title I funds.

In March 1995, the Legislature revised the provisions of the original appropriation to make the funds nonreverting, allowing additional time, if needed, to spend implementation dollars. This allowed the program to carry over unspent funds to subsequent fiscal years.

- **Fiscal Year 1994-95** – In fiscal year 1994-95, ADE allocated 83 percent of total family literacy funding to pilot programs, 12 percent to model and training resource programs, and 5 percent to administration. Pilot programs expended first-year funds for direct services, capital outlay expenditures, and other start-up costs. Model training and resource funds supported two statewide training sessions and technical assistance to both ADE and pilot programs in setting up family literacy sites across the State. ADE expended the majority of administration funds for operating expenses, such as educational supplies, training, and conference expenses. Table 1 presents fiscal years' 1994-95 and 1995-96 family literacy grant awards and expenditures.

**Table 1**  
**Family Literacy Grant Awards**  
**and Expenditures**  
**Fiscal Years 1994-95 and 1995-96**

	<u>Fiscal Year</u> <u>1994-95</u>	<u>Actual</u> <u>Expenditures</u>	<u>Fiscal Year</u> <u>1995-96</u>
	<u>Grant Awards</u>		<u>Grant Awards</u>
Pilot Program			
Contracts	\$811,942	\$443,304	\$1,389,586
Model Training and			
Resource Contract <sup>a</sup>	121,960	91,792	139,641
Administration	<u>48,750</u>	<u>14,251</u>	<u>0</u>
 Total	 <u>\$982,652</u> <sup>b</sup>	 <u>\$549,347</u>	 <u>\$1,529,227</u> <sup>c</sup>

<sup>a</sup> These monies are used to give two existing programs funds to offer training to the new programs.

<sup>b</sup> The fiscal year 1994-95 appropriation was \$975,000.

<sup>c</sup> The fiscal year 1995-96 appropriation was \$1,000,600.

Source: Office of the Auditor General staff analysis of fiscal years' 1994-95 and 1995-96 budget and expenditure reports obtained from ADE's Adult Education Division.

- **Fiscal Year 1995-96** — ADE will use the total fiscal year 1995-96 appropriation and all fiscal year 1994-95 carryover monies to fund the Program's second year. Of the total \$1,529,227 approved for fiscal year 1995-96, the Agency allocated 91 percent to pilot programs, 9 percent to model and training resource programs, and no funding to administration. Proposed program budgets reveal that the majority of fiscal year 1995-96 funds will support direct services, including instruction and instructional support. Model training and resource programs will dedicate second-year funds to specialized on-site training and technical assistance.

## **Fifteen Pilot Program and Two Model Program Contractors**

ADE funded 15 contractors serving 25 family literacy sites and 2 model and training resource programs in fiscal years 1994-95 and 1995-96.<sup>1</sup> Table 2 (see page 6) presents the eight Arizona counties containing family literacy sites, the pilot program contractors in each county, the number of sites administered by each contractor, and their fiscal years' 1994-95 and 1995-96 state-supported budgets.

Pilot program contractors include ten school districts, three community-based organizations, one college, and one adult education provider. Each of the sites targets about 15 families, or 375 total families. Eight of Arizona's 15 counties contain at least one state-funded family literacy site. No potential contractors applied for funding in the seven unrepresented counties. The majority of family literacy sites serve urban areas, with 18 of the 25 sites serving metropolitan Phoenix, Tucson, and Yuma. Seven sites serve Arizona's rural population, with two sites in Cochise and Coconino Counties, and one site each in Apache, Navajo, and Yavapai Counties.

ADE also provided funds for two existing family literacy programs to offer training and serve as models and training resources for the establishment and expansion of pilot programs throughout the State. Model and training program responsibilities to pilot programs include providing technical assistance, conducting teacher and staff development training, site visitations, and workshops. Two entities applied for and received model and training program funding. Table 3 (see page 7) presents the two model program contractors, the number of sites assigned to each, their location, and their fiscal years' 1994-95 and 1995-96 budgets.

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<sup>1</sup> See the Appendix for a detailed description of the proposal evaluation and selection process.

**Table 2**

**Arizona Family Literacy Pilot  
Program Contractors**

<u>County</u>	<u>Pilot Program Contractors</u>	<u>No. of Sites</u>	<u>Grant Awards</u>	
			<u>Fiscal Year 1994-95<sup>a</sup></u>	<u>Fiscal Year 1995-96<sup>b</sup></u>
Apache	Red Mesa Unified School District	1	\$ 73,178	\$ 99,920
Cochise	Cochise College	1	17,746	50,301
	Council for Family Concern	1	18,875	58,000
Coconino	Flagstaff Unified School District	2	157,794	85,100
Maricopa	Isacc School District	1	19,927	99,997
	Literacy Volunteers of Maricopa County	1	16,420	45,527
	Mesa Unified School District	3	56,341	125,617
	Phoenix Indian Center	1	20,712	49,130
	Tempe Elementary School District	1	50,000	50,000
Navajo	Pinon Unified School District	1	83,676	137,752
Pima	Pima County Adult Education	3	137,531	149,982
	Tucson Unified School District	5	80,000	250,000
Yavapai	Chino Elementary School District	1	6,942	32,732
Yuma	Crane Elementary School District	2	42,800	85,528
	Somerton School District	<u>1</u>	<u>30,000</u>	<u>70,000</u>
	Total	<u>25</u>	<u>\$811,942</u>	<u>\$1,389,586</u>

<sup>a</sup> Fiscal year 1994-95 amounts represent state monies distributed to pilot program contractors for the last three months of the fiscal year. Amounts vary substantially because some contracted programs did not include service delivery costs in first-year estimates, and other contracted programs included monies from local and federal sources. Amounts shown above do not include local and federal funding.

<sup>b</sup> Fiscal year 1995-96 amounts represent approved contract amounts.

Source: Office of the Auditor General staff analysis of fiscal years' 1994-95 and 1995-96 model program budgets obtained from ADE's Adult Education Division.

