

COLLECTIVE MANAGEMENT OF EARLY CHILDHOOD PROGRAMS

Approaches That Aim to Maximize Efficiency, Help Improve Quality and Stabilize the Industry

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INTRODUCTION

SUMMARY OF FINDINGS

In January 2003 Smart Start's National Technical Assistance Center sponsored a pre-conference session on early childhood finance reform. The goal of the session was to launch a new learning community focused on finance reform, a group of knowledgeable and committed people from across the country who will continue to learn together, from each other as well as from research and experience, about how to most effectively reform the finance of early care and education. Participants worked in groups, focused on specific finance-related topics,¹ and were asked to ponder questions such as: Is the way we have traditionally raised revenue and expended it for early care and education the only, or best, way to do it? What ideas haven't we thought about yet? And what research, theorizing, and discourse are needed to develop those ideas and strategies?

One of the discussion groups focused on early childhood program administration. Specifically, these individuals came together to explore whether there were administrative or fiscal structures that might help small early care and education businesses reach some economies of scale and/or become more stable and fiscally sound. Many approaches and ideas were suggested, and the group ended by recommending research to identify effective collective management approaches that currently exist in the early care and education industry.

Cornell University participated in the Finance Reform meeting, and is also sponsoring the Linking Economic Development and Child Care project. One of several research goals of this project involves identifying ways that the fields of early care and education and economic development can learn from one another. Strengthening industry efficiencies has long been a priority of economic development. To this end, it seemed logical to work with staff at Cornell on this research as well.

This report is essentially a catalog of collective management approaches that are currently used by child care businesses across the United States. Seventeen multi-site early care and education organizations or alliances are profiled, preceded by a narrative that discusses lessons that can be learned from these approaches.

Collective management of early childhood programs appears to offer multiple benefits for participating programs, including: administrative cost savings, better cash flow and fiscal stability, stronger fundraising and increased capacity to carry debt, better working conditions for staff, access to support services, and better quality services for children and their families. Shared management strategies also have limitations. These appear to cluster around three basic themes: size of local sites (at least 75 children is most efficient), teacher wages (collective management does not appear to raise teacher salaries although benefits, professional development and working conditions are often improved) and program quality (assuring uniform quality among all sites is an important, but costly, component.) Several key lessons emerged, which could serve as a helpful guide for organizations interested in launching a shared management entity. These include the following: 1) ensure a shared vision among participating programs; 2) build strong and trusted leadership; 3) implement policies and supports to ensure that all participating programs offer high quality services; and, 4) think strategically about which tasks are managed centrally. Some goals can be achieved collectively and others cannot. To be successful, a collective management strategy must be greater than the sum of its parts.



¹ Issue briefs for each of the discussion areas are available at www.earlychildhoodfinance.org.

APPROACH

The information included in this report was obtained from telephone interviews with key informants and a review of relevant literature on collective management strategies. Key informants were identified through an e-mail query, which was sent to leading early care and education organizations as well as others who might have knowledge about collective management strategies. The query described the research project and invited the reader to nominate programs or initiatives that might offer helpful lessons. Over seventy nominations were received, and each nomination was screened for relevance by reviewing the program's website, annual report or other written documents. The research team looked for diverse management approaches, geographic representation, and innovation.

Based on these initial reviews, approximately two dozen programs or initiatives were selected for in-depth telephone interviews and seventeen are profiled in this report.² At least one key informant — typically the Executive Director of the lead agency — was interviewed from each site. During the interview, basic information was gathered on the program auspices, management approach and structure, services, staffing, funding, plans for expansion and population served. This information is summarized in the profiles section (which begins on page 33.) The profiles are divided into four categories:

1. Multi-Site Early Care and Education Corporations – In this model, all of the center-based sites are operated by a single corporate entity. Sometimes this entity also operates a family child care network. Network homes are typically independent businesses that receive fiscal/administrative and other support services from the sponsoring agency (although in some cases the home-based providers are employees of the sponsoring agency.) Six of the sponsoring agencies profiled in this report are non-profit and one is proprietary.

2. Early Care and Education Program Alliances – In this model, participating centers have varying degrees of independence, but share all or some management functions. Some of the center-based alliances profiled in this report are run by a non-profit entity and include only non-profit centers; others are run by a proprietary entity and include both non-profit and proprietary centers; and one includes two subsidiary companies, one proprietary and the other non-profit.

3. Home-Based Early Care and Education Alliances – In this model, participating homes are independent businesses, but share all or some management functions, including billing and fee collection. The Alliances profiled in this category are administered by both non-profit and proprietary organizations, and go beyond what is typically included in a family child care network, satellite or system, to include assuming responsibility for many of the fiscal and management aspects of running a home-based child care business.

4. Support Services Alliances – In this model, participating centers or homes are independent businesses but contract with a single entity to provide some management support services. The support services alliances profiled in this report take responsibility for tasks that are typically included in child care program operations—such as staffing, recruiting and hiring substitutes, and food preparation/management.



² Several initiatives were eliminated from this study during the interview process because it was determined that their approach was either not appropriate for this research or it was not possible to obtain complete information on their management approach.

THE PROFILES

Category 1: Multi-site Early Care and Education Programs

Associated Early Care and Education (Boston, MA) serves approximately 950 children each day in 6 early care and education centers and 105 family child care homes (non-profit.)

Nation's Capital Child and Family Development (Washington, D.C.) serves approximately 1,600 children each day in 24 child development centers, 9 of which are school-age child care programs. The agency has a centralized kitchen that serves all of its sites (2,000 meals a day) and delivers approximately 1,000 additional meals to other child care programs in the District (non-profit).

Community Day Care, Inc./Community Day Charter School (Lawrence, MA) serves approximately 900 children each day in 7 center-based sites and a network of family child care homes. An additional 300 children are served in a charter school which is located at 3 sites — an upper school for grades 5-8, a lower school for grades K-4 and a new early learning center for 4 year olds (non-profit).

Childcare Learning Centers (Stamford, CT) serves approximately 1,250 children each day at 18 locations in Stamford and 2 locations in Greenwich (non-profit).

Learning Enrichment Foundation (Toronto, Canada) serves approximately 1,200 children each day in 13 early childhood centers and 18 school-age child care programs (non-profit).

Childcare Network, Inc. (Columbus, Georgia) serves approximately 14,000 children in 116 preschools in seven states, including VA, NC, SC, GA, FL, AL and TN (proprietary).

Southwestern Child Development Commission, Inc. (Webster, NC) operates 26 child care centers in the seven westernmost counties of North Carolina and the Qualla Boundary. These centers collectively serve, on average, 1,000 children each day (non-profit).

Category 2: Early Care and Education Program Alliances

The Children's Home (Chattanooga, TN) directly operates a child development center for 350 children and provides management services for 4 additional child care programs that collectively serve approximately 200 children each day (non-profit).

Summa Associates and Educational Care, Inc. (Tempe, AZ) provides management services to three employer-supported child care centers – two for Arizona State University and an on-site center for AG Communications that collectively serve about 275 children each day. Summa has a non-profit corporation that “holds the license” for the centers and a for-profit corporation that provides consulting services, including center management support.

National Pediatric Support Services (Irvine, CA) provides management services to 9 child care centers that collectively serve about 650 children each day. Some of the centers are non-profit and some are for-profit. NPSS is a proprietary corporation.

THE PROFILES

Category 3: Home-Based Early Care and Education Alliances

Infant Toddler Family Day Care, Inc. (Fairfax, VA) is a network of 115 family child care providers that collectively serve, on average, about 340 children each day (non-profit).

Acre Family Day Care (Lowell, MA) oversees a network of 39 family child care homes that collectively serve, on average, 234 children each day (non-profit).

Monday Morning, Inc. – Monday Morning Moms® (Bridgewater, NJ) Monday Morning, Inc. is a family child care management service that includes approximately 160 providers and serves, on average, 340 children each day. Monday Morning Moms® is a proprietary Child Care Management Service that operates as a franchise. Owners of a Monday Morning Moms® franchise develop and manage a network of family child care homes, and market the network to working parents. Both entities are proprietary.

Consortium for Worker Education (New York City, NY) operates a Satellite Child Care Program that currently includes 115 family child care providers and serves about 400 children each day. Unlike most family child care networks, CWE family child care providers are not independent contractors but rather employees of CWE and receive regular paychecks and employee benefits (non-profit).

Category 4: Support Services Alliances

Action for Children (Centers that Care) (Columbus, OH) recruits and screens individuals interested in employment in early care and education programs on behalf of member child care centers. At present, 25 centers participate. Centers that Care is a non-profit entity. Participating centers are proprietary and non-profit, single and multi-site, inner city and suburban.

Child Care Staffing Solutions (Rochester, NY) is a complete staffing program for child care centers that recruits substitutes/temporary staff, temp-to-hire staff as well as direct placement staff. Currently 40-50 child care centers participate. CCSS is non-profit. Participating centers are proprietary and non-profit.

Child Care Services Association, Inc. (Chapel Hill, NC) offers a host of support services to child care providers, three of which are discussed in this profile: 1) a meal service program that currently delivers meals to 12 child care centers in Orange County, NC (serving approximately 400 children in total); 2) an Americorps program that assigns 10 Americorps members to a child care program to provide consistent educational relief time so that regular center staff can attend college classes; and 3) a substitute program that employs six resource teachers full time (on the CCSA payroll) to provide teacher modeling and coverage for professional development, class preparation and emergencies. CCSA is non-profit.

In addition to providing basic information about their program or initiative, each key informant was asked to respond to several opinion questions. These included queries on: what worked best about the approach and what hadn't worked as well; whether, in their opinion, centralized fiscal/administrative management helped to reduce administrative costs, made it possible to streamline staff, increased the ability to raise funds to carry debt, or made the programs less fiscally vulnerable; and, whether the approach helped to increase staff wages. The information gathered during this part of the interview was used to inform the narrative sections of the report.

CHALLENGES

This report provides information on collective management strategies that are currently used by early care and education businesses. It is designed to be illustrative rather than comprehensive, and to serve as the first in a series of documents and resource materials on new ways to organize early care and education businesses. Quite likely, myriad excellent examples were not included in the profiles. Readers who are aware of additional management approaches that could help further the field's collective understanding are encouraged to share these ideas on our website, www.earlychildhoodfinance.org.

Most of the nominations received for this research project were for programs that fell into category #1 — multi-site early care and education corporations — and most were for non-profit corporations that relied largely on one funding stream (typically Head Start). In reviewing nominations the research team was careful to select examples that drew multiple and diverse funding streams into a centralized management structure. Geographic diversity was also sought, however, it became clear that it was not possible to obtain a sample of programs that used multiple sources of funding and were also geographically diverse. Thus, a majority of the examples included in category one are from the Northeast.

Significant outreach was conducted to locate examples in category #2 — early care and education program alliances — and due to the limited number of responses in this category nearly every nomination was included. It is interesting to note that these examples are more geographically diverse than those included in category #1, although none are in the northeast.

While many nominations were received for category #3 — home-based early care and education alliances — most of the nominations were for traditional family child care networks that do not involve a central agency that assumes responsibility for billing and fee collection. Since the focus of this inquiry is collective program management, the research team elected to limit profiles to those that centralize business management and include accounts receivable.

Locating examples for category #4 — support services alliances — was difficult. The initial goal was to profile initiatives that allowed a group of child care businesses to

collectively address a management issue or need. An implicit assumption was that this need would, in some way, affect the program's bottom line — by either significantly reducing direct program costs or assuming some of the day-to-day responsibilities of a child care program director. A few nominations for services that fit this description were submitted and included collective strategies for recruiting and screening potential employees, securing substitutes, and administering food services. Most of the nominations in this category were, however, for supplementary services that focused on quality improvement — such as an infant/toddler specialist or mental health worker housed at a child care resource and referral agency that provides support

services to a group of early childhood programs. Did this type of quality enhancement service qualify as a collective response? And does it affect the bottom line among participating programs? Since the answers to these questions were not clear, and the time line and resources available for this inquiry limited, the research team decided to profile only a handful of approaches that had clear

links to business management and/or the bottom line. Clearly, this definition is a narrow one. Future research might look more broadly at strategic alliances that involve early childhood program support services.

