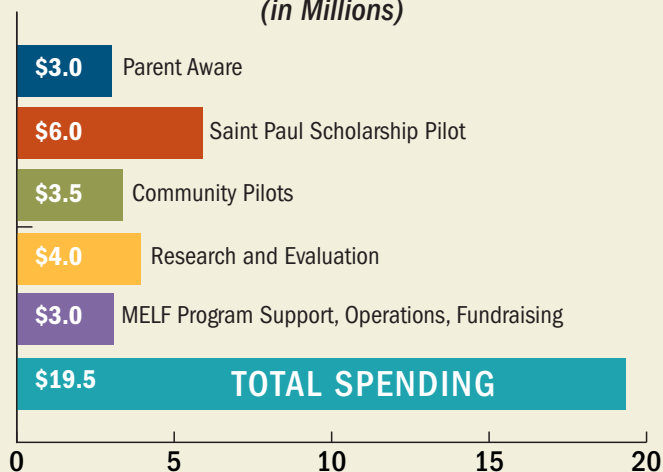


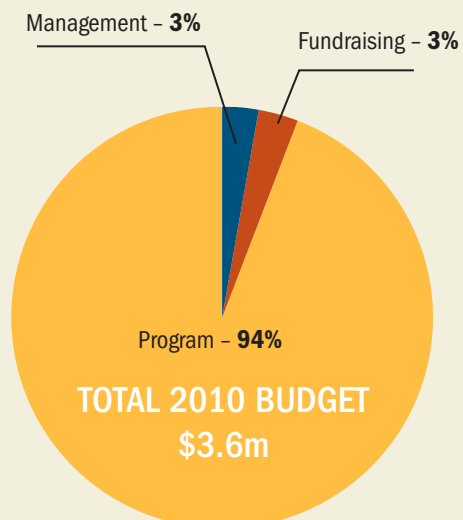
BEST

RESEARCH
PRACTICES
RESULTS
INVESTMENTS

Spending By Program Area 2005-2011
(in Millions)



2010 Functional Expense Break Out



MELF SHIFTS FOCUS FOR FINAL YEAR

By design, the Minnesota Early Learning Foundation (MELF) is a different kind of organization. Limited in duration and scope of mission, MELF is bringing the heft of the private sector and rigorous research to bear on a public policy issue of critical importance to Minnesota. Since our founding in 2005, we have successfully researched, built, and launched pilot programs to answer questions that will move us closer to achieving our mission. While research through pilot projects and other avenues has and will continue to be a cornerstone of our work, we have always intended to go beyond research for research's sake.

MELF's board of business and community leaders, together with staff and partners, has been taking a fresh look at Minnesota's existing early education system. In 2010, we incorporated what we have learned into specific, actionable policy recommendations that we vetted with stakeholders, donors, lawmakers, and others. The MELF board then made the decision to go beyond reporting its recommendations, instead choosing to work to implement them. In its final year of operation, 2011, MELF will work to reform Minnesota's existing early care and education system through efforts at the Minnesota Legislature and the federal level.

MELF RECOMMENDS REFORMS

After investing nearly \$20 million over five years to learn how school readiness can be delivered cost-effectively statewide, MELF recommends reforms to create a simple, market-based system. These reforms tap into the power of informed and empowered parents. They use rewards, not regulation. And they focus Minnesota's childcare resources where Minnesotans can earn the highest return on their investments.

Establish Accountability.

The current system lacks a mechanism for distinguishing program quality.

MELF proposes to expand the one- to four-star Parent Aware ratings statewide. The ratings will make it possible to link early care and education investments to program quality.

Improve Quality.

MELF research found that program quality in the current system is undefined and is low overall, in large part because consumers don't demand quality and because programs cannot afford to improve quality.

Parent Aware ratings will arm consumers with the information they need to discern and demand quality. Programs that volunteer to be rated will receive valuable rewards to help them improve and market their quality. MELF also recommends a train and retain tax credit to promote better preparation, stability, and income for early childhood professionals.

Expand Access and Link It to Quality.

Minnesota's low-income families cannot afford to access the highest quality programs and those shopping with state money are unable to choose programs with a proven track record.

Accordingly, MELF recommends that state funded scholarships be awarded to low-income families for use in Parent Aware-rated quality programs.

Attract Private Investment.

The private sector will invest in early care and education if they are sure their investments will be used in ways that benefit children's school readiness.