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Table 3

**Arizona Model Program and  
Training Resource Contractors**

<u>Model Program Contractors</u>	<u>No. of Sites Assigned</u>	<u>Regional Coverage</u>	<u>Fiscal Year 1995 Budget</u>	<u>Fiscal Year 1996 Budget</u>
Mesa Unified School District	12	Maricopa County and Northern Arizona	\$ 52,045	\$ 69,686
Pima County Adult Education	<u>13</u>	Pima County and Southern Arizona	<u>69,915</u>	<u>69,955</u>
Total	<u>25</u>		<u>\$121,960</u>	<u>\$139,641</u>

Source: Office of the Auditor General staff analysis of fiscal years' 1994-95 and 1995-96 model program budgets obtained from ADE's Adult Education Division.

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**Evaluation Scope,  
Responsibilities, and Methods**

The Family Stability Act requires the Office of the Auditor General to perform three annual evaluations on the Family Literacy Pilot Program. The legislation mandates annual program evaluations examining program effectiveness, level and scope of services included within the programs, the type and level of criteria used to establish participant eligibility, and the number and demographic characteristics of participants. The Office of the Auditor General is required to submit annual reports to the Speaker of the House of Representatives, the President of the Senate, the Governor, and the Joint Committee on Children and Families, on or before December 31, in the years 1995, 1996, and 1997.

This first-year report includes:

- A discussion of the family literacy sites' strong potential for success
- An analysis of budgeting errors that resulted in a funding shortage for second-year program budgets

- Suggestions for improving ADE's program monitoring function
- Responses to evaluation questions posed in Session Laws 1994, 9th Special Session, Chapter 1, Section 9.

Methods used in this evaluation include ongoing interviews with family literacy administrators and program staff, consultation with national family literacy experts, and document and file reviews of program budgets and records. We also reviewed existing literature on family literacy programs and evaluations, observed two family literacy sites, and observed and participated in three family literacy trainings.

The Auditor General and staff express appreciation to the Superintendent of Public Instruction, Adult Education Division Director, Family Literacy Coordinator, and staff of the Arizona Department of Education's Adult Education Division, as well as the Family Literacy Pilot Program staff for their cooperation and assistance during the first year of the Family Literacy Pilot Program evaluation.

# FINDING I

## ARIZONA FAMILY LITERACY SITES FOLLOW NATIONALLY RECOMMENDED STANDARDS

Arizona's Family Literacy sites show strong potential for success in achieving overall program goals and objectives. First, programs follow nationally recommended standards for service delivery models. Each integrates the core program components required for comprehensive, quality family literacy programming. Second, sites use unique service delivery approaches to meet the needs of the State's diverse population. Third, sites practice extensive participant recruitment efforts to increase program retention. Finally, staff possess the training needed to implement successful family literacy programs.

### Programs Follow National Family Literacy Models

Arizona sites use service delivery models that integrate program components deemed essential by the National Center for Family Literacy (NCFL). NCFL is a private nonprofit corporation that is the primary source of advocacy, training, information, and research for the family literacy movement. Arizona's family literacy legislation instructed programs to either 1) use a nationally recognized family literacy model, such as models developed by the NCFL; or 2) use a model that, in the determination of the project team and the State Board of Education, is superior to a nationally recognized family literacy model. While site employees altered models to meet their administrative and targeted populations' needs, models met basic NCFL standards.

*Models include core components* – Family literacy, as defined by the NCFL, is an intergenerational education program for parents and children that integrates four essential components. These components serve as the basis for quality family literacy models. Arizona sites include and integrate the four core components.

- **Adult literacy instruction** includes either adult basic education (ABE) and general education development (GED), or English for Speakers of Other Languages (ESOL) instruction. Based on their individual needs, eligible parents receive *either* the ABE/GED or the ESOL component.
- **Early childhood instruction** uses a developmentally appropriate curriculum to foster early literacy skills. Teachers focus on developing the cognitive, physical, social, and emotional skills critical to future academic success. Adult and child education components

occur simultaneously, allowing both parents and children adequate time to progress toward each component's goals.

- **Parent and child interaction time (PACT time)** allows parents and their children to work and play together as a functional family unit. Child-initiated activities allow parents to learn, teach, and communicate with their children, using positive parenting skills that are transferrable to the home.
- **Parent education discussion and support groups** facilitate parent discussions about issues or problems surrounding parenting. Participants learn from the experiences of their peers, receive encouragement from the group, and practice collective problem solving.

### **Service Delivery Adapted to Fit Needs of Arizona's Diverse Population**

While Arizona sites follow national family literacy models, they have also adapted service delivery to meet the special needs of each site's targeted population. The family literacy legislation included few specific program design requirements, allowing Arizona's pilot programs to design their own service delivery approaches for their sites and populations. Sites used this opportunity to improve program success by increasing access to services, incorporating cultural norms into services, finding ways to alleviate barriers that keep families from participating, and using collaboration to develop community support for the programs. Because program designs vary, evaluators will eventually be able to examine the relationship between program design and outcomes to test each design's effectiveness and determine the best service delivery methods.

To provide site-appropriate family literacy instruction, sites considered the needs of their targeted populations when developing service delivery designs. The following illustrates various service delivery approaches implemented at several sites.

- **Program Component Integration** – The Mesa Family Tree Project uses a center-based model to bring parents and children to the school together. This approach allows adults and children to receive instruction in adjoining classrooms, facilitating the children's adjustment to a school setting. The center-based model incorporates PACT time into each day's schedule, allowing parents and children to conveniently interact, usually in the children's classroom. The parent and child components finish at the same time, allowing the family to leave together. Mesa also uses regular home visits to supplement classroom instruction and to assess parenting progress.
- **Alternative Scheduling** – The Crane Elementary School District's program in Yuma diverges from the center-based model and adjusts program component times to meet scheduling difficulties of populations living on the U.S.-Mexico border. To incorporate parent support and PACT time components, the program requires parents to attend

regular workshops in either the mornings or the afternoons, and to spend at least two mornings a month working in the children's classroom. This differs from a more traditional center-based approach, where parents and children attend classes offered at the same time each day. Although this deviates from normal service delivery methods, the National Center for Family Literacy states that providing each of the four core components is more important than the times at which they are offered.