Finally, it is important to underscore that the information gathered for this inquiry is anecdotal, and based largely on the opinions of key informants. It was not possible to determine precise cost savings — or to verify the information provided during the interviews — by reviewing program budgets, audits or other financial reports. Nor was it possible to assess the quality of programs included in the profiles. The research team was careful to look for examples that included quality improvement/control measures as a key component. However, it is important to underscore that the information included in this report is based on interviews and materials review. No site visits were conducted. ♦

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POTENTIAL STRENGTHS
OF COLLECTIVE MANAGEMENT

ADMINISTRATIVE COST SAVINGS

Are there economies of scale in early childhood program management? This is a crucial question, but one that this study was not able to answer with hard data. While most of

The individuals interviewed for this report indicated that shared management strategies can be an effective way to achieve the following goals: administrative cost savings, better cash flow and fiscal stability, stronger fundraising and increased capacity to carry debt, better working conditions for staff, access to a host of staff support services, and better quality services for children and their families.

the managers interviewed believed that collective management resulted in administrative cost savings, they were rarely able to quantify those savings in actual dollars.

Anecdotal information indicates, however, that cost savings do occur.

Based on examples provided in the interviews, savings are most likely to occur when the following administrative activities are centralized: staffing (especially fiscal/management staff), food and nutrition and purchasing.

Streamlined Staff -

The greatest financial gains from shared management strategies appear to occur in

situations where administrative staff positions are reduced or streamlined. All of the multi-site corporations (category #1) and one of the alliances (category #2) shared the following staff positions among participating centers: President/CEO, Human Resources staff, fiscal staff (budget, accounting, payroll, etc.) and supervisory staff for participating center and/or home-based programs.

Most — but not all — of the multi-site corporations and one of the alliances shared the following staff positions among participating centers: food and nutrition, facilities and maintenance, quality assurance (support for accreditation, professional development, child assessments, etc.), family support (health, mental health, social services, etc.), information management (technology and data collection/analysis), development and/or public affairs, marketing/enrollment, transportation, and clerical.

One multi-site corporation and one of the alliances had centralized all administrative tasks so that they did not need a full-time, on-site director in each location. Instead, they had staff (called Education Coordinators or Program Directors)

who were responsible for multiple sites. Although they reported to the central office, these staff were in the field most of the time, providing leadership and supervision to classroom teachers, troubleshooting problems with children or parents, and generally overseeing program operations. But they also worked together, as a management team in collaboration with other staff in the agency's central office, to solve problems and support staff.

Key informants noted that centralizing staff positions not only has the potential to lower per-child administrative costs, but also offers the opportunity to pool resources and hire more qualified personnel.

Bringing all these “pieces of the puzzle” together in one place has worked very well. Our [multi-site early care and education corporation] is in very good shape financially. We have a strong cadre of professionals in many areas. The synergy among staff, and the training opportunities that arise in-house because there are so many staff with such diverse skills, is excellent. Multiple sites with different approaches allows the agency to learn from experience as well as become more effective and efficient.

Before contracting with [our early care and education alliance] all of the centers had a Director as well as contract costs for bookkeeping, janitorial, accounting, etc. Now they just have a contract with our agency for all of that—and more. So it is very cost-effective for them. I believe that there are also quality benefits for the centers, because they have a professional management team that not only oversees the finances, but also oversees the program. And they have access to social services staff and others to help them solve problems—all of which help to ensure quality.

A few key informants noted that centralizing staff positions maximizes opportunities for a team approach to problem-solving and strengthens overall coordination and leadership.

I really like having the administrative staff centralized, so that they are here—talking with me, talking with each other, providing management and leadership in a coordinated way. They are out in the field a lot, and they can stay in touch with their sites quite effectively via phone and e-mail.

Several key informants stressed, however, that it is not always possible to sufficiently streamline staff. Many states have child care regulations that require a non-teaching, on-site director for each site (some for sites with as few as 45 children.) Sometimes geography is a barrier. If programs are located far apart from one another it may not be feasible for staff to move among them.

While some key informants believed that it was not necessary to have a director at each site and listed the many benefits of a team approach to management, others felt that it was important to have an on-site supervisor or director.

We want to make sure that classroom staff are on the floor working with the kids. We don't want them to have to worry about administrative tasks or be distracted by competing adult needs. Their main focus needs to be on the children. We have an on-site Supervisor in each program to support and supervise classroom staff, serve as the key contact for parents and provide overall leadership in the center.

Shared Food and Nutrition Services - A coordinated approach to food and nutrition services is another area that can result in significant savings, according to the key informants interviewed for this report. All of the multi-site corporations (category #1) received discounts for bulk food purchased and many had shared commercial kitchens. One of the support services alliances (category #4) focused on food service and had developed a commercial kitchen that catered meals for other early childhood programs in their city.

We have a commercial kitchen that serves all of our sites (2,000 meals a day) and we deliver over 1,000 meals to contract sites each day.

Each year we negotiate deals with food vendors. The selected vendors give us a "menu" of discounted items that are available and then the cooks at each site order off that menu. The food is delivered to each site by the vendor, so we don't have to get involved in distribution.

Bulk Purchasing - All of the multi-site corporations and two of the center-based alliances reported that they received discounts for the bulk purchase of supplies and services.

For all our large purchases, all our disposable and classroom items our [multi-site corporation] has what we call prime vendors. We allow a range of vendors to make bids every year and then we select a few that we will work with — those that give us the best prices. All of our sites purchase from these prime vendors. All our utilities are handled by a single third party. Insurance and workers compensation are also purchased collectively.

Our [multi-site corporation] buys everything in bulk, and gets discounts of between 15% and 25%, or we receive rebates, as a result of bulk buying.

Our [center-based alliance] negotiates service contracts together and get deals that way. For example, all the programs use the same auditor.

BETTER CASH FLOW AND FISCAL STABILITY

Full enrollment, and prompt fee collection, are bottom line issues for a child care business. Program failure is often attributed to lack of focus on these two key issues. If the lead agency in a multi-site early childhood corporation or alliance keeps a strong focus on overall enrollment and fee collection, a collective management model can significantly improve the capacity of local sites to weather economic storms. Almost all of the key informants interviewed for this study noted that maintaining focus on these management issues was one of the most important roles they play as leaders of multi-site corporations or alliances.

I use the analogy of a mobile—when one part of the mobile is affected, the whole thing moves. We do an overall sheet on enrollment and try to keep all our programs full. Accounting handles fee collection for all and we stay on top of that.

Most of the multi-site corporations (category #1) and center-based alliances (category #2) had automated systems that generated parent invoices from the central office, although fees were often collected on-site. In all cases the central office assumed responsibility for bad debt collection. One key informant noted that providing incentives for parents to establish direct payment accounts so that fees can be automatically transferred from their bank account has been a very effective way to streamline paperwork and ensure prompt payment.

All four of the home-based alliances (category #3) profiled in this report assumed responsibility for fee collection. Key informants noted that this was a crucial role, and made a significant difference to participating providers.

We take total responsibility for the money. The provider gets paid on a regular basis, even if the parents haven't paid their fees in full or on time.

Key informants from the home-based alliances noted that assuming responsibility for fee collection has required them to establish policies and procedures that can ensure prompt payment.

In the early years we lost money because parents didn't pay their fees, and we had to "eat" that loss because it was our responsibility. We did not pass that loss on to the providers. We have now put procedures in place to make sure that parents pay their fees so we don't suffer those losses, and it works well. Being willing to take responsibility for fee collection is very important to the providers.

As soon as a provider knows that an opening is coming up they contact us and we get to work on it. We do everything we can to stay on top of enrollment, to recruit families as soon as we know an opening will be available.

While ensuring prompt fee collection is a fairly straightforward task for early childhood corporations and alliances, ensuring full enrollment is more difficult. As one key informant pointed out, keeping an early childhood program full at all times is a skill that requires a good sense of marketing and outreach coupled with creative thinking.

We really learned our lesson the hard way. Three years ago we suffered a big hit in the “transition” over the summer (when we typically lose kids as they age out and go on

to school, or parents move.) That year we lost about \$150,000 because our enrollment was down and it took us a couple of years to build back up. We are now back to 97% enrollment and we work hard to keep it that way.

Maintaining full enrollment is easier for multi-site corporations (category #1) because competition among sites is not an issue — all of the sites are essentially “owned” by the same entity. Full enrollment can, however, be a tricky issue for program alliances, where participants are competing with one another for customers. Because location is often a defining issue in competition among early childhood programs, the center-based alliances (category #2) typically included centers that were located in different neighborhoods—thereby reducing competition somewhat. Key informants also acknowledged that the ability to maintain full enrollment at a specific site was carefully considered when determining which centers or homes are invited (or recruited) to join an alliance. Nevertheless, most of the alliances went to great lengths to assist participating providers in marketing their programs.

As soon as a provider knows that an opening is coming up they contact us and we get to work on it. We do everything we can to stay on top of enrollment, to recruit families as soon as we know an opening will be available.

Because we have a contract with [our state child care agency] we are able to help the families that use our providers to receive subsidies. This has

helped the providers stay full. We get a number of calls from family child care providers who want to join our network because they are not full and the families in their community cannot afford to pay the fees without help.

One key informant noted that her multi-site corporation (category #1) sometimes handles fluctuations in enrollment by moving staff.

Our enrollment specialists understand the relationship between enrollment and ratios...so we focus on making sure that we have all classrooms—not necessarily all centers—at capacity. If, for example, we don’t have enough children to make a full class in one site but we have extra demand in another site I might move the staff so that I can open an additional class where it is needed and eliminate a class where the demand isn’t there. Having multiple sites allows us to do this. And staff understand when they are hired that this kind of a shift can occur.³

STRONGER FUNDRAISING AND INCREASED CAPACITY TO CARRY DEBT

Multi-site programs typically have a centralized development office, with staff who can focus on fundraising. While this appears to be more difficult for alliances, who may have varying needs and may not be on equal footing with funders, key informants indicated that there were still benefits to links with staff that have expertise in development as well as strong links to funders.

I can honestly say that most of our contract sites would not get many of the public and private funds they do if they were “stand alone” centers. They would just be too much of a risk for the funder.

I have a bank that I use and that has grown with me. We meet with them regularly to go over our financials. They know that we have a leadership team of professionals with strong background in finance. We always meet our targets. They trust us.

We can show greater cash flow, greater revenue overall, and a strong agency base. It makes a huge difference. We also have staff capacity and expertise that just wouldn’t be there in a small, single-site model. We haven’t had great luck raising funds for all of the members of our alliance collectively; we have found that donors are site-specific. But all of our sites have access to expert grant writers.

³ It is important to note that this strategy may be unique to programs that have excess licensed capacity at their sites. In this case, the Executive Director noted that all of the centers that participate in her multi-site corporation have a licensed capacity that exceeds their enrollment, so they do have the ability to wax and wane in size based on demand. This is not always the case - especially in parts of the country where space for child care facilities is limited.

While fundraising was much more difficult for the home-based alliances (category #3), key informants noted that without a collective strategy family child care providers would not be able to raise money from outside sources at all. Nevertheless, funding opportunities for home-based alliances appear to be limited. Most key informants indicated that foundations and public entities do not want to fund a home-based alliance; they want their dollars to support initiatives that reach a larger constituency.

