GUIDE TO GIVING
School Readiness

An effective nonprofit should incorporate all three components of the recommended approach — or have a partnership with another organization to cover the full range of services represented by these components. In addition, effective nonprofits should collect data to measure the outcomes and impact of their programs.

A. **Services to Support Parents**

B. **Education-Focused Curriculum**

C. **Complementary Social Services**

D. **Outcomes and Impact**

★ Examples of EXCEPTIONAL IMPLEMENTATION

Information shared with parents regularly in the language spoken at home

Teachers meet with families to identify needs and set goals

Childcare, meals, and transportation assistance provided to parents to enable them to attend all meetings

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STEP 1 — Understand the Recommended Approach for School Readiness

SIR recommends that donors and funders interested in school readiness support organizations using the center-based approach. This holistic approach ensures that children are socio-emotionally and academically prepared for school, parents are prepared to play an active role in their childrens education, and families receive assistance in meeting the basic needs that affect a child's ability to learn. The approach consists of three components, outlined below.

DEFINITION

School readiness refers to the field within Early Childhood Education that prepares children, aged 2¾ to 6, to participate in and derive maximum benefit from kindergarten, laying the foundation for continuous success in school. School Readiness programs address language development, cognitive skills, general knowledge, approaches to learning, and social and emotional skills.

COMPONENTS OF THE RECOMMENDED APPROACH

School readiness programs vary widely, but SIR found that high-quality center-based programs have the following components:

- ■ **Services to support parents** to play an active role in the academic success and socio-emotional wellbeing of their children

- ■ **Education-focused curriculum** that emphasizes language development, mathematical reasoning, and socio-emotional competency and requires regular assessment of children's progress and development

- ■ **Access to complementary social services** that enable families to meet their basic needs (e.g., food security, shelter, healthcare, income stability)

STEP 2 — Evaluate the Program's Effectiveness through the Lens of the Recommended Approach

A. Evaluate the quality of services to support parents

These services facilitate strong relationships between parents and teachers.

EFFECTIVE IMPLEMENTATION	INEFFECTIVE IMPLEMENTATION
✓ Parent conferences offered at least twice per year, with frequent communication between parents and teachers	✗ Parent conference only once per year, additional meetings only at parent's request, and little communication between parents and teachers; enrollment visits are not available
✓ Families are provided with material and workshops on child development, parenting skills, and nutrition	✗ Materials relating to parenting and child development may be available, but no workshops offered
✓ Specific strategies to involve male parents are used	✗ Special effort to include male parents in the program is not made
✓ Parent advisory committee gives parents an opportunity to participate in school policy and program development	✗ Formal ways for parents to participate in program development and school policy do not exist

B. Evaluate the quality of the education-focused curriculum

Programs should be built around comprehensive social and academic curricula.

EFFECTIVE IMPLEMENTATION	INEFFECTIVE IMPLEMENTATION
✓ Academic curriculum is a validated model that can be individualized for each child	✗ Academic curriculum is nonvalidated or outdated and cannot be customized to individual children
✓ Social curriculum teaches self-awareness, emotional management, and decision making; complemented by clear behavioral expectations	✗ Social curriculum is inconsistent across program, behavioral guidelines are not clear, and children with severe behavioral difficulties can be expelled
✓ Program provides training for teachers on curriculum, child development, safety, and child assessment	✗ Teacher training not a program priority and training is rare
✓ A validated assessment tool is used, developmental screenings are done annually, and results are regularly shared with parents	✗ Nonvalidated assessment tool is used or teachers are not trained consistently; developmental screenings are ad-hoc and results are not shared with parents
✓ Comprehensive information on kindergartens and successful transitions is shared with families	✗ Families do not receive any information on successful transitions to kindergartens

Examples of
EXCEPTIONAL IMPLEMENTATION

An environmental ratings scale is used to understand and improve classroom quality

Classroom activities can be modified to include children with disabilities

Field trips supplement the curricula and family participation is encouraged

C. Evaluate the quality of the complementary support services

Complementary social services ensure that families receive support to address challenges outside of the classroom.