- **Cultural Responsiveness** – The Red Mesa Unified School District's program, located in the heart of the Navajo Reservation, incorporates traditional Navajo beliefs and traditions into programming to best serve the unique needs of Native American families. For example, teachers focus on the importance of oral language as the root of written language and implement learning experiences that extend the child's and parent's understanding of the Navajo community's rich cultural heritage and related activities.
- **Collaboration** – The Literacy Volunteers of Maricopa County, Inc. collaborates with Southwest Human Development, Phoenix Union Adult Basic Education, and Madison Elementary School District to provide family literacy services in central Phoenix. This unique collaborative team combines nonprofit community-based providers with local school districts. The collaborators use the expertise available from each involved member to create a strong and diverse family literacy team.

### **Diverse Strategies for Participant Recruitment Used to Increase Retention**

Family literacy sites incorporate recruitment strategies into their service delivery designs to enroll families exhibiting both need and dedication to the program. According to the NCFL, these strategies should increase participant retention and improve chances for program success. Most families receive the program's maximum benefit through continuous and intensive family literacy services.

Family literacy program staff use a variety of recruitment methods to contact members of their targeted and often hard-to-reach populations. Many eligible participants have very little contact with anyone outside their immediate family or neighborhood, and others have limited English skills that isolate them within their communities. To reach these potential participants, staff use several approaches that include the media (e.g. flyers, newsletters, newspaper announcements), community and school-based outreach (sending notes home with school children), and community liaisons to alert potential participants of the program's existence. Staff then receive either verbal or written information from families interested in the program. For example, potential participants in one program fill out applications that include a description of family members, educational achievement, income level, and receipt of other existing services and support (e.g. Aid to Families with Dependent Children [AFDC] and Arizona Health Care Cost Containment System [AHCCCS]). Other participants express interest through informal discussions with family literacy staff.

Program staff explain and discuss services with potential participants before enrolling them. One program rates all families based on their responses to application items, and then conducts home visits to obtain more information from the family and to discuss the program in detail. Another program brings potential participants to the family literacy site to explain the program in its actual setting. These strategies are consistent with NCFL indicators of effective intake and orientation procedures. Family literacy programs also obtain written informed consent from participants at the time of enrollment.

Research indicates time spent educating potential participants about the program before enrollment pays off with higher program retention. Attrition rates are lower in family literacy programs concerned with recruitment and retention than in other adult education activities, where there is often a 70 percent attrition rate. Participants entering programs with accurate expectations about services offered and the possible outcomes may be more likely to stay throughout the year.

### **Staff Received Statewide Family Literacy Training**

Arizona's pilot program site staff started their first year of service delivery trained in the mechanics of successful family literacy service implementation. Staff received this knowledge through two statewide trainings designed to prepare pilot sites for effective family literacy service delivery. Training sessions taught staff members proper implementation methods and staff teamwork concepts. Self-assessments collected from participants at the beginning and end of the training indicate participants increased their knowledge of all family literacy core program components. Establishing sound family literacy principles prior to service delivery should enable sites to implement their programs both consistently and effectively.

- **Statewide Pilot Program Coordinator Training** – The coordinator training in April 1995 introduced the pilot program coordinators to the model program staff, and familiarized coordinators with program requirements, funding, reports, and continuation grants. Program coordinators are responsible for hiring staff, managing program budgets, and overseeing classroom activities at each site. Approximately 30 program coordinators and administrators attended the training. Because 10 of the 15 contractors were new to the family literacy concept, trainers informed participants of start-up issues and potential problems, as well as the details of family literacy grant administration. The training allowed coordinators to return to their sites with a better understanding of how to proceed with staff recruitment and hiring, how to meet the site's physical needs, and how to obtain the necessary coordination and collaboration agreements with school districts and community providers.
- **Statewide Pilot Program Staff Training** – A five-day staff training familiarized participants with family literacy program implementation, focusing on the integration of the four core components. Because most staff had prior teaching experience with either adults or children, the training stressed the required interaction between parent and child.

Twenty-seven instructors, including model and training program staff, adult education and early childhood teachers, former family literacy program participants, program coordinators, and school district representatives, spoke at the conference. At least 100 family literacy staff attended the training.

## RECOMMENDATION

This chapter provides information only; therefore, no recommendations are presented.

## FINDING II

### BUDGETING ERRORS CREATE FUNDING SHORTAGE FOR SECOND-YEAR SERVICES

The fiscal year 1995-96 family literacy program budgets approved by the ADE exceed available second-year funding. The funding shortage will impact family literacy programs and their participants, since it will either reduce or eliminate services at some sites. The ADE's failure to analyze both first- and second-year budget proposals prior to awarding grants resulted in the approval of program grants that exceeded the available appropriation.

#### **ADE Approved Grants in Excess of Available Funding**

ADE cannot fund family literacy sites at their approved second-year levels. ADE awarded more funds than were available. In addition, ADE failed to inform contractors in a timely fashion of the second-year budget constraints. The budget shortfalls may negatively affect both the programs and their participants.

*ADE awarded grants in excess of funding* — In both fiscal years 1994-95 and 1995-96, ADE awarded more funds to programs than were available. In fiscal year 1994-95 the appropriation was \$975,000 and the grant awards totaled \$982,652. However, due to the limited time the program was operational in fiscal year 1994-95, few programs expended their total funds in this year. As a result, instead of a shortage there was actually \$425,653 in carryover funds remaining at the end of the year that reverted to ADE and were available for use in the second year.

In fiscal year 1995-96, ADE again awarded more funds than were available. The fiscal year 1995-96 appropriation was \$1,000,600 and the addition of the carryover funds from fiscal year 1994-95 raised this total to \$1,426,253. However, ADE awarded grants for the second year totaling \$1,529,227. Thus, even with the carryover funds ADE remains \$102,974 short of fully funding the grants it has awarded.