As a network, we have been successful in raising public and private funds. But what really increased our ability to fundraise was establishing a separate Institute that provides consulting services, workshops, collaboration/advocacy/research to a larger group of providers - beyond just those in our network.

One key informant noted that her agency's ability to demonstrate economies of scale and/or efficient administration of services was helpful with funders.

If I am going after corporate money and I can show them that I manage efficiently — or that their money helps me to be even more efficient — that's the best thing I can say.

● ABILITY TO TAP AND ● MANAGE MULTIPLE ● FUNDING STREAMS

All of the multi-site early care and education corporations (category #1) had at least a dozen different funding streams and some had as many as three dozen. The center-based alliances (category #2) had between 4 and 9 funding streams each. Home-based alliances (category #3) varied widely in their capacity to tap multiple funding streams; alliances that focused on low-income families were most fiscally diverse—one had over 31 different funding streams and the other about seven—while those serving middle-income families were largely dependent upon parent fees supplemented by occasional small grants.⁴

My [multi-site corporation] is at every trough that is out there. I'm big enough that I can have staff that focus on development. We continuously look for opportunities to submit proposals, develop demonstration programs, try new things, take calculated risks...

Support services alliances (category #4) were typically launched with foundation or public funds and later evolved into a mix of user fees and supplemental grants.

⁴ Funding streams varied widely but included, in general, the following sources: state and local child care subsidies, federal Head Start, state and local child care quality improvement grants, state and local early education funds, federal Child and Adult Care Food Program, Housing and Urban Development grants, local Community Development Block Grant allocations, state and federal Labor Department grants, private foundations, the United Way, employers and user fees. Programs that reported as many as three dozen funding streams typically received support from many private foundations and/or employers, as well as public funds. It is also important to note that many of the grants received by these agencies are short-term, and targeted to specific initiatives. Few have been able to secure consistent, long-term operating funds to augment parent fees and child care certificates for low-income families.

STRONGER SUPPORT FOR STAFF, CHILDREN AND FAMILIES

Key informants frequently reported that one of the biggest benefits of a shared management approach is that programs are not alone — they always have support.

Our center supervisors don't stand alone; we are there to back them up. One of our supervisors left to go to work in a stand-alone center and she came back to us. The stress of being alone in the job was just too much, she said.

All of our directors know that they can pick up the phone at any time and get help. They are not alone. Management staff all have beepers and cell phones. We also have good, consolidated training so staff can learn from each other.

Interviews revealed that directors and classroom staff have support in many different ways, including access to professionals who can help solve problems and make decisions, back-up when crises occur, increased training/staff development opportunities, and specialized support services for children and families.

We have a psychologist on call as well as staff with expertise in child development who are always available to the home-based providers [that participate in our alliance.]

Our providers don't feel like they are doing it alone, and it's the complete array of services—training, on-site technical assistance, business support, role-playing interviews with parents (especially crucial for non-English speaking families), hand-holding on a range of issues, and so forth...

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BETTER WORKING CONDITIONS FOR STAFF

The economies of scale that result from collective management can be used to improve the benefits, supports, career opportunities and working conditions for all staff. Key informants frequently talked about the importance of internal career ladders that allow staff to keep their seniority and improve wages and benefits as they move to different positions in different sites. An informant from one of the multi-site corporations (category #1) noted

[Our internal career ladder] helps a lot with burn-out. We actually want our staff to change jobs every 5 years or so. It keeps them developing new skills and growing in their jobs. But we are large enough that we can make it possible for them to change jobs without leaving the agency. So we benefit from their increased knowledge and experience.

Nearly every one of the multi-site corporations (category #1) and one of the alliances (category #2) reported that collective management made it possible to offer better staff benefits.

The starting wages [in our multi-site corporation] are competitive, but not great. But all staff have fully paid health and dental coverage, including full family coverage, as well as paid vacations, sick days, personal days, all that.... We have an Employee Assistance Program, and a pension plan.

Uniform personnel policies have made a significant difference for staff. Now all employees at all sites have benefits and paid vacations—which were not available to them before they chose to contract with [the alliance.]

The benefit package offered by our [multi-site corporation] gives us a slight edge. We have good health insurance and a retirement program that we are proud of. As an employer we contribute 7% of an employee's salary into their retirement fund, which is notable in our community.

Key informants from the home-based alliances (category #3) report that the role they pay in enrollment and fee collection makes a significant difference in provider compensation.

The providers in our [home-based alliance] earn more than the going rate because we help to ensure that they stay full and that fees are collected in full and on time. They don't necessarily charge more than others, but they have a more steady income.

While home-based alliances that were connected to a multi-site early care and education corporation (category #1) were often able to provide health, retirement and other employees benefits, this was not the case for independent home-based alliances (category #3). These alliances often found it difficult to secure benefits — even for their own employees. The reason, they believe, is that they just aren't big enough to attain any economies of scale.

We struggle with liability and health insurance. Both are hard to find and expensive. We provide liability insurance for our providers but we can't offer health or retirement benefits—even for our [the alliance] central staff.

BETTER QUALITY SERVICES FOR CHILDREN AND THEIR FAMILIES

Nearly every key informant — in both the center- and home-based approaches — stressed that collective management requires collective strategies for quality improvement and most felt that the overall results for children and families were very positive.

Our [multi-site corporation] offers a much higher level of quality than the typical stand-alone site can provide. We have a host of support services for our staff and the children and families they serve. We can afford to be serious about offering only high-quality services.

The providers that participate in our [home-based alliance] stay in the child care industry 2.6 times longer than the national average. That's much lower turnover, which means that the providers have experience and are able to develop long-term relationships with children.

Our [multi-site corporation] includes a charter school, which serves primarily low-income Latino children. The academic performance of these students has been outstanding – in the top 15% of all middle schools in [our state]. ♦



CHALLENGES POSED BY
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COLLECTIVE MANAGEMENT

The individuals interviewed for this report overwhelmingly believed that shared management was an effective approach. But they were also clear that it was not the answer to all problems. And a couple of key informants were not sure that collective management of multiple sites was the best approach at all.

I actually think that, with regard to economies of scale, multi-site models are not ideal. When you face hard times it is harder for a [multi-site corporation like ours] to turn on a dime. We have a bigger bureaucracy, and it's harder for us to impose cuts. I can't easily re-structure staff. Multiple sites are never really efficient. The best efficiencies come from a large, single site model.

Indeed, if careful attention isn't paid to staffing patterns, roles and responsibilities, it appears that a multi-site model can just be another layer of bureaucracy. E-mail correspondence from an individual who declined to participate in this study underscores this point.

....I have a somewhat different model for quality care than the one you are looking at which...involves diverting administrative funds away from large bureaucratic umbrella agencies to increase teacher salaries, the biggest problem in the profession. In some glaring cases, the large umbrella agencies in our region have sucked the lifeblood out of their program classrooms to support and enhance their own existence. The small, decentralized system can be incredibly creative and innovative.

In general, the limitations of shared management strategies appear to cluster around three basic themes: program size, teacher wages, and quality improvement efforts.

● ● ● PROGRAM SIZE

In exploring the effects of collective management, size is about two things: the size of each local site as well as the total number of sites that participate in the network. All key informants believed that there was a "break even" point with regard to both the size and number of local sites, but cost-effectiveness appeared to vary widely from place to place. Factors such as regulatory requirements, appropriate caseloads for support staff, travel time among sites, and the needs of specific communities and children can have a profound impact on overall cost.

Size of participating centers - In general, most informants from multi-site corporations (category #1) believe that a large, single site is most efficient and that local sites with less than 75 children are expensive. At the same time, however, informants were quick to point out that these optimal conditions are rarely possible. All of the multi-site corporations and center-based alliances included in this study had some sites that were smaller than 75 children.

Many of the local sites [in my multi-site corporation] have only 30 kids. This is really too small but my board loves these small sites because they can be in the neighborhoods. So we are keeping them open at the moment, but it's a struggle.

One key informant pointed out that collective management allowed the agency to think about the cost-efficiencies of local sites as a whole, rather than individually. It is interesting to note, however, that this informant was from a multi-site corporation that received a wide range of public subsidy—to their non-profit multi-site corporation as well as to help low-income families pay child care fees. This direct, public support (e.g. funds that were not tied to specific children) made it possible for the corporation to have a single, combined budget for all sites.

Because we have an amalgamated budget we can balance high and low cost care—accepting losses in some centers (that are smaller; and serve a lot of infants and toddlers) because we do better in others (that are larger and/or serve older children).

Most key informants were clear that program size is a key factor when making decisions about future expansion and/or responding to budget cuts.

I wouldn't open a site for less than 75 kids now.

I've had centers with less than 45 children call and ask to become part of my [multi-site corporation] but I've turned them down. Even though I'm fairly big and have some overall economies, I just can't afford to add sites that small.

I am eliminating my infant site, which serves 20 babies with 7 staff. We really need those 7 people to provide good quality care but I can't afford to do it anymore....

The individuals interviewed for this study were also quite comfortable with large sites, and many had incorporated a few very large centers into their networks.

One site is 200 and another is 340. Both of these are very efficient, and the size isn't a problem for the kids or families because we use a "cluster" model so it feels small.

Number of sites that participate - Key informants varied widely with regard to how many local sites they were willing to include in their multi-site corporation (category #1) or center-based alliance (category #2). Some were willing to grow continuously, so long as the new local sites served at least 75 to 100 children. Others believed that there were specific "break even" points for the management entity.

United Way would like me to bring more child care centers into my [multi-site center-based alliance] but I think I am at about the maximum economy of scale right now. If I bring in more centers I would have to increase support staff in the central office and it would no longer be cost-effective. Now, if I could raise the revenues I need to support a larger support staff (through parent fees or another form of third-party support) then maybe I could grow. Or if I brought in four new centers all at once, then I'd have enough money to support more staff. But under the current contract conditions and rates it just isn't possible.

Home-based alliances also varied with regard to their willingness to grow. Some welcomed growth, and saw it as a positive move that simply required adding more staff as participating providers increased.

An [alliance] that includes 30 home-based providers might have two staff—one to do the “inside” work of billing, bookkeeping, marketing to parents, and so forth, and one to do the “outside” work of visiting providers and coordinating training and technical assistance. As the [alliance] grows, additional staff are added.

Key informants from the home-based alliances that served larger numbers of low-income families and provided a range of support services were, however, more reluctant to grow. Limited public funds to help families pay for child care as well as to fund support services for providers were noted barriers.

TEACHER WAGES

By and large, the key informants who worked with multi-site corporations (category #1) and center-based alliances (category #2) believed that the approach did not have a significant impact on the hourly wages paid to classroom teachers.

None of the members of our [center-based alliance] – including the center we directly operate – have been able to sufficiently lower staff turnover, which still hovers at around 20-25% each year. Our commitment to keeping parent fees affordable and maintaining a sliding fee scale means that we just can't generate enough revenue to pay wages that are comparable to other area businesses. Staff don't leave to work in other centers; they leave to work in other fields — like the insurance company that is based here — where they can make more money.

There was, however, an important difference in the responses from informants that represented multi-site corporations (category #1), who stressed that while their hourly wages were not always higher, their employee

benefits, internal career ladder and staff supports were much better than what was offered in stand-alone centers. Center-based alliances (category #2) were, by and large, not able to offer these benefits.

Contrary to the experience of center-based networks, home-based alliances (category #3) appear to have a positive impact on the earnings of participating providers. As noted earlier, key informants believe that the wages of providers that participate in these alliances are better than those of other, independent home-based providers. However, these home-based alliances struggle to secure benefits like health and liability insurance.

QUALITY IMPROVEMENT

The need to ensure that all participating programs are providing high quality child care and early education services was underscored by nearly every key informant interviewed for this study. But most key informants reported that raising funds for quality improvement is a struggle, and the cost savings incurred through collective management are not always sufficient to cover the increased cost of quality improvement. A major barrier, they believe, is that the current approach to child care finance in the United States is not designed to support high quality programs—even if they are part of a multi-site corporation or alliance. Parent fees and public reimbursement rates are low, and typically do not include the costs of quality improvement and support services.