EFFECTIVE IMPLEMENTATION	INEFFECTIVE IMPLEMENTATION
✓ Formal intake process assesses families' needs and referrals are made to appropriate programs at the families' request	✗ Intake is informal and families' needs are assessed inconsistently; information on outside organizations is available, but referrals not provided
✓ Partnerships help families meet basic needs, e.g., food pantries, shelters, doctors, dentists, and optometrists	✗ Program has a few unofficial partnerships that do not cover all basic needs

Examples of
EXCEPTIONAL IMPLEMENTATION

Proactive referral process ensures all families receive the help they need

Partnerships with museums, zoos, parks, etc. provide free access for families

Collecting outcome data enables organizations to know whether or not their programs are effectively improving the lives of their participants over the long term. High-performing organizations collect and analyze a wide variety of data to measure the effectiveness of their programs and the health of their organizations. Organizations use this data to build upon their successes and improve upon their weaknesses.

*Accreditation by the National Association for the Education of Young Children (NAEYC) or high scores on the Early Childhood Environment Rating Scale (ECERS) can be proxy indicators of high performance

D. Evaluate outcomes and impact

There are many tools for assessing a child's readiness for school, all of which require teachers to observe children and evaluate their abilities in a variety of developmental domains several times per year. These tools are designed to evaluate children individually to identify areas of strength and improvement. They are not designed to be reliable aggregate success indicators for programs; therefore, expected outcome rates are not listed below. Accreditation and environmental rating scales can be used as proxy indicators of high performance, but a lack of these measurements does not indicate poor quality, as these evaluations are often too expensive for small programs.*

Indicator	Expected Outcome Rate
Number of children academically ready for kindergarten	n/a
Number of children socio-emotionally ready for kindergarten	n/a

Evaluating an organization's health and stability will provide insight into its structure, capacity, and ability to carry out its mission. It is important to consider at least two factors:

A. Financial Sustainability, which describes an organization's ability to conduct its work in a fiscally responsible manner

B. Management and Governance, which describes the leadership and oversight of the organization

A. Evaluate financial sustainability

The information below can be found on the organization's 990, an IRS form required of most nonprofits. It is best to review three to five years' worth of an organization's financial information.

FINANCIALLY SUSTAINABLE	FINANCIALLY UNSUSTAINABLE
✓ Organization's debt-to-equity ratio is less than 1.5, meaning its debt is manageable given its assets	✗ Debt-to-equity ratio is greater than 1.5; substantial amount of assets are directed to paying off debt
✓ Current ratio is equal to or greater than one, meaning its assets are greater than its short-term debt	✗ Current ratio is less than one; the organization will continue to accumulate short-term debt as its assets are not enough to cover its debt
✓ Organization maintains three to six months in cash reserves so it can withstand brief financial downturns	✗ Organization maintains fewer than three months in cash reserves, leaving it susceptible to economic shocks
✓ Funding comes from a variety of sources, including government and philanthropy; a large portion of government funding is common among school readiness programs	✗ Funding is dominated by one source or type of funder; if the funding comes entirely from the government, programs may be vulnerable to federal funding cuts

B. Evaluate management and governance

Management and governance indicators describe the capacity of staff and board teams to deliver on the mission, grow the organization, and hold themselves accountable.

EFFECTIVE IMPLEMENTATION	INEFFECTIVE IMPLEMENTATION
✓ CEO has significant experience; management team members have a good working relationship with one another and external stakeholders; staff are actively involved in school readiness and child development	✗ Management team members lack relevant degrees or experience in early childhood education or have limited leadership experience
✓ Board has at least seven members with diverse experience, including legal, management, financial, marketing, and fundraising; meets at least three times per year	✗ Board is comprised of individuals with similar -- not diverse or complementary -- skills and experience; meetings are rare; members play little or no role in fundraising, oversight, or planning
✓ Planning shows evidence of measurable long-term and short-term goals to facilitate organizational growth	✗ Planning occurs ad hoc, e.g., in an annual meeting where possible changes are discussed informally

Examples of EXCEPTIONAL IMPLEMENTATION

A 360-degree review is conducted annually on the CEO, including a review by the board