*ADE late in informing programs about funding shortage* — As of December 1, 1995, ADE had not yet informed site administrators of the funding shortage. Administrators at family literacy sites expected that the first-year carryover would be used to augment second-year budgets. Contrary to program administrators' expectations, ADE plans to reallocate the carryover to meet already approved budgets, rather than to increase program funding. As a result, programs will need to adjust their expectations and manage the impact of the funding shortage when they are already in the second half of their instructional year.

ADE should have informed program staff of the funding shortage in July 1995 when the shortfall was discovered. Site employees could have used the extra time to plan for the impact, or to obtain additional resources to cover their unmet needs. While program staff were informed on at least four different occasions that payments on their budget requests would be based on fund availability, they were not informed of the funding shortage. Instead, ADE vaguely informed program administrators that carryover funds would assist the Agency in determining their total grant awards.

*Shortage impacts programs and participants* – ADE's funding shortage will impact family literacy programs and their participants because it will lead to service reductions, or service elimination at some family literacy sites. At the time this report was written, program administrators had not decided how to manage the funding shortage. They had, however, suggested two possibilities: 1) proportional reductions in each family literacy budget; or 2) elimination of at least one family literacy site. Either option will affect the programs' abilities to provide services. For instance, budget reductions across sites may force some programs to end services a month earlier than intended. In addition, a site elimination would force a program to stop services after families had already started receiving instruction.

### **Budgeting Errors Caused Funding Shortage in Fiscal Year 1995-96**

Budgeting errors during the contracting process led to the second-year funding shortage. ADE administrators working with the Department of Administration's (DOA) State Procurement Office (SPO) approved program grants without taking time to consider whether enough second-year funding existed for all 25 sites. Although contractors submitted budget proposals for fiscal years 1994-95 and 1995-96 at the same time, ADE and DOA approved program grants without considering or even adding second-year budgets.

*ADE and DOA share responsibility for budgeting errors* – While ADE family literacy administrators committed budgeting errors, the DOA's SPO also shares some responsibility for the mistakes. At the time family literacy funds became available, the SPO managed ADE's procurement and contracting role. This role changed slightly during the family literacy Request for Proposal (RFP) process because ADE needed to complete family literacy contracts on a limited time line. DOA thus allowed ADE to perform various procurement tasks under the SPO's authority. The two agencies shared procurement responsibilities, and both ADE and DOA administrators signed final pilot program contracts.

*Funding decisions ignored fiscal year 1995-96 budgets* – Because DOA and ADE focused their attention on the prompt distribution of fiscal year 1994-95 funds, they overlooked the second year overallocation. During the RFP and contracting stages, the two agencies wanted to quickly move the programs through the contracting process to allow them to start providing services. Attempts to expedite the process so programs could begin services may, however, have contributed to funding errors. Because the appropriation did not become

effective until September 17, 1994, the RFP process lasted through the first few months of 1995, leaving only three months in fiscal year 1994-95 for actual service delivery. While the ADE and DOA selected proposals according to specific eligibility criteria (see the Appendix), they failed to take the time to properly examine budget figures prior to contract awards. Instead, DOA and ADE decided to sign contracts first, and to amend contracts later if budget adjustments were necessary.

ADE and DOA used the first-year budgets to project the funding needed for the second year. However, the fiscal year 1994-95 budgets did not provide an accurate basis for projecting the funds needed for the second year of delivering family literacy services. First-year budgets included costs for only three months, and many programs excluded service delivery costs during this short time frame. Funding needed for the second year, however, required increases for full-year instruction, instructional support, administration, and operations. Proposed program budgets for fiscal year 1995-96 were an average of \$23,106 higher than fiscal year 1994-95 budgets. The overallocation thus occurred because fiscal year 1995-96 budgets were approved based on substantially lower first-year budget figures.

*Funding decisions not based on total program budgets* – ADE and DOA also did not possess the necessary budget information to make funding decisions. ADE did not require contractors to report any additional funding (local, state, or federal) for their programs on their budget requests. Instead, the Agency required programs to submit budgets that included only state family literacy funding. As a result, ADE was unable to determine what portion of the program state funds would support, or if budget requests were even reasonable.

When selecting family literacy sites for funding, ADE should base budget decisions on criteria that directly indicate funding needs. Most importantly, ADE should require the program to submit a budget proposal detailing all sources of funding, including local, state, and federal. This information is essential to determining whether the program has appropriate funding. For example, a site that receives support through a partnership with a local Head Start program will require additional monies only for the program's adult and parenting components. Other criteria to consider include the program's need for capital outlay expenditures, and prior experience with family literacy programming. New programs will need to increase their budgets to account for start-up costs such as hiring, training, the preparation of program facilities, and program development.

## RECOMMENDATIONS

1. ADE should examine and adjust budgets prior to approving contracts.
2. ADE should base program budgeting decisions on criteria directly related to funding needs. Specifically, program administrators should base decisions on the program's total budget, including state, federal, and local funds. Additional criteria to consider include the program's need for capital outlay expenditures, and prior experience with family literacy programming.

## FINDING III

### ADE SHOULD EXPAND AND ENHANCE PROGRAM MONITORING

ADE's Adult Education Division should expand and enhance pilot program monitoring to guarantee delivery of quality family literacy services. Pilot programs require significant monitoring to ensure that program design and service delivery contain legislated and other quality components. The Adult Education Division's limited resources and expertise jeopardize its ability to provide comprehensive program oversight. Family literacy administrators should collaborate with model programs and other ADE divisions to strengthen the Division's oversight role.

#### Monitoring Important During First Year of Pilot Program Implementation

Because 10 of the 15 contractors have not previously implemented a family literacy program, significant monitoring is needed during the first implementation year to ensure programs provide quality family literacy services. A program's first year is often difficult and demanding as staff learn new techniques. Teachers have the complex task of integrating the education, parent, and parent-child interaction components to ensure hoped-for results occur not only in the classroom, but also in the home. These issues make monitoring and assistance particularly critical during the pilot program's first year of providing services. Such monitoring includes frequent phone and on-site contact, classroom observation, budget and expenditure reviews, checks for compliance with legislated program requirements, and program record and documentation reviews.