MELF recommends HERO tax credits to encourage private donations in improving program quality and expanding access in Parent Aware-rated programs. MELF also recommends establishing a private board to promote early learning and parental use of the ratings in shopping. This private board will also ensure ratings standards remain evidence-based and focused on school readiness outcomes.



MELF'S BODY OF RESEARCH GROWS IN 2010

MELF continues to commission and publish research. Below is a list of reports added in 2010, a complete catalogue of MELF's research to date is available in the "Our Learnings" section at www.melf.us.

Parent Priorities in Selecting Early Learning Programs: Implications for Minnesota's Quality Rating & Improvement System, Dr. Aisha Ray, Ph.D., February 2010. [Report](#); [Fact Sheet](#)

Saint Paul Early Childhood Scholarship Program Year 2 Annual Report, SRI International, March 2010. [Report](#); [Fact Sheet](#)

Parent Aware: Minnesota's Quality Rating and Improvement System Pilot Year 2 Evaluation Report, Child Trends, March 2010. [Report](#); [Summary](#)



The Minnesota Early Learning Foundation's mission is to recommend cost-effective strategies to prepare children for success in kindergarten.



MELF PILOTS YIELDING POSITIVE RESULTS

Parent Aware

Parent Aware is a pilot quality rating and improvement system that uses standardized, evidence-based measures to rate the quality of early learning programs. In 2010 the Minnesota Department of Human Services funded operation of the pilot while MELF provided for the evaluation. More information is available at www.parentawareratings.org.

As of December 2010, 356 programs had current ratings. Together these programs serve more than 22,000 of Minnesota's young children. Selected highlights of the Parent Aware Year 3 Evaluation Report follow.

Children are Making Gains. Children in rated programs showed significant gains from fall to spring on important school readiness measures. These gains were larger for children from low-income families.

Quality is Improving. Nearly two-thirds of programs increased their rating by one star when undergoing the required annual re-rating.

Providers Like It. Overall, providers have positive impressions of Parent Aware and report that the quality improvement supports they receive as part of participation have significantly improved their programs.

The Saint Paul Early Childhood Scholarship Program

The Saint Paul Early Childhood Scholarship Program is a pilot of a market-driven approach to school readiness. Scholarships are a flexible tool to help low-income children access high-quality care. Because scholarships can only be used with providers who have high Parent Aware Ratings, they also serve as a reward for providers who volunteer to get rated and improve their quality.

As of December 2010, over 650 children and their families participated in the Scholarship Program. The final cohort of participating children will enter kindergarten in the fall of 2011. Some of the key findings from the Year 3 Annual Evaluation report are below.

Children are Making Gains. Children using scholarships to attend high-quality programs showed significant increases in language and early math skills across the first year of enrollment, moved closer to age-expected performance, and showed significant improvements in social skills between baseline and one year later.

Parents are Seeking Quality. The parents of scholarship children report quality as the most common reason for program selection. Parents stated that the quality of the program was more important to them than either location or cost.

Timing of Early Childhood Education: Is there an optimal time to intervene in a young child's life to improve readiness for school?, Center for Early Education and Development, University of Minnesota, June 2010. [Report](#)

Saint Paul Early Childhood Scholarship Program Implementation Brief 3, SRI International, October 2010. [Report](#); [Fact Sheet](#)

Parent Aware: Minnesota's Quality Rating and Improvement System Pilot Year 3 Evaluation Report, Child Trends, November 2010. [Report](#); [Summary](#)

MELF Public Opinion Survey, Decision Resources, Ltd., December 2010. [Report](#)



MELF REACHES FUNDRAISING GOAL

Private sector support for MELF's mission has been astonishing. Over the past five years and through one of the toughest recessions in recent memory we were able to raise nearly \$20 million in private money. As we enter our final year of operation we are more mindful than ever of our responsibility to our generous financial supporters. Pledges made in 2010, by the individuals and organizations listed below, totaled nearly \$500,000.

2010 Corporate and Foundation Donors

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Bremer Bank and Wilkerson Associates
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Grotto Foundation
Louisiana Partnership for Children and Families
Plymouth Church
PriceWaterhouseCoopers
St. Louis Park Sunrise Rotary

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Minnesota Department of Human Services for leveraging funds for Parent Aware.
Denise Garcia for providing photos for this annual report.

Please visit www.melf.us for a complete list of donors 2005–2010.

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