Cost is getting out of line—especially for the family child care network division of our [multi-site corporation]. The family child care network used to be very strong financially. Now it is in the red. The administrative portion of the public reimbursement rate for our network hasn't been raised in years. Legislators don't understand that a lot of what we provide under the category of administration is really program-related, such as quality assurance. It is a very hard sell.

Our model is expensive. It is basically a new category of care, and reimbursement rates as they are currently constructed don't fit this model. It is tough to sell the higher costs when other lower quality approaches are cheaper. Start-up funding is available, but no one is willing to pay these higher costs over the long haul.

All of the programs profiled in this report either raised funds (in addition to parent fees and child care subsidy reimbursement) to support quality improvement or participated in state- and community-funded quality improvement initiatives (such as T.E.A.C.H. and other professional development or technical assistance efforts.)

COMPETITION VS COLLABORATION

As noted earlier, the programs and initiatives profiled in this report were supported by multiple funding streams—in some cases from as many as three dozen different sources. While most key informants were clear that their agency pursued funding from all available sources, they also believed that there were situations in which they could not effectively compete. Working with schools — especially in states with large, publicly funded pre-kindergarten programs — is an example that was frequently cited.

In many parts of the country the primary competitor for a multi-site early care and education corporation is the local school district. In a few cases the competition involves direct support, such as competing for a state grant to provide pre-kindergarten services. In most situations, however, competition between schools and child care is about attracting qualified staff and maintaining full enrollment. As noted earlier, even the largest multi-site early care and education corporations profiled in this study reported that their wages were lower than those offered by the schools. Key informants also stressed that their multi-site early care and education corporations or alliances could not offer the range of benefits and job security that are typically available in a school district setting.

Our [multi-site corporation] isn't big enough to take advantage of economies of scale in many areas—such as workers compensation. We see our largest competitor as the schools, and there is no way that we can reach the economies of scale that are possible in institutions of that size. Maybe if we were in a smaller community we would be large enough to have a market share, we would be as large as a local school district. But we are in a big city. And here, our agency is small potatoes.

Competition for children is also increasing, especially among preschool programs that primarily serve three and four year old children. At first blush this might appear confusing. Most communities still do not have enough quality child care spaces for all children—so how could there be competition for enrollment? The answer is directly related to money. Programs that are located in areas that can attract higher income fee-paying families and are not competing with a free or low-cost program typically do not have trouble filling their slots. Similarly, child care programs that have a child care subsidy contract that covers all or most of their children, or those located in areas where there is not a waiting list for child care vouchers, may not have trouble staying full. But these situations are not the norm. Many high quality child care preschool programs are not filled to capacity simply because the families that live in their area cannot afford to pay the fees or have other free or low-

cost options available to them. In short, the demand for early care and education is directly linked to the ability to pay for the service.

The multi-site corporations and alliances profiled in this report are dealing with competition in different ways. Many are vying for pre-kindergarten or Head Start funds and incorporating school readiness and family support services into their program model. One agency profiled in this report actually became a charter school (see Community Day Care, Inc. on page 40). Other sites are thinking strategically about how they grow. For example, the key informant from a rural multi-site early care and education corporation explained that her agency board had established a growth strategy that focused on collaboration rather than direct competition.

Our agency is somewhat unique due to the fact that we administer the child care subsidy funding for our seven county area in addition to directly operating more than two dozen child care centers.⁵ Because of this we are very sensitive to any direct service expansion that could be perceived as a conflict of interest. As new early childhood programs have opened in our area we have decreased our direct service and instead made it possible for families to use child care vouchers to purchase care in these programs. When new Head Start or pre-kindergarten programs open we encourage them to provide full-day, year-round services and, whenever possible, make child care subsidies available to help fund a full day. This has been good for increasing parent choice and has also brought in some new funding possibilities. And quite frankly, sometimes it is better for staff to work for the school district than to work for me. They usually have better wages, benefits, more possibilities for career advancement.... Sometimes I can do more by NOT being the direct service provider.... Fifteen years ago our agency operated approximately 95% of the subsidized child care for the region. Today we are directly providing less than half of the direct care. We perceive our future role as less in the area of direct services and more in subsidy management, technical assistance, business support, resource and referral and early intervention.

The complexities of competition and collaboration raise a host of issues that are far beyond the scope of this report, including common standards, rates and funding policies; program monitoring; and governance, to name just a few. Future research could explore these issues in more depth. ♦

⁵ This category #1, multi-site child care corporation is also the local voucher management agency.



GOING PART OF THE WAY:
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SUPPORT SERVICES ALLIANCES

BENEFITS AND BARRIERS

In addition to exploring the benefits of collectively managing multiple child care sites, this report profiles a few examples in which participating centers or homes contract with a single entity to provide some - but not all - management support services. These services include tasks that are typically part of basic child care program operations such as staffing, recruiting and hiring substitutes and food preparation/management.

Caution must be used when making any assumptions about collective approaches to support services because only a handful of initiatives are profiled in this report — not a representative sample. Nevertheless, interviews with key informants suggest the following benefits:

- Child care centers appear to both need and value assistance with recruiting teachers and substitutes if these services can be provided at minimal cost to the center.
- Making it possible for child care programs to purchase catered meals rather than maintain their own commercial kitchen appears to be a helpful way to reach some economies of scale. This can be done by a large child care corporation offering to sell catered meals to other child care programs, or by helping a group of child care programs to establish and support a collective commercial kitchen.

Despite these benefits, key informants report that convincing child care programs to participate in a support services alliance can be difficult. A key reason is the lack of information on the actual cost of many administrative tasks. Child care center budgets are frequently balanced with “in kind” contributions, and directors often work overtime so that they can take care of personnel/management needs and also provide program leadership. Directors or boards rarely calculate the amount of time spent on, and the costs associated with, specific administrative tasks.

Most centers do not recognize the cost of recruiting and screening applicants because they do not have this as a direct expense in their budgets. It's an absorbed cost. If centers don't have a line item they are reluctant to add another expense to their bottom line.... And there is not an instrument that measures the cost of bad staffing decisions. If we could build a frustration and stress meter that directors could carry with them and they could see the effect that staffing has on them and alarms would go off then this would be an easy sell.

Research conducted by Kinderstreet Corporation, which provides internet support services for after-school and early childhood programs, assigns a cost to many of the administrative functions performed by child care businesses. They suggest that tasks such as enrollment processing, billing, parent communication, state reporting and staffing can cost an after-school program with 500 children over \$37,000 a year.⁶

Several of the key informants interviewed for this study stressed the need to reach out to boards — rather than center directors — to effectively sell the service.

Some center directors don't manage the money and therefore talking to the director isn't always the right audience. But boards may not be aware of how much stress hiring places on a director's shoulders. We estimate that center directors spend 25% of their time recruiting, hiring and retaining qualified staff. But because it isn't a cash cost in the budget, boards aren't necessarily convinced...

The meal service program has freed directors at centers to focus on other aspects of running their business and not have to worry about meals. In many instances, boards of small centers would expect their directors to purchase and cook food in order to save money.

While launching a support service alliance can be difficult, interviews with key informants suggest that participating centers and home providers will, over time, become enthusiastic supporters—especially if the service is tailored to their unique needs.

The centers love [our support services alliance] because it has made their lives so much easier. They can call at 6 am and know that they will have a qualified, trained staff person in that classroom that day. Several centers have told us that they now feel like they can fire someone who isn't working out because they know that if they call us they will have another staff person to fill that slot until they find a permanent employee.

Our substitute program (which provides a consistent staff person so that teachers can return to school) has reduced turnover (in the 10 centers that participate) to close to zero.

⁶ Kinderstreet Cost Assessment Model, www.kinderstreet.com.

FUNDING

Key informants from support services alliances stressed that finding and maintaining third party funding for their efforts was essential. Only two of them have been able to cover the cost of providing support services with user fees alone.

Our [substitute service] still isn't self-supporting. It is too labor intensive. ...having a staff person on-call for the hotline from 6 am to 10 pm is really hard on our staff. ...I sometimes wonder if we'll be able to keep it going over the long haul. But I believe that personal relationships are key, so I'm not sure how to make it work with an answering service.

One of the support services alliances profiled in this report indicated that a careful assessment of how to use automation, and working closely with an organization that had expertise in automated support services, made it possible for the initiative to be self-supporting.

We learned that it wasn't cost effective for us to operate [our staffing service] until we could get it automated. We worked with another company that has been doing this sort of work for years and had developed a web-based employment center. They helped us develop a similar approach, and similar software, for our project. It has worked well.

STRENGTHS OF THE UMBRELLA AGENCY

When making a decision to initiate a support services alliance, it is important to consider both the strengths of the potential umbrella agency as well as the needs of participating child care programs. One key informant described the needs assessment process her child care resource and referral agency (CCR&R) went through prior to launching a support service. While it was clear that local providers could have benefited from shared fiscal management, the CCR&R did not think that offering fiscal management services played into their agency strengths. They felt that other local organizations, with far more expertise in running large billing and fee collection operations, or managing multiple payroll accounts, were better equipped for the task. In the end, the agency chose to focus on human resource issues, a choice which they now believe was just right.

Establishing a staffing service was clearly the right choice for us. It not only meets an important need of the field (to have a pool of qualified candidates) and helps to elevate the overall quality of care, but it also plays to our strengths as a CCR&R agency. We know about recruiting, training and supporting practitioners. That is one of our strengths.

This agency has now begun to explore the feasibility of providing assistance with other human resource issues, such as: legal issues around hiring and firing staff and training/administrative strategies that can lower workers compensation rates. Key informants from two of the staffing service alliances noted that their agency was also expanding the service to include "one-stop shopping" for employee in-service and pre-service training. A natural next step, they noted, was developing a specialized training package for new child care center employees that is uniquely tailored to ensure that these staff not only understand what is expected of them and how to fit into the center, but are able to perform effectively. ♦





THE PROCESS:

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NURTURING COLLECTIVE MANAGEMENT

There is rarely a single, right answer to any problem. This is particularly true for early care and education businesses that seek to operate efficiently and also provide high quality services. Regulatory and funding requirements vary widely and have a profound impact on program administration. The developmental needs of children, family needs and preferences, and resources vary as well. Each of these factors impact the choices that are made with regard to program staffing, administration and finance. This research reveals, however, that there are a few key lessons that apply in almost all approaches to collective management. These include the following :

● A SHARED VISION AMONG PARTICIPATING PROGRAMS ● IS ESSENTIAL

Multi-site early childhood programs and alliances are typically formed to seize new opportunities and/or address economic and management concerns. To be effective, all of the sites must have a common definition of the opportunity or problem and sufficient trust that a collective approach is the best response.

Not surprisingly, most of the nominations received for this report were for programs that fell into category #1: multi-site early care and education corporations in which all sites are operated by a single entity. In this case, local sites are created (or purchased) by the lead agency and, by definition, incorporate a shared vision. Significant effort was given to seek out examples from category #2: multi-site alliances that include independent programs. A discussion of the strategies these sponsoring agencies used to help build a shared vision among participating programs is included below.