Lack of monitoring during the first year of providing services could result in poor quality services that undermine the program's intent. Family literacy claims success from the synergistic interaction between program components. A site's failure to properly implement the program could disrupt this interaction, thereby threatening its overall success. While adults and children would likely still advance their literacy skills, unsuccessful component integration would most significantly affect parenting and parent and child interaction outcomes. Without these outcomes, family literacy fails to differ from individual adult education or early childhood programs.

Skillful program monitoring allows state-level administrators to identify characteristics that signal quality in programs, as well as those that indicate possible problems. Even Start coordinators in many states implement quality program monitoring plans that include several layers of review and monitors with different areas of expertise. North Carolina's Even Start

administrators have a four-year monitoring plan that involves a monitoring team consisting of the Even Start state coordinator, adult education specialists, early childhood specialists, a compensatory education consultant, and state agency representatives from the adult education and early childhood divisions. The State's plan requires site visits for each of the four implementation years, with the visiting team and activities dependent on the needs of the State and program at that time. For example, first-year monitoring includes assistance and guidance in program setup and implementation, second-year monitoring includes program component reviews, and during the third year state personnel assess compliance and program quality. This approach ensures that adequate personnel visit family literacy sites, and that the team completes appropriate preplanned monitoring tasks.

### **Limited Staff Resources and Expertise Jeopardize ADE'S Ability to Monitor Programs**

The Adult Education Division's limited resources and expertise jeopardize its ability to perform adequate monitoring tasks. Family literacy funds support only one Adult Education staff member, the Family Literacy Coordinator. This individual maintains responsibilities in addition to family literacy that prevent her from dedicating the necessary resources to program monitoring. For example, the Coordinator also monitors the Adult Education budget, oversees staff requests for equipment, provides computer training as needed, and manages all Adult Education data. Because she must maintain these additional responsibilities, only about 60 percent of her time is dedicated to family literacy tasks. The limited staffing problem could be somewhat alleviated by more dependence on support staff for basic data entry and clerical activities.

Adult Education staff, while qualified to oversee the family literacy adult education component, do not possess adequate expertise to monitor the early childhood and parenting components of family literacy programs.<sup>1</sup> The Division's staff do not have prior early childhood training or experience with family literacy program oversight. As North Carolina's program demonstrates, visiting teams should display several different areas of expertise. At a minimum, Arizona's monitoring team should include the Family Literacy Coordinator and experts in adult and early childhood education.

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<sup>1</sup> Although family literacy funds support only 1 FTE, the Adult Education Director and other support staff also commit time to the program.

## Family Literacy Administrators Should Collaborate with Model Programs and Other ADE Divisions

Family literacy administrators should collaborate with the two model and training programs and other ADE divisions to expand and enhance their program monitoring role.<sup>1</sup> They can accomplish this in two ways: 1) develop a formal monitoring partnership with model and training programs; and 2) coordinate site visits with other ADE and training program staff qualified in family literacy program component monitoring.

ADE is the only entity formally responsible for program monitoring. While model and training programs conduct site visits to each program, they do not hold official monitoring responsibilities. Model programs are not formally responsible for reporting specific pilot program progress or activities to family literacy administrators, nor are they responsible for fiscal or statutory compliance monitoring.

*Develop a formal monitoring partnership* – Although contractors do not hold formal quality assurance responsibilities, ADE can collaborate with model programs to obtain information useful for monitoring purposes. For example, model program staff can check sites for quality indicators on recruitment practices, the integration of the core family literacy components, staff development, and collaboration with local social service organizations. This information has dual benefits. Model staff can use it to identify ways to improve program service delivery, and ADE staff can use it to monitor program quality and progress. Also, to ensure models do not have a conflict of interest, each model could monitor the other's pilot sites. ADE and model staff should clarify monitoring roles by formalizing an agreement, and subsequently inform pilot programs of the terms of their relationship.

Family literacy administrators and model and training program staff agree that they should collaborate to adequately fulfill the monitoring role. One model program staff member offered assistance in developing a formal monitoring tool for use on site visits. This tool could be used in various forms by either ADE staff or model staff. While model program employees will not assume fiscal monitoring responsibilities, they can assist with instructional or classroom monitoring.

*Coordinate site visits* – Adult education staff should coordinate site visit activities with other ADE staff to ensure adequate expertise exists for program oversight. Agency personnel experienced at providing family literacy oversight and conducting site visits to statewide early childhood programs can provide valuable training and may participate in actual monitoring. For example, Arizona's Even Start Coordinator has been monitoring Even Start family literacy sites for several years, and can provide valuable assistance to Adult Education staff. In addition, ADE's early childhood staff visit preschool sites across the State. When at-risk and family literacy sites overlap, ADE's early childhood staff can assist with monitoring family literacy's early childhood component.

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<sup>1</sup> As previously discussed, Mesa Unified School District #4 and Pima Adult Education are the two model program contractors.

Adult Education staff currently support and participate in agency-level collaboration with ADE's Early Childhood Division. Family literacy administrators regularly involve the Even Start Coordinator in statewide family literacy planning and activities, and meet regularly with administrators of the At-Risk Preschool Program. At the time of the evaluation, Adult Education had plans to extend this relationship to cover program monitoring. Staff should take timely steps to implement this plan.

## **RECOMMENDATIONS**

1. ADE's Adult Education Division should enhance the program monitoring process. Family literacy administrators should collaborate with model programs and other ADE divisions to develop an effective monitoring plan. Model program responsibilities should be formally defined and communicated to sites. Family literacy administrators should ensure the monitoring team includes the Family Literacy Coordinator and experts in adult and early childhood education.
2. ADE's Adult Education Division should collaborate with model and training programs and determine their capacity to assist with the program monitoring process. Models should explore ways to transfer useful information to family literacy administrators and then formalize this relationship.

# STATUTORY ANNUAL EVALUATION COMPONENTS

Session Laws 1994, 9th Special Session, Chapter 1, Section 9 requires the Office of the Auditor General to include nine factors in the annual evaluations of the Family Literacy Pilot Program.