CEO is active leader in the field

Three- to five-year plans are created with stakeholder input and tangible goals and milestones are explicitly laid out

Staff includes parents of former students

STEP 4 — Evaluate the Organization's Ability to Create Systemic Impact

A. Evaluate growth plans

Evaluate growth plans to understand the organization's capacity to further its mission and reach more people:

- Organization has a realistic growth plan with funding and measurable goals to increase the number of children served or expand complementary support services for families

B. Evaluate community partnerships

Evaluate community partnerships to understand the organization's ability to collaborate and drive greater change:

- Organization has partners who can provide helpful support to children and families, such as food pantries, shelters, and educational programs
- Organization participates in local education working groups, children's advocacy groups, and government advisory boards to create collaborative and comprehensive school readiness policies

C. Evaluate field-building activities

Evaluate field-building activities to understand the organization's role in driving systemic change:

- Organization understands how to create change in the lives of children and families and designs its programs accordingly
- Organization shares lessons learned with other practitioners and local institutions, such as teaching colleges, by making data and research publicly available
- Organization participates in coordinated advocacy opportunities with others working to address the needs of children and their families

STEP 5 — Interpret your Evaluation and Determine How to Provide Support

A. High-performing organizations

These organizations have center-based school readiness programs that serve at-risk children and their families. They are financially sound with excellent management and governance structures. They have realistic growth plans and are engaging in field-building activities to some degree. You can feel confident that an investment in a high-performing organization will be effectively used.

Risk / Reward	Low risk / high reward
Recommended level of involvement	Low
Example investment opportunities	Continue running high-quality programs, explore adding new parent support programs, improve ability to track children over the long term, implement growth plans, and introduce programs for children with disabilities

B. Developing organizations

These organizations may be doing some things well but need improvement in other areas. Often these are young organizations, but they can also be established organizations that are undergoing a transition. Investment in developing organizations can be challenging yet exciting for donors who are interested in helping them improve.

Risk / Reward	Moderate risk / high reward
Recommended level of involvement	Medium to High
Example investment opportunities	Enable teachers to pursue advanced degrees, fund curriculum and program development, fund an accreditation or external evaluation to identify areas of strength and improvement of the program, help an organization improve its connections to organizations that provide complementary social services

C. Low-performing organizations

These organizations have room for improvement in all areas. Investment in a low-performing organization with a good management team that is dedicated to improving the organization and its programs can be exciting for a donor who wants to be deeply involved in helping an organization improve. Investment in a low-performing organization that is not dedicated to improvement is not recommended.

Risk / Reward	High risk / Reward varies based on organization's desire to improve
Recommended level of involvement	High — if the organization is strategically working to improve
Example investment opportunities	Support strategic or business planning, secure technical assistance from high-performing organizations, hire new staff and teachers with significant expertise, fund curriculum and program development, help connect the organization with strong complementary partners

Supporting Emerging Social Innovations
HIGH RISK WITH THE POTENTIAL OF HIGH REWARD

Donors may also wish to consider organizations that are testing innovative approaches that could eventually lead to breakthroughs in addressing the targeted social issues. Such organizations should be able to articulate why they are diverging from the proven approach and how they see themselves improving upon that approach.

In the field of school readiness, many innovations related to aspects of the recommended approach are being tested. These innovations can occur within center-based programs or outside of the center-based model as stand-alone innovations. For example, some organizations are testing new ways to improve a child's literacy or new curricula to improve child health or nutrition. Other organizations are creating innovative ways to increase the involvement of male parents and improve parent financial literacy. Other programs are testing innovative delivery systems for components of the recommended approach, for example, by utilizing trained volunteers in the classroom to improve literacy. Eventually, these types of innovations may become widely adopted by school readiness programs as data confirms their effectiveness.

Social Impact Research (SIR) is the independent research department of Root Cause, a research and consulting firm dedicated to mobilizing the nonprofit, public, and business sectors to work collaboratively in a new social impact market. Modeled after private sector equity research firms, SIR conducts research on social issues and independent analysis of program performance to provide leaders and funders with the rigorous, actionable information they need to make strategic decisions about creating and investing in social impact.