Establishing a Shared Vision Among Members of an Early Care and Education Alliance: Key Lessons

- ***Build trust slowly*** – Some alliance sponsors report that they started by taking responsibility for a small portion of the program operations (for example, handling billing and preparing monthly fiscal reports to the board) and then slowly assumed more and more responsibility as trust grew.
- ***Be clear about the mission, vision and policies of the alliance*** – Most alliances have elected to use a common curriculum (or educational approach) and to establish common policies and procedures regarding human resources, accounts payable and receivable, information technology systems, and so forth. If an alliance already exists and is considering the addition of new members, make sure that prospective members understand the mission, vision and policies before they agree to join. If a completely new alliance is being formed, it may be necessary to invest significant time in facilitated conversation in order to reach a shared vision.
- ***Recognize that it may be necessary to hire new staff*** – Several of the sponsoring agencies noted that it was difficult to bring existing staff into the alliance because they tended to cling to the “old” way of doing things.
- ***Work directly with boards*** – Often it is the board of directors who reaches out to a sponsoring agency, and in many cases, the decision to join an alliance follows a period of high director turn-over. In some cases the boards continued to play a key role; in others, the boards dissolved and the center became part of another multi-site child care program.
- ***Be willing to end the relationship if a shared vision cannot be sustained*** – Sometimes program boards or staff simply do not agree with the approach taken by the alliance and it is not possible to reach an acceptable compromise. In this case it is best to end the relationship rather than risk continued tension that could hinder success of the alliance.

LEADERSHIP MATTERS

Strong, effective, trusted leadership is key to developing and maintaining an effective multi-site early care and education corporation or an alliance. Each of the initiatives profiled in this report had a champion to get it off the ground, as well as a team of leaders to keep it going.

The boards [of the centers that participate in our alliance] feel so much more comfortable with a seasoned Chief Executive Officer, and they now have access to a staff of professionals with many and varied skills. They tell me “we know how it worked before we contracted with you, and we know how it works now, and there is no comparison.” The funders trust us, too, which makes it easier for all of us to raise money.

Many key informants stressed the importance of being clear about who is the primary client, and balancing power relationships among participating programs.

Our child care center is still the “100 pound gorilla.” Because we are the parent company, our staff often gets first dibs at training, support, equipment, etc. It isn’t necessarily a relationship of equals. This is something we have to struggle with all the time...and could really hurt the alliance if we are not careful in how we manage it...

The individual programs or providers who participate in a collaborative management approach must believe that the leadership has the collective interests at heart.

We see providers as our primary client—and they know that. The bottom line is that the women who participate in [our family child care alliance] know that they will get paid—on time and on a regular basis. We take responsibility for that. And they know that we will do everything we can to keep them fully enrolled. That is hugely important. Providers call us wanting to join.

QUALITY MATTERS

Effective multi-site programs and alliances must not only have an effective management structure, but they must also ensure that each participating program is offering quality early care and education services. Just as a rising tide rises all boats, one sinking ship can put the whole fleet at risk. Most of the key informants interviewed for this report stressed that quality control is a key business issue.

To be successful, I have to focus on four primary issues: enrollment (utilization has to be at 95%), fee collection, program accreditation and professional development of my staff. Those are the top management issues.

Quality Control in Multi-Site Corporations - All of the multi-site early care and education corporations (category #1) supported a range of internal quality improvement efforts. These typically included centralized staff to assist with: program accreditation, training and on-site technical assistance to help teachers and family child care providers improve their skills in working with young children (including classroom observations, that sometimes involved environmental rating scales like ECERS), and training and consultation in measuring child outcomes and conducting individual child assessments. Education scholarships and mentoring opportunities were also available at many sites. Many of the corporations had wage scales linked to attainment of professional credentials or degrees and, for some, professional qualifications were required for continued employment.

Two of the category #1 multi-site corporations also include family child care networks. A key informant from one of these sites pointed out that the quality assurance efforts established for their center-based corporation have “ripple effects” for the home-based providers that participate.

Our organization as a whole places great emphasis on quality assurance and has imposed high standards on our child care centers. When we have staff meetings to discuss agency-wide outcome measures and quality standards, it is hard to argue that family child care providers should not meet the same high standards. It’s a great goal, but it is also a huge challenge.

Key informants from the multi-site corporations were quick to point out that significant sums were invested in quality improvement, and that it was difficult to recover these costs from public child care reimbursement rates or parent fees. Multi-site corporations often raised additional funds to support quality improvement; funds that, they report, are becoming harder to obtain in tight fiscal times. Indeed, the high cost of maintaining quality was the primary reason that multi-site initiatives were reluctant to grow; they simply could not cover the cost of quality assurance with current rates and saw little or no possibility for raising those rates or securing the additional, outside funds needed to ensure that all sites were providing high quality care.

Sometimes quality improvement services are funded, and provided by, a community-wide initiative. The Executive Director of one of the multi-site corporations profiled for this report pointed out that her agency benefited tremendously from support services funded by a local early childhood consortium.

We have a nurse that is shared among all of the early childhood programs in our community, as well as family support staff and team of mental health professionals that can help with children's behavior issues. These are invaluable services. I would have to pay for them if they weren't available for free.

Community-wide support for quality enhancement is, in effect, one approach to collective management. And it may be an essential ingredient for effective early childhood program alliances.

Quality Controls in Alliances - The high cost of quality assurance is even more evident in center and home-based alliances (categories #2 and #3), where programs typically have greater autonomy and resources are more limited. Time and again key informants noted that they simply did not have the resources to support regular child and classroom assessments or program support staff like nurses, psychologists or family workers. Two of the center-based alliances (category #2) and one of the home-based alliances (category #3) profiled in this report included quality improvement services that were comparable to those offered by the multi-site corporations (category #1). However, all three of these examples are in states that require classroom observations and child assessments in either all early childhood programs (TN and CA) or in publicly-funded programs (MA).

A key question, then, is what role does third party support for quality assurance play? It is a necessary condition for a collective management approach? Were the center-based corporations and alliances profiled in this report able to succeed because they secured this support? And was the lack of broad public or private sector support for quality control one reason why it was so difficult to locate nominations for category #2? The study sample was far too limited to adequately test these hypotheses, however they are important questions to consider.

While some alliances were unable to financially support quality improvement at the same level of intensity as those noted above, all had some quality measures in place. The home-based alliances generally required that providers allow staff to visit their homes on a regular basis to observe the provider and children and offer assistance and/or training. Two of the alliances had also developed professional, credit-bearing training programs aimed at providers whose native language was not English. Another had a fairly extensive internal mentoring program. One center-based alliance required all participating programs to be accredited.

Economies of Scale - Several of the multi-site corporations (category #1) noted that there were significant economies of scale in staff development and that the larger and more diverse the corporation, the greater the opportunities were for cross-training of staff.

We have a strong cadre of professionals in many areas. The synergy among staff, and the training opportunities that arise in-house because there are so many staff with such diverse skills, is excellent. Having multiple sites with different domains [home-based, center-based, school-based] allows our agency to learn from experience as well as become more effective and efficient.

We offer numerous professional development opportunities to staff, sometimes by bringing in experts to train the whole staff (a big cost savings over sending staff to individualized training) and/or using our own internal expertise and resources. Professional development also includes networking groups among "role alike" staff (e.g. all school-age staff or all center supervisors) to provide peer support and learning.

Quite a few of the multi-site corporations generated support for internal staff development by successfully bidding on statewide initiatives to provide training and technical assistance to all of the providers in their community or region.

THE WHOLE MUST BE GREATER THAN THE SUM OF ITS PARTS

If the collective approach is not more effective than what can be accomplished by individual programs, it is not likely to succeed. Brian Henehan and Bruce Anderson, co-authors of *Considering Cooperation: A Guide For New Cooperative Development* (2001) identify two key reasons that groups typically consider a new enterprise: 1) an economic problem that has a negative impact on them; or, 2) an opportunity that requires more resources or energy than can be supplied by an individual organization. Henehan and Anderson point out that a cooperative venture cannot correct overall market failures, but that it can help participants to "capture a market niche" or reduce costs by pooling purchasing power and/or expenses. Comparing potential returns with potential costs of the venture is, in their opinion, a key step in planning a cooperative effort.

In addition to administrative cost savings, the key informants interviewed for this report suggest an additional reason for early care and education businesses to consider collective management—quality improvement. Since site visits or

program assessments were not conducted as part of this research it is not possible to state with authority that collective management improves program quality. However, most of the multi-site corporations and several of the alliances profiled in this report offered a host of support services and quality assurance measures that are not available in 'stand alone' child care programs. These include regular, formal classroom observations and child assessments; extensive staff development; specialized staff with expertise in child mental health, social and health services; and back-up support for program directors. Improving the quality of services offered by a group of early childhood programs meets two of the goals described by Henehan and Anderson. First, quality improvement is an opportunity that often requires more resources or energy than can be supplied by an individual organization. Second, if a group of child care programs collectively focus on quality improvement, and then market themselves as a network of high quality programs, they may be able to capture what Henehan and Anderson refer to as a "market niche."

Few of the initiatives profiled in this report were able to conduct the kind of careful analysis of strengths, resources and opportunities suggested by Henehan and Anderson. However, time and experience have underscored that the issue of collective benefits is an important one. The challenge, in early care and education endeavors, is to be able to accurately measure the benefits of collective action—in actual dollars as well as in terms of administrative efficiency and improved services. Child care programs do not have consistent approaches to budgeting. And all too often key management expenses do not appear on the budget because they are picked up by "in kind" contributions (overtime hours contributed by staff, or volunteer work provided by board members and others). The collective

approaches profiled in this report have all survived because they were successfully meeting a need. Efforts to launch similar approaches in the future may, however, require a more rigorous cost/benefit analysis.

CONCLUSION

A major barrier to financing early care and education programs is the fragile nature of the industry. Early childhood programs tend to be very small. And very small businesses rarely have the financial stability and fiscal expertise necessary to take advantage of new, innovative financing strategies. Because of their size, early childhood programs often find it difficult to weather bad economic times when enrollment might be down, or to take financial risks such as borrowing money to grow. Small programs often do not have the staff or expertise to take advantage of new educational approaches or service delivery strategies. And small programs often have unreasonable administrative costs; they either rely on staff that serve dual role of teacher/administrator or they have high administrative costs as a percentage of direct services.

Collective management may be one way to address these needs. As this report has demonstrated, shared management of early childhood programs can potentially lead to administrative cost savings, better cash flow and fiscal stability, stronger fundraising and increased capacity to carry debt, better working conditions for staff, access to support services, and better quality services for children and their families. But shared management strategies also have limitations. In short, there are many questions yet to be answered. ♦





NEXT STEPS

This report is the first step in a series of efforts designed to explore collective management strategies for early care and education businesses. By describing current approaches and lessons learned, we hope to encourage the organizations and individuals engaged in collective management to learn from one another, share ideas and strategies, and craft new approaches. As noted in the report, there are many unanswered questions and additional research is needed. Issues to be explored include the following:

- *What role can outside organizations (e.g. groups that have expertise in areas like finance, marketing or workforce development rather than early care and education) play in helping to create or support collaborative management strategies?*

Leaders in community economic development have been exploring ways to support social entrepreneurs, including sectoral employment strategies that simultaneously strengthen an industry's workforce and benefit low-income populations. Community development leaders also foster industry networks that can help small businesses access markets, position and develop products, create industry-specific technology, and so forth. Local intermediary organizations (Community Development Financial Institutions) play a key role in developing and financing low-income housing and many are involved in financing child care facilities. Administrative service agencies provide a range of support functions for small businesses (payroll, health service plans, insurance management, accounting, and so forth.) All of these entities — and others — might be helpful partners in crafting new support strategies for early care and education. Further research might identify potential collaborators and innovative partnerships.

- *Should collective management be encouraged as a way to help improve early childhood program quality? And if so, what are the most important next steps?*

Interviews conducted for this report suggest that a key role played by the agencies that sponsor a collective management approach is ensuring that all sites offer high-quality services. But quality assurance was only one — of many — services provided by the sponsoring agencies profiled in this report. Could quality improvement alone be a unifying force for collective action? And would improving quality affect the bottom line among participating programs? Or must quality improvements be paired with business management functions like enrollment, billing and fee collection in order to have a financial pay-off? In conducting this study the research team received many examples of agencies that provide supplementary quality enhancement services, such as an infant/toddler specialist or mental health worker housed at a child care resource and referral agency that provides support services to a group of early childhood programs. Due to time and resource constraints, these

examples were not profiled. Future research might look more broadly at strategic alliances that involve early childhood program support services.