## 1. Information on the number and characteristics of the program participants.

- **Sites reporting participant data** – This report contains participant data for families enrolled in 13 family literacy sites. While the remaining 12 sites serve families, they did not report participant data in time for inclusion in this report. Table 4 lists contractors who submitted participant information, as well as those who did not.

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**Table 4**

### Family Literacy Contractors

#### Contractors Reporting Participant Data

Crane Elementary School District (2 sites)  
Isaac School District  
Literacy Volunteers of Maricopa County  
Mesa Unified School District (3 sites)  
Phoenix Indian Center  
Pima County Adult Education (3 sites)  
Pinon Unified School District  
Tempe Elementary School District

#### Contractors Not Reporting

Chino Valley Unified School District  
Cochise College  
Council for Family Concern  
Flagstaff Unified School District (2 sites)  
Tucson Unified School District (5 sites)  
Red Mesa Unified School District  
Somerton School District

Source: Office of the Auditor General staff analysis of participant data reported to ADE's Adult Education Division.

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The participant information that follows is presented in aggregate form on the 13 sites listed in the first column of Table 4.

- **Number of enrolled participants** — By the middle of November 1995, the 13 reporting sites enrolled 164 families. Family literacy programs target between 10 and 15 families per site; therefore, when fully providing services we estimate the number of families for all 25 sites will fall between 250 and 375.

Adult participants are divided almost evenly between ESOL and GED classes, with 52 percent in ESOL and 48 percent in GED classrooms.

- **Family Ethnicity** — Figure 1 (see page 25) shows that the majority of families enrolled are Hispanic (83 percent).<sup>1</sup> Additionally, about 10 percent of families are Native American, 5 percent are White non-Hispanics, and African-American and Asian/Pacific Islanders each represent 1 percent of families.
- **Program Parents** — Almost all family literacy adult participants are mothers, although the program does involve the fathers in several activities throughout the year. Half of program parents are between 26 and 35 years old, and of the sites reporting, there is only one teenage parent.
- **Program Children** — Family literacy sites serve 172 three- and four-year old children. Only 7 of the 164 families have more than one child in the program. Of the children served, 49 percent are female and 51 percent are male. Almost three-fourths of all family literacy children are four-year-olds (73 percent).
- **Family Status** — Program participants are members of families that are mostly poor and undereducated. Almost three-fourths of families have less than \$10,000 annual income, and about four out of every five adult participants have less than a high school education. English language literacy is also low. Less than 20 percent of families listed English as the primary language spoken at home.

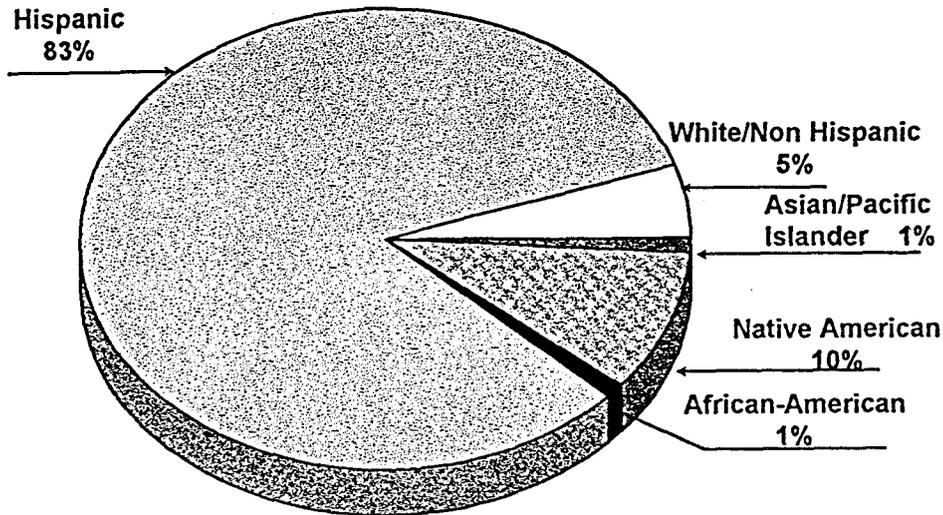
A low percentage of actual adult program participants are employed. The majority of the participants' spouses (mostly males) are employed and provide the primary source of income for the family. Many families also receive some form of government assistance; however, most subsist primarily on one adult's income.

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<sup>1</sup> This distribution should change slightly with the addition of data from the 12 non-reporting sites. Two of the three contractors serving Native Americans did not submit participant data by November 10, 1995, in time for inclusion in this report.

Figure 1

**Family Literacy Participant Ethnicity<sup>a</sup>**  
**April 1, 1995 through November 10, 1995**



<sup>a</sup> Figure reports ethnicity data for only the 13 sites that reported participant data as of November 10, 1995.

Source: Office of the Auditor General staff analysis of participant data submitted by program contractors.

A high proportion of family literacy families contain two parents with more than one child. Only about one-fifth of adults reported they were single parents. Sites thus appear to serve families that are structurally intact, but need the skills and the education necessary to escape the effects of poverty and undereducation.

Table 5 (see page 26) presents statistics on the characteristics of family literacy families.

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**Table 5**

**Characteristics of Family  
Literacy Families**

<b><u>Family Variables</u></b>	<b><u>Arizona Family Literacy Families</u></b>
<b>Income</b>	
Annual household income	73% have an annual income of less than \$10,000
Primary source of income	60% report wages as their primary source of income
<b>Education</b>	
Highest grade achieved	83% have less than a high school education
<b>Language</b>	
Primary language spoken in the home	72% primarily speak Spanish in their home
<b>Employment</b>	
Program Parent Employment	11% of program parents are employed
Spousal Employment	65% of spouses are employed
<b>Family Structure</b>	
Family Description	72% describe their families as a couple with children
Number of adults in household	73% of households contain two adults
Number of children in household	50% have three or more children in their household

Source: Office of the Auditor General staff analysis of family literacy participant data submitted by November 10, 1995.