- *How will expanding multi-site models that do not have a director at each site affect the training, education, and experience required of classroom teachers?*

This report suggests that significant cost savings can occur when multi-site models eliminate the need for a full-time director at each site. If this practice increases, what implications will it have for the early childhood professional development system? The public agencies involved in overseeing child care have historically focused accountability on programs, through regulation or accreditation. Schools, however, typically license teachers. Multi-site approaches that rely more heavily on leadership from teachers may require a more careful look at practitioner credentialing and licensure. And in some states, child care regulations that require a director at every site will need to be reviewed and revised.

- *Is it possible to create a support services alliance that focuses solely on marketing, enrollment and/or fee collection on behalf of a group of early care and education programs?*

The key informants interviewed for this report were clear that enrollment and fee collection are bottom-line business issues that can make or break a program. Not surprisingly, the multi-site corporations and alliances interviewed for this report focused significant attention on developing collective responses to these key business issues. But they did so while simultaneously focusing on a host of program supports designed to improve quality and strengthen outcomes for children. In other words—none focused only on marketing, enrollment and fee collection. Nor did any of the support services alliances profiled in this report elect to focus solely on business functions. Rather, they elected to develop collective responses to issues such as staffing or food service. Is it possible to develop a collective response to basic, bottom-line issues like marketing, billing and fee collection without simultaneously addressing quality control? And if so, what tasks are most likely to benefit from a collective response? Future research should explore these issues in more depth.⁷

- *What new financing strategies are needed to support multi-site early care and education corporations and provider alliances?*

The multi-site early care and education corporations and alliances profiled in this report could not have achieved what they have without support from philanthropy and government. They all relied on grant funds — in addition to their daily rate — to support a host of quality improvement efforts, such as staff training and education, regular classroom observations, conducting child assessments and then

⁷ The Tides Foundation in California and Greenlights for Nonprofit Success in Austin, Texas are two organizations that have helped small non-profit organizations strengthen their businesses. To date, neither of these entities have worked with child care centers.

using them as a tool to help staff improve their practice, and so forth. Support services for children and families — such as nurses, psychologists, family service workers, and others — also required third party funding. Some multi-site programs secured grants in lieu of equity to secure debt financing, as well as to support corporate development and long-term planning. And all of the support service alliances (category #4) relied heavily on grant funds to support their work.

Very few businesses become successful overnight. It often takes years for an early care and education program to secure full enrollment or for a services alliance to secure enough provider investment to be self-supporting. But most funding is short-term and targeted to specific populations or initiatives. Rarely are grants crafted in a way that supports long-term investments in strengthening the early care and education industry as a whole. Addressing the mismatch between the needs of programs and funders, and exploring new industry-wide investment approaches, are essential next steps.

- *What new governance and fiscal structures are needed to ensure that the collective management approaches described in this report work effectively with schools, local governments, and state or federal agencies?*

Although all of the agencies profiled in this report use multiple funding streams and have relationships with many different public and private agencies, key informants often noted the complex procedures that are required to layer multiple funds in a single program. A careful look at aligning these systems, and establishing new approaches to governance, is an essential step.

- *Does the field of early care and education need to nurture a new approach to leadership?*

Entrepreneurial leadership was a key component in nearly every one of the programs and initiatives profiled in this report. In an early care and education program, leadership involves a careful balance between professional management skills (a focus on the bottom line) and a deep understanding of child development. Because it is often difficult to find these skills in the same person, several key informants talked about the importance of recruiting professionals from outside the field with particular expertise in business management. They created, in effect, a leadership team that included strong visionaries with roots in early childhood as well as individuals with deep management skills and a focus on the bottom line. This sort of team building is precisely what the early care and education field needs to succeed. Yet the training and education programs, professional organizations, and support networks of these two fields operate in isolation. Early childhood professionals often have trouble speaking the language of business and professional manag-

ers rarely understand the child care business. Bridging this gap, and forging a new approach to leadership, is essential. Over the past ten years Community Development Financial Institutions have become more involved in the child care industry. These partnerships could be an important springboard for more intensive work around industry alliances and investments. ♦





THE PROFILES

CATEGORY #1 MULTI-SITE EARLY CARE AND EDUCATION PROGRAMS

In this model, all of the center-based sites are operated by a single corporate entity. Sometimes this entity also operates a family child care network. Network homes are typically independent businesses that receive fiscal/administrative and other support services from the sponsoring agency (although in some cases the home-based providers are employees of the sponsoring agency.) Six of the sponsoring agencies profiled in this report are non-profit and one is proprietary.

Associated Early Care and Education (Boston, MA) serves approximately 950 children each day in 6 early care and education centers and 105 family child care homes (non-profit.)

Nation's Capital Child and Family Development (Washington, D.C.) serves approximately 1,600 children each day in 24 child development centers, 9 of which are school-age child care programs. The agency has a centralized kitchen that serves all of its sites (2,000 meals a day) and delivers approximately 1,000 additional meals to other child care programs in the District (non-profit).

Community Day Care, Inc./Community Day Charter School (Lawrence, MA) serves approximately 900 children each day in 7 center-based sites and a network of family child care homes. An additional 300 children are served in a charter school which is located at 3 sites — an upper school for grades 5-8, a lower school for grades K-4 and a new early learning center for 4 year olds (non-profit).

Childcare Learning Centers (Stamford, CT) serves approximately 1,250 children each day at 18 locations in Stamford and 2 locations in Greenwich (non-profit).

Learning Enrichment Foundation (Toronto, Canada) serves approximately 1,200 children each day in 13 early childhood centers and 18 school-age child care programs (non-profit).

Childcare Network, Inc. (Columbus, Georgia) serves approximately 14,000 children in 116 preschools in seven states, including VA, NC, SC, GA, FL, AL and TN (proprietary).

Southwestern Child Development Commission, Inc. (Webster, NC) operates 26 child care centers in the seven westernmost counties of North Carolina and the Qualla Boundary. These centers collectively serve, on average, 1,000 children each day (non-profit).



ASSOCIATED EARLY CARE AND EDUCATION, INC. Boston, Massachusetts

Sponsoring Organization

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Service Delivery Area

Boston, Massachusetts

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Associated serves, on average, 950 children each day in 6 early care and education centers and 105 family child care provider homes. Management of the child care centers is centralized—all staff work for Associated and accounts payable and receivable are handled by the Associated business office. Family child care providers are independent businesses, but participate in one of three neighborhood networks.

Additionally, Associated has a staff that work on quality assurance, research and policy issues beyond their network of centers. Services provided include the following:

- accreditation support to programs throughout greater Boston, including 8 public school kindergarten programs;
- training and consultation in measuring outcomes to assist early childhood education programs to: identify outcomes and indicators for the children or families in their program; develop systems for using data collected to improve program quality; and, identify data collection tools for measuring progress in achieving the desired outcomes.
- training workshops to assist teachers and family child care providers to improve their skills in working with young children.
- mentoring a diverse group of early childhood teachers who have demonstrated expertise and mastery of teaching skills and are participating in credit-bearing courses.

Type of Approach

Multi-Site non-profit center-based plus family child care network

Services Provided

- USDA Food Program management for centers as well as family child care network homes that choose to be part of Associated's food program. (Some providers elect to participate in the food programs sponsored by other agencies.)
- Billing/fee collection – Associated has centralized billing for both centers and homes, including managing the subsidy program in contract and voucher systems. However fees are collected at each site. In centers, the Program Assistant is responsible for collecting fees. In family child care homes, the provider collects the parent fees and is also responsible for billing non-subsidized families.
- Payroll – centers only
- Staff Support - Associated provides training/professional development as well as assistance with curriculum planning for staff in both centers and homes.
- On-site Technical Assistance - Associated staff visit network homes at least twice a month.
- Training – Typically (but not always) fully paid for staff and family child care network members. Also available, via contract, to early care and education staff in other programs.
- Classroom Observations – Done at least annually (but typically more often) in all centers and homes.
- Child Assessment – Associated trains staff in both centers and homes to do child assessments. If needed, assistance is available from central staff. Assessments are done twice a year for typically developing children, and quarterly (or more often, if needed) for others.
- Substitutes - For centers, Associated has contracts with several temporary agencies that recruit substitutes. In family child care, substitute care is arranged in another network provider's home.

- Shared Staff for Program Support - *Quality Assurance Team* provides support for accreditation, environmental rating scales, curriculum/outcome training, etc. *Family Development Team* provides social work services, coordinates early intervention, outpatient child mental health services, and links to health care services. *Nutrition* services are also centralized, although each site has its own kitchen & cooks.
- Facilities Department has 4 staff who handle all facility issues, from maintenance to building a new facility. Associated also contracts with a transportation company to transport approximately 15-20% of the children they serve (typically those with protective services cases.)
- Shared Staff for Administrative Support

Narrative describing services provided

Associated has adapted the Creative Curriculum and developed a staff training and support methodology that not only supports this curriculum but also links it to child outcomes. Individual staff development plans are prepared for all staff in child care centers. Staff are required to reach specific Early care and education credentialing/degree requirements. Associated provides financial assistance for training and education as well as paid leave time to attend school or workshops

The following services are available to family child care homes that participate in Associated networks:

- Home visits to provide assistance with planning, curriculum, model interactions, assist with child observations, serve as liaison with parents, and provide business and marketing support;
- Equipment (large items and toys) and supplies (crayons, paper and other consumables, etc.);
- Annual assessment, using Family Child Care Rating Scale, conducted by family child care coordinator;
- Curriculum (linked to child outcomes) and Home Safety Inspection packet;
- On-going professional development as well as training in child assessment and outcome measures;
- Consultants or referrals for play therapy, social services, early intervention, etc.;
- In the past Associated had a capital fund that made grants and loans available to help family child care homes make needed repairs. However, this initiative has been discontinued due to lack of funding.

Staff at Network Coordinator or “Umbrella” Organization

President and Chief Executive Officer
 Vice President for Quality Assurance
 Vice President for Center-Based Programs
 Vice President for Family Development Services
 Vice President for Human Resources
 Chief Financial Officer & Senior Vice President of Finance and Administration
 Vice-President for Development and Public Affairs
 Vice President for Family Child Care Programs
 Quality Assurance Team
 Family Development Team
 Nutrition Department
 Facilities Department
 Budget and Finance Department
 Information Management Department

Family Child Care Network Staffing Structure: Each of the 3 sites (with about 30-35 homes) currently has a Program Director, 2 Coordinators and a Program Assistant (Administrative Person). Coordinators have caseloads of 15 providers. However, this staffing pattern is being reviewed and caseloads will increase to 20.

Typical Staff in local sites (center and home-based)

Each center has a Director, Program Assistant (who is responsible for enrollment/intake, billing & fee collection, data collection, etc.), classroom teachers and kitchen staff. Sites with more than 100 children also have an Assistant Director.

Each family child care home has one provider.

Date Program/Alliance Began

Associated began in 1878, as the New Day Nursery (which was the first New England day program for children in Boston.) In 1952 the Day Nursery joined with eight member programs, five settlement houses (Dorchester House, Robert Gould Shaw House, Oliver James House, Trinity House and the Jamaica Plain Neighborhood House) and three day nurseries (South End Day Nursery, Ruggles St. Nursery and Sunnyside Day Nursery) to incorporate as “Associated Day Care.” The family child care network was added in 1983, the research and policy office in 1994, the 1995 accreditation facilitation project became the Quality Assurance department in 1999.