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**2. Information on contractors and program service providers.**

- **Fifteen Pilot Program Contractors** – The State Board of Education approved family literacy project funds for 15 contractors serving 25 sites in Arizona. Contractors include ten school districts, three community-based organizations, one college, and one adult education provider. See Table 2 on page 6 for a description of each pilot program contractor, their location, the number of sites administered by each contractor, and their fiscal years' 1994-95 and 1995-96 state-supported budgets.
- **Two Model and Training Resource Contractors** – Two entities, Mesa Unified School District and Pima County Adult Education, applied for and received model and training program funding for fiscal years 1994-95 and 1995-96. The family literacy

legislation authorized funding for two existing family literacy programs to offer training and serve as models and training resources for the establishment and expansion of pilot programs throughout the State. The Mesa program serves 12 sites in Arizona's northern region (including Maricopa County), and Pima County Adult Education serves the 13 southern Arizona sites.

*Mesa Unified School District Family Tree Project* – The Mesa Unified School District Family Tree Project has over four years of family literacy experience and operates programs at eight Mesa elementary schools. The program's training model includes periodic state and regional training sessions, hosting visitors from pilot program sites, written and verbal technical assistance, and site visits.

*Pima County Adult Education* – Pima County Adult Education started its family literacy project in the Tucson community over four years ago, and now operates five elementary school-based sites. Pima County uses a team approach to training, using four family literacy teachers who share teaching and training responsibilities. Training and technical assistance includes six areas of support: training workshops and seminars, pilot site visits, model program and classroom observations, regionalization and statewide planning, monthly family literacy focus mailings, and technical assistance.

### **3. Information on program revenues and expenditures.**

Appropriations for the Family Literacy Pilot Program totaled \$975,000 in fiscal year 1994 - 95 and \$1,000,600 in fiscal year 1995-96. Family literacy funds are nonreverting, allowing the ADE to carry over unspent funds. Although the original appropriation was reverting, the Legislature approved ADE's request for non-reversion in March 1995, allowing programs additional time, if needed, to spend implementation dollars. See pages 3 through 5 for a description of fiscal years' 1994-95 and 1995-96 expenditures.

### **4. Information on the number and characteristics of enrollment and disenrollment.**

The family literacy legislation requires that each site enroll no fewer than 10 and no more than 15 families. Several sites have not yet enrolled the minimum 10 families. While these sites plan to serve at least 10 families, they have not been operating long enough to enroll enough participants. Several family literacy sites have enrolled more than the maximum number of allowable families. Interviews with 10 contractors reveal that at least 4 sites serve more than 15 families. Two of the 4 sites serve 18 families, 1 site serves 17, and 1 serves 19. Sites serving less than 10 or more than 15 families are not in compliance with the legislation.

Criteria obtained from early childhood program guidelines and interviews with program staff reveal that programs can serve more than 15 families without negatively impacting either adults or children. The National Association for the Education of Young Children (NAEYC) and Arizona's Early Childhood Advisory Council state that the appropriate

child-teacher ratio for four-year-olds is 10 to 1, or approximately 20 children per classroom with a teacher and an aide. The ratio decreases slightly for three-year-olds, but ranges between 14 and 20 children per classroom. Family literacy programs with a mix of three- and four-year-olds can thus serve between 15 and 20 children per classroom without violating developmentally appropriate practices. No universally accepted guidelines exist for the appropriate number of adults per classroom. Arizona's adult education statistics show, however, that most classrooms contain more than 20 adults.

The Legislature should consider increasing the range for family enrollment from 10 to 15 families to 10 to 20 families. Programs can serve up to 20 families at almost the same cost it takes to serve between 10 and 15 families. The range increase will thus allow programs to serve more families at a decreased cost per family.

#### **5. Information on the average cost for each participant in the program.**

Family literacy is based on the premise that a program incorporating adult, child, and parent education is more effective than independent adult or early childhood components. Research shows adults and children in family literacy programs produce higher literacy and developmental gains than those in programs focusing only on either adults or children. Because quality family literacy programs provide several concurrent services to families, programs require higher levels of funding than those serving only adults, children, or parents.

- **Cost per family** – In fiscal year 1995-96, we estimate Arizona family literacy programs will spend \$6,527 per family for family literacy services.

Office of the Auditor General staff calculated the cost per family estimate using all sources of funds dedicated to family literacy services (including local, state, and federal sources), and the total number of enrolled participants in each program.<sup>1</sup> In addition to state funds, almost all sites receive additional contractor, federal, or private funds for family literacy programs (e.g., school district contributions, Head Start, and Arizona At-Risk Preschool). These additional funds can either partially support overall costs, or support individual program components.

Any contribution by the contractor and other non-state funding decreases the amount the State needs to contribute to family literacy programs. Partnerships and multiple funding streams allow the State to fund more sites than would be possible without a sharing of resources.

- **Costs vary substantially across programs** – Cost-per-family estimates vary substantially across sites. Much of the variation can be explained by differences in

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<sup>1</sup> Office of the Auditor General staff collected budgets from each contractor that detailed program funds and funding sources for each pilot program site.

the amount of contractor and other funding contributed to each site. For example, Isaac School District in Phoenix provides services at a cost of \$7,127 per family. In addition to \$99,997 in state funding, the District provides an additional \$61,401 to the program. The site also receives \$52,411 from other sources, committing a total of \$213,809 to the program. A portion of the site's non-family literacy funding represents Head Start funds for the early childhood component.

Geographic considerations also affect costs per family. The three programs serving Native American populations in northern Arizona have high per-family costs. For example, Flagstaff Unified School District provides services to Leupp School at a cost of \$8,221 per family, Red Mesa Unified School District at a cost of \$9,229 per family, and Pinon Unified School District at a cost of \$12,043 per family. Each of these sites has new family literacy programs in areas with few resources. As a result, the programs needed to expend a large portion of funding for operational and administrative costs. Also, in at least two cases, workers must travel large distances to conduct home visits on the Navajo reservation.