Funding

Associated has many public and private funders and donors, including: the State Office of Children and Families, the State Education Department, the United Way, Mrs. Frederick B. Deknatel, John W. Alden Trust, The Boston Foundation, Fidelity Foundation, E.B. Heron Foundation, Mr. & Mrs. Richmond Mayo-Smith and the Schott Foundation. See Annual Report for complete list.

Participating providers

Associated child care *centers* include Children’s of Cambridge & Central School in Cambridge; Castle Square in Boston, Jamacia Plain; Ruggles/Gilday and Sunnyside Day Nursery in Roxbury. The centers range in size. The smallest center serves 68 children and the largest serves 130 children. All are located in low-income neighborhoods.

The three *family child care networks* are located in: Chelsea/East Boston/Revere/Lynn/Everett; Jamacia Plain/Roxbury/Dorchester; and, Roslyndale/Hyde Park/West Roxbury. The educational qualifications of participating providers is mixed—a handful have a bachelor’s or master’s degree, many have lots of child development/early education courses, others have no formal education. About 80% of the family child care providers that participate in the networks are Latino and many are not bilingual.

Population served

About 60% of the families Associated serves speak a language other than English at home. (80% of the families who enroll their children in Associated’s family child care network are Latino and many are not bilingual.) About 98% of the families earn less than \$35,000 per year. Parents pay a sliding fee based on their income and family size. Subsidies from public and private sources comprise the balance.

NATION'S CAPITAL CHILD AND FAMILY DEVELOPMENT Washington, DC

Sponsoring Organization

Nation's Capital Child and Family Development
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Contact Person

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Service Delivery Area

Washington, DC

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Nation's Capital Child and Family Development (NCCFD) serves 1,600 children each day, ages 6 weeks to 12 years, in 24 child development centers, 9 of which are school-age child care programs. Management of all sites is handled centrally. NCCFD also has a large, commercial kitchen that serves all of its sites (2,000 meals a day) as well as other child care programs in the city (over 1,000 meals are delivered to contract sites each day.)

Type of Approach

- Multi-Site non-profit center-based
- "Partial approach" umbrella organization coordinates some shared services to centers or homes

Services Provided

- USDA Food Program management for centers
- Billing/fee collection – Site directors collect fees and send to central office
- Payroll
- Staff Support
- On-site Technical Assistance - provided by Director of Early Childhood, Director of Center Quality Improvement & Director of School-Age
- Training – formal, academic training & in-house workshops
- Classroom Observations – typically done by Site directors, but the Director of Early Childhood and/or Director of School-Age Child Care will help out when needed.
- Child Assessment – same as above
- Substitutes
- Shared Staff for Program Support - Mental Health, family and community support workers
- Food service available to other centers via contract; transportation (for field trips, not daily transportation for children); also facilities department
- Shared Staff for Administrative Support – fiscal, human resources, management, development

Narrative describing services provided

Intake/enrollment is centralized, but there is a Family Services worker at each site. All of the early childhood development centers use the Creative Curriculum.

Staff at Network Coordinator or “Umbrella” Organization

Chief Executive Officer

Chief Financial Officer

Director of Early Childhood (oversees 15 sites)

Director of School-Age Child Care (oversees 9 sites)

Director of Family & Community Partnerships (Intake, Family Services, Health)

Self-Empowerment and Family Development (Home Ownership program, CED, Computer training, etc.)

Human Resources

Facilities and Transportation – (3 maintenance workers on staff)

Director of Disability Services

Food Service: Director, Food Service Manager, 20 staff at kitchen site (cooks, drivers, etc.)

Typical Staff in local sites

Center Director

Teaching staff to meet ratios/quality standards

Teaching Aide

Food Service Assistant (to serve meals when delivered - a part-time job)

Family Service Worker (has office space on-site & at the central office; conducts intake at both places)

Date Program/Alliance Began

The first site was opened in 1964.

Funding

Head Start – 40%

Child Care Subsidies – 50%

Private Foundations, contracts, etc. – 10%

Participating providers

Sites are located in a variety of settings including churches, multi-family housing developments, schools, stand-alone facilities and a federal building. The smallest site has 20 children and the largest has 120 children. The average size is 65-70 children.

Population served

All of the families served by NCCFD receive either child care subsidies or are Head Start eligible. Most families are working poor, income-eligible however NCCFD is now serving more families who receive public assistance (TANF) as a result of District of Columbia changes in eligibility requirements.

COMMUNITY DAY CARE, INC. /COMMUNITY DAY CHARTER SCHOOL Lawrence, Massachusetts

Sponsoring Organization

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Service Delivery Area

Lawrence, Massachusetts

Type of Organization

Independent, non-profit early care and education agency. The Community Day Charter School is a public organization/school district with its own public board.

Summary of Approach

Community Day Care, Inc. serves 900 children each day in 7 center-based sites and a network of family child care homes. An additional 300 children attend the Community Day Charter School (at three sites, an upper school for grades 5-8, a lower school for grades K-4 and a new Early Learning Center for 4 year olds.) The child care centers, family child care network and charter school share the same administration, including the following services: fiscal (billing, fee collection, payroll), human resources, staff development, support services (nurses, therapists, bi-lingual/bi-cultural issues, etc.), food services (Child and Adult Care Food Program management & purchasing), data analysis, technical support, maintenance and transportation.

Child Care Circuit is the training arm and provides a host of services in addition to the support it provides to staff in the child care centers, homes and charter school. These include: professional development for early care and education programs throughout the region, resource and referral, literacy programs for children & families, administration of child care vouchers, corporate child care support, and services to foster parents.

Type of Approach

- Multi-Site non-profit center-based, plus family child care network, plus charter school

Services Provided

- USDA Food Program management for centers and family child care homes
- Billing/fee collection – Fees are collected at the central office for both centers and homes.
- Payroll
- Staff Support – Child Care Circuit is the training arm for the child care centers, homes and the charter school, and also makes training available to other early care and education organizations.
- On-site Technical Assistance for both centers and homes
- Training - Coursework provided by Child Care Circuit, monthly meetings by Community Day Care staff, & state required workshops.
- Classroom Observations – Typically done by center director but sometimes central office staff help
- Child Assessment – Developmental, health, hearing, speech screening in both centers and homes
- Substitutes
- Shared Staff for Program Support - Nurses, Mental Health, bi-lingual/bi-cultural staff, shared consultants for feedback/evaluation, data analysis, curriculum development, transportation for children who attend centers & homes, maintenance
- Shared Staff for Administrative Support – Fiscal, human resources, management

Narrative describing services provided

The Agency is organized into three divisions: Child Care Programs, Charter School, and Child Care Circuit. All three divisions report to the Executive Director, all use a Central Business Office, and many program/support staff are shared as well. State standards are used for all early care and education programs in centers and homes; programs that serve younger children use a common curriculum that was developed by Community Day Care.

Most support services are centralized/shared among sites, which allows the agency to draw upon a very deep pool of experienced staff. Community Day Care sites are also used as “labs” to test approaches before using them in training with the larger early childhood provider community.

The family child care network is funded by a contract with the State of Massachusetts. Community Day Care manages that contract and collects fees from the parents on behalf of participating family child care homes. Additionally, Community Day Care recruits and trains the family child care providers and offers classroom supplies, curriculum, on-site technical assistance and training, as well as transporting children to the family child care homes.

Staff at Network Coordinator or “Umbrella” Organization

Chief Executive Officer

Accounts Payable/Accounts Receivable

Manager of child care services

Comptroller

Accountant

Human Resources Director

Director of Placement

Data Analysis

Technical Support

Transportation staff (e.g. bus drivers, etc.)

Food Program staff (2 nutritionists, cooks, etc.)

Health staff – Contracts with speech therapists, occupational therapists, counselors, etc. Collaboration with local hospital—they offer prenatal classes for teen parents in exchange for child development services.

Typical Staff in local sites (center and home-based)

Each child care center has a Director. A few of the larger sites have an Assistant Director, but most do not. All have Teachers and Assistant Teachers.

The Charter School has an Executive Director, a Head of the Upper School, Head of Lower School, Mentor Teachers, Teachers, Operations Manager, Head of Library, Custodians, Cooks, Bus Monitors.

The family child care network has a Director, Home Visitors, Education Coordinators, Bus Monitors and Contracted Specialists for special needs.

Date Program/Alliance Began

Began in 1970 as a small preschool program, Wyman Street Pre-School. The family child care network was added in 1975, Child Care Circuit in 1982, and the Community Day Charter School in 1995.

Funding

Public funds from Massachusetts Office of Child Care Services, Massachusetts Department of Education, City of Lawrence; private funds from over two dozen foundations and private businesses.

Participating providers

The seven child care programs are varied, including an infant/toddler program, two school-age child care programs that also offer summer camp, two preschool programs, a campus learning center, and a courthouse children’s center. Centers range in size, but are relatively small. The smallest serves 40 and the largest serves 65 children. The family child care network includes 60 providers serving approximately 200 children in Lawrence and Methun.

Population served

All of the children who attend the Community Day Charter School come from Lawrence and 70% are Latino. 98% of the children served by the family child care network are Latino. Most children who attend the child care centers and family child care homes are eligible for child care subsidies.

CHILDCARE LEARNING CENTERS Stamford, Connecticut

Sponsoring Organization

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Service Delivery Area

Derry, Stamford and Greenwich, Connecticut

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Childcare Learning Centers serves 1,250 children, up to five years of age, at 18 locations in Stamford and two locations in Greenwich, CT. The centers are managed collectively, and the following functions are centralized: food & nutrition services (including 2 kitchens that prepare all meals; health services; human resources; fiscal; physical plant (maintenance, etc.); clerical; development; parent involvement and literacy; and, volunteers.

Type of Approach

Multi-Site, non-profit, center-based

Services Provided

- USDA Food Program management for centers
- Billing/fee collection - Fees are collected on site by Head Teacher. Central office generates bills and handles any past due fees.
- Payroll
- Staff Support – many different staff development approaches (see narrative below)
- On-site Technical Assistance – varies (see narrative below)
- Training – varies (see narrative below)
- Classroom Observations – Education Coordinator conducts weekly observations in all classrooms.
- Child Assessment – Each child is assessed annually, by a staff team.
- Substitutes (mostly for family leave; regular absences are typically handled by in-house staff from other sites)
- Shared Staff for Program Support, e.g. Nurses, Mental Health, etc.
- Shared Staff for Administrative Support, e.g. management fundraising, etc.

Narrative describing services provided

Staff development is provided in multiple ways, including 1) scholarships for college-level training; 2) in-house, college-credit courses offered to all staff; 3) conference attendance; 4) on-site, in-service workshops on specific topics are held at least once a week at 2 or 3 larger sites; 5) full-day training for all staff once a year (the agency closes for this). The intensity of classroom observations and child assessments varies by funding stream. Very intense for Head Start (they are part of research project.) All sites use the Creative Curriculum.

Staff at Network Coordinator or “Umbrella” Organization

Chief Executive Officer
Director of Finance
Director of Human Resources
Director of Development
Director of Marketing (part-time)
Senior Program Manager (oversees sites)
Food Service – 2 nutritionists, cooks, etc.
Health – 3 nurses, full-time aide and a health clinic with a part-time nurse practitioner
Maintenance Staff
Education Coordinators (technically on central staff but work at sites)
Family Service Workers (technically on central staff but work at sites)

Typical Staff in local sites (centers)

Head Teacher
Assistant Teachers and Aides
Education Coordinator (part-time at site)
Family Service Worker (part-time at site)

Date Program/Alliance Began

Childcare Learning Centers was founded in 1902. The agency is entering its 102nd year of service,

Funding

Childcare Learning Centers receives most of its funding from the federal and state governments—Head Start, Child and Adult Care Food Program, child care subsidies, Connecticut school readiness, local school boards. Other funding sources include foundations, corporations, individuals, fees and the United Way. The agency is also part of the Connecticut Health and Educational Facilities Authority facilities financing strategy, although most capital construction has been supported with city Community Development Block Grant funds.