- **Combined component cost comparisons** – Although family literacy program costs are high, proponents argue that investment in integrated family literacy service delivery may have a higher impact on intergenerational undereducation and poverty than an investment in individual components. Family literacy recognizes the important link between the parent and child, and the need to effect change in each family member. While individual components work to increase adult literacy and parenting skills, and to improve children's developmental progress, they do not independently result in the same intergenerational effects that come from comprehensive family literacy services. Therefore, higher family literacy costs can pay off through cost savings for future generations.

The National Center for Family Literacy recommends comparing family literacy costs to the combined costs of an early childhood program, an adult education program, and a parent education program. However, reliable cost estimates for such a combined cost comparison are not available.

- **Even Start cost comparisons** – Cost comparisons with comparable Arizona Even Start programs show state-funded sites provide family literacy services at a lower rate than the federally funded Even Start family literacy sites. Arizona Family Literacy and Even Start both deliver family literacy services to parents and their children. Their only major differences include funding sources and the eligibility age for children. Even Start are federally funded programs that provide family literacy services to families with children ages 0 to 7, while Arizona family literacy programs receive state funding and serve only three- and four-year-olds. Arizona began distributing Even Start funds in 1988 and currently has eight Even Start sites.

Two Even Start sites that closely resemble family literacy sites serve each family at an annual cost of \$8,012 and \$10,390, respectively. Like family literacy programs, these two sites adhere to National Center for Family Literacy (NCFL) models. Thus,

compared to Even Start sites that deliver similar services, Arizona family literacy sites have lower overall costs per family.

**6. Information concerning progress of program participants in achieving goals and objectives.**

This report does not address the progress of participants in achieving program goals and objectives. Information demonstrating progress toward increased literacy, better parenting, and developmental progress for preschool children will be available in 1996, after programs deliver services for one full program year.

**7. Recommendations regarding program administration.**

A. ADE should improve the family literacy budgeting process. Specifically, they should:

1. Examine and adjust budgets prior to approving contracts.
2. Base program budgeting decisions on criteria directly related to funding needs. Specifically, base decisions on the program's total budget, including state, federal, and local funds. Additional criteria to consider include the program's need for capital outlay expenditures, and prior experience with family literacy programming.
3. Reexamine the level of state funding required to support family literacy programs. Specifically, the Agency should consider the ability of programs to dedicate additional local, state, and federal funds to the support of services.

B. Adult Education Division should collaborate with the model and training programs and determine their capacity to assist with the program monitoring process. Models should explore ways to transfer useful information to Adult Education and then formalize this relationship.

**8. Recommendations regarding informational materials distributed through the programs.**

The model programs have provided pilot programs with training and material that will be useful in the program implementation.

Model programs disseminated family literacy manuals developed by the National Center for Family Literacy (NCFL) to all pilot program staff. The manuals familiarized staff with family literacy components and provided a comprehensive guide for pilot program service delivery. NCFL manuals included extensive information on topics such as recruitment and retention, adult education, early childhood education, parenting discussion groups, parent and child interaction time, and assessment and program evaluation.

Staff also received information and materials specifically relating to each of the four program components. For example, adult education materials included GED study books, pre-GED books, and reading books at various proficiency levels. Early childhood materials included children's books and developmentally appropriate toys. In addition, staff received materials through vendor fairs involving numerous adult and early childhood education vendors, nutrition classes offered by the University of Arizona, early childhood training from a nationally recognized organization, and educational computer software.

**9. Recommendations pertaining to program expansion.**

This report cannot address recommendations pertaining to program expansion until outcome data is available.

# APPENDIX

## FAMILY LITERACY PROPOSAL EVALUATION AND SELECTION PROCESS

The pilot program proposal evaluation and selection process resulted in contract awards for 15 of the 16 submitted proposals. Proposals meeting legislated eligibility requirements were evaluated by a three-member evaluation committee using criteria developed by the legislation and the State Board of Education. Selection decisions were based on evaluation ratings, as well as the evaluation committee and the Department of Administration (DOA) State Procurement Office's (SPO) recommendations.

- **Eligibility Criteria** – Local education agencies and adult education programs (including school districts, community college districts, correctional facilities, community-based organizations, institutions serving educationally disadvantaged adults, or any other institution receiving public funds to provide adult education services) in areas demonstrating a high incidence of economic and educational disadvantage were eligible for pilot program funding. The State Board of Education interpreted these criteria as:

*Economic disadvantage* – Public school attendance areas where the percentage of residents living in poverty exceeds the state average of 15.7 percent.

*Educational disadvantage* – Public school attendance areas where the percentage of residents 25 years and older who have not graduated from high school exceeds the state average of 21.3 percent.

- **Evaluation Criteria** – Family literacy legislation states that at a minimum, selection criteria for grant awards must include: 1) the adult population's educational needs; 2) the incidence of unemployment in the county, district, or local targeted school service area; 3) the degree to which community collaboration and partnership demonstrate the ability to bring additional resources to the program; and 4) the readiness and likelihood of the proposing organizations to establish a successful family literacy project. The State Board of Education added economic disadvantage to the list, and as illustrated in Table 6 (see page a-ii) defined and assigned points to each criterion:

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Table 6

**Evaluation Criteria for  
Family Literacy Proposals**

<u>Criteria</u>	<u>Points</u>
Economic disadvantage	25 points
Educational disadvantage	25 points
Unemployment	5 points
Collaboration and partnership	15 points
Program and instructional model	30 points

Source: ADE's Adult Education Division.

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- **Proposal Selection** – Using these criteria along with DOA Procurement's standard evaluation criteria, the three-member proposal evaluation committee recommended contract award without reservation to 13 of the 16 applicants. The committee expressed concern about the three remaining proposals because they contained limited information, but chose to recommend contract award contingent on the availability of funding and program clarification. Three factors influenced this decision: 1) the need for services in each targeted community; 2) funding availability; and 3) the level of technical assistance available from model and training programs.

Based on an independent review of both program proposals and evaluation committee reports, DOA Procurement recommended against awarding a contract to one of the remaining three applicants. The recommendation did not prevent service delivery to that proposal's targeted community, since one of the other proposals included a plan for service delivery to that same site.