Participating providers

Childcare Learning Centers has 18 centers in Stamford and 2 in Greenwich, all of which are located in low-income census tracts or in downtown. The sites vary in size, the smallest is 20 children and the largest is 350 children. Many sites have 30 children (which, our key informant indicated, is really too small to be cost-effective but are maintained because they are neighborhood-based. One infant program that served 20 children is closing this year because it is just too small to justify the expense.) Two other sites are quite large (200 and 340 children each). All of the large sites use a “cluster model” so that they feel small to the family and child.

Population served

92% of the families served earn incomes below 80% of HUD median family income (which is \$50,000 in CT); 81% earn less than 50% of that standard. Approximately 50% of the children come from single parent families. 95% of the families who attend the program receive some form of public or private subsidy.

LEARNING ENRICHMENT FOUNDATION

Toronto, Ontario

Sponsoring Organization

Learning Enrichment Foundation
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Toronto, Ontario M6M 4L8
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www.lefca.org

Contact Person

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Service Delivery Area

City of Toronto (and surrounding area) Ontario, Canada

Type of Organization

Division of large non-profit

Summary of Approach

The Learning Enrichment Foundation (LEF) is a non-profit, charitable agency committed to community economic growth and social development. As one aspect of LEF's broad range of services to the community, the agency has successfully implemented and operated 13 licensed child care centers for children from the ages of birth to twelve and 18 Before and After Care Programs for children from ages six to twelve. The centers collectively serve, on average, 1,200 children each day. All of the centers are centrally managed.

Type of Approach

Multi-Site non-profit center-based

Services Provided

- Billing/fee collection - The LEF accounting department handles all the fiscal responsibilities, prepares invoices, and the center supervisor collects the fee on site. Past due accounts are referred to central management.
- Payroll
- Staff Support (see below)
- On-site Technical Assistance (see below)
- Training - All staff are trained in child assessment and use a developmental checklist. Back-up support is available from an early childhood resource teacher.
- Classroom Observations - Conducted by Site Manager approximately every 6 weeks.
- Child Assessment - Completed by Early Childhood Educators and Early Childhood Resource Teachers.
- Substitutes - Substitutes are recruited and secured, when needed, by the central office. Classroom staff can also be moved among centers to meet emergency staffing needs.
- Shared Staff for Program Support
- Centralized food service
- Shared Staff for Administrative Support

Narrative describing services provided

Payroll and all human services issues – hiring, evaluation, supervision, professional development, etc. — are centralized. LEF offers numerous professional development opportunities to staff, sometimes by bringing in experts to train the whole staff (a big cost savings over sending staff to individualized training) and/or using their own internal expertise and resources. Professional development also includes networking groups among “role alike” staff (e.g. all School-Age Child Care staff or all Center Supervisors) to provide peer support and learning. All centers use same curriculum, which is based on the High Scope active learning approach.

Staff at Network Coordinator or “Umbrella” Organization

LEF has a Child Care Management Team that consists of two Co-Managers, and two Child Care Coordinators. In addition, an Early Childhood Resource Teacher works with staff and families of children with special needs. As a team, the Managers, Coordinators and the Early Childhood Resource Teacher support the supervisors and staff to ensure quality programs. The LEF food services department prepares and delivers meals to all child care centers (653 meals daily; 1.5 cooks on staff.) An outside contract has been negotiated for snack delivery to school-age child care sites. Additionally, staff in many different departments of LEF provide support to their child care center network, including: accounting, information technology, human resources, development and maintenance. An administrative assistant is also available to help centers with clerical needs.

Typical Staff in local sites

In addition to classroom staff, each center has an onsite Supervisor who is responsible for day-to-day operations. (The one center that has 110 children has a Supervisor and an Assistant Supervisor.) The Supervisor provides direct support for, and supervision of, classroom staff, is the key contact for parents and provides overall leadership in the center.

Date Program/Alliance Began

The Learning Enrichment Foundation (LEF) was established in 1979 in the City of York, and that year the first three child care centers were opened.

Funding

Canadian child care centers receive a direct operating grant, and a salary enhancement grant, from the federal government. The City of Toronto provides: operating support for school-age child care, individual subsidies for eligible families (via a purchase of service contract), and pays rent to the schools in which Learning Enrichment Foundation centers are located.

LEF raises money from foundations and the private sector to support overall agency operations (this goes way beyond child care; the agency sponsors a host of job training and community economic development initiatives.) Parent Councils at the individual centers conduct small fundraisers (raffles, bake sales, etc.) to raise money for extra special events (like field trips) or equipment (like additional computers.)

Participating providers

LEF has 13 child care centers and 18 school-age child care programs. All are non-profit. Centers range in size. The smallest (a preschool program) is 32; the largest (a school-age program) is 110. All of the school-age programs, and 11 of the child care centers, are located in public schools. The remaining two child care centers are located in public buildings.

Population served

LEF serves a very diverse population that includes many recent immigrants. A majority of the families they serve are low-income and most receive an individual subsidy from the City of Toronto.

CHILDCARE NETWORK, INC. Columbus, Georgia

Sponsoring Organization

Childcare Network, Inc.
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Contact Person

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Service Delivery Area

Southeastern United States

Type of Organization

Independent, for-profit early care and education agency

Summary of Approach

Childcare Network, Inc. (CNI) currently operates 116 preschools in 7 states (VA, NC, SC, GA, FL, AL and TN) that collectively serve about 14,000 children (6 weeks to 12 years of age) each day. CNI's preschools are community based, free standing locations that operate five days a week throughout the year. School-age child care is provided in the summer and before or after school.

Many business functions have been centralized, including: payroll, accounts payable, human resources, information technology and overall fiscal management. However, most program management functions, including fee collection, are decentralized.

Type of Approach

Multi-Site, proprietary, center-based

Services Provided

- USDA Food Program management - 112 of the 116 centers participate in the Child and Adult Care Food Program, which is managed for all sites in all states by the central office.
- Billing/fee collection - Bills are generated, and fees collected, at each site by the local program director (except in GA, where CNI works in collaboration with Maximus). Business computers are linked to the central office. A Collections Manager, located in the central office, handles bad debts.
- Payroll - Centralized for all sites in all states
- Staff Support - Each region has a District Manager, who provides support to the directors in the region
- Training - Directors receive annual training & support for credentialing classes. CNI maximizes staff training opportunities in states (e.g. participates in T.E.A.C.H.) and provides scholarships when they are not available elsewhere.
- Classroom Observations - see narrative below
- Child Assessment - see narrative below
- Substitutes - Individual programs assume this responsibility. However, in areas with multiple sites, directors have developed shared substitute lists.
- Shared Staff for Program Support - In Head Start collaborations, staff from the Head Start grantee provide comprehensive services.
- Shared staff/resources for transportation & maintenance
- Shared Staff for Administrative Support

Narrative describing services provided

All CNI sites outside of North Carolina use the High Reach Learning curricula. In North Carolina they use Bright Beginnings and Creative Curriculum.

CNI has just launched a company-wide effort to conduct individual child assessments every three months, using the High Reach Learning Prep system. Teachers have been trained to use the assessment tools and this year all 4 year olds will be assessed. After the system is tested it will be used to assess younger age children.

Staff at Network Coordinator or “Umbrella” Organization

Chief Executive Officer/Chairman

President

Executive Vice President/Chief Operations Officer

Chief Financial Officer

Staff for Payroll and Accounts Payable

Human Resources Staff

Child and Adult Care Food Program Administrative staff

District Managers, as well as staff in the Transportation and Maintenance divisions, work in the field but are technically central office staff.

Typical Staff in local sites

Director

Assistant Director (in larger sites)

Lead Teachers

Assistant Teachers

In Georgia, each site has a resource coordinator (social worker)

Date Program/Alliance Began

CNI was established in 1990.

Funding

State child care subsidies, state prekindergarten funds (CNI is the largest private sector prekindergarten provider in North Carolina and the third largest in Georgia), Head Start (CNI has partnerships with 7 grantees), Child and Adult Care Food Program, parent fees

Participating Providers

Childcare Network, Inc. currently operates 116 preschools in low-income communities in the following states: Georgia (42), North Carolina (38), Alabama (10), South Carolina (6), Virginia (5), Florida (12) and Tennessee (3). The programs range in size. The five smallest centers have 70 children. The five largest have 250 children. The average is 129 children. CNI encourages all sites to pursue accreditation or participate in quality rating systems. About 92% of CNI centers in North Carolina have a rating of 3 stars or higher (in their 5 star licensing system.) About 55% of CNI centers have achieved 2 stars in the Tennessee’s three-star quality rating system or are “Centers of Distinction” (level 2 of 3 levels) in Georgia’s pilot tiered reimbursement system.

Population served

75% of the families served by CNI receive public child care subsidies.

SOUTHWESTERN CHILD DEVELOPMENT COMMISSION, INC. Webster, North Carolina

Sponsoring Organization

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Contact Person

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Service Delivery Area

7 southwestern counties in North Carolina: Cherokee, Clay, Graham, Haywood, Jackson, Macon, Swain and the Qualla Boundary

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Southwestern Child Development Commission, Inc. (SWCD) operates 26 child care centers in the seven westernmost counties of NC and the Qualla Boundary. These centers collectively serve, on average, 1,000 children each day. Management of the centers is centralized, including payroll, human resources, food services, billing/fee collection and transportation.

SWCD also provides a host of services to a broader group of child care providers in their region, including resource and referral services, family child care provider recruitment and support and child care subsidy administration.

Type of Approach

Multi-Site non-profit center-based

Services Provided

- USDA Food Program management
- Billing/fee collection
- Payroll
- Staff Support - From Branch Offices & Center Director
- On-site Technical Assistance - Intensive technical assistance available for sites participating in quality enhancement grant; others receive support from Center Director and Branch Office.
- Training - Strong participation in T.E.A.C.H.; SWCD resource and referral department handles routine in-service training.
- Classroom Observations - No set policy. Typically done by center director. Administrative Coordinator (in branch office) helps when requested.
- Child Assessment - For early intervention referrals and children enrolled in NC's More at Four Pre-Kindergarten program
- Substitutes - List is shared among centers with reasonable travel distances
- Shared Staff for Program Support - SWCD Early Intervention Unit; other supports available from Smart Start funded specialists shared among all early childhood programs in the region.
- Common transportation contract for all
- Shared Staff for Administrative Support - See central administrative staff noted below.

Narrative describing services provided

SWCD provides these services to its 26 centers:

- Food service management – handles all paperwork, meals are catered and delivered
- Makes all purchases, fills out invoices, does billing, taxes, payroll, and benefits
- Fees are billed centrally but collected on-site, turned into regional coordinator who turns them into the central office
- Routine maintenance, facilities operation

SWCD has a quality enhancement grant from Smart Start that supports intensive technical assistance in 12-16 facilities aimed at raising their star level (in the tiered licensing system). Classroom observations, using ECERS and ITERS (environment rating scales), are included. However, only a handful of SWCD operated centers participate in this initiative; most funds are targeted to other early childhood programs in the community.

All SWCD operated programs do not use the same curriculum, except for classrooms that participate in NC's More at Four program (which has identified curricula.)

Staff at Network Coordinator or "Umbrella" Organization

The SWCD administrative structure includes a central office staff (that handles fiscal/ human resources/general administration) and 3 branch offices (that oversee 7-8 centers each). Central office staff includes an Operations Manager, Fiscal Office (accounting, administrative support, purchasing, billing, human resources, etc.) and Early Intervention Unit. Regional staff includes an Administrative Coordinator, Enrollment/Placement Specialist, secretary/receptionist, and portions of Resource and Referral and social work staff. In general, the central office is responsible for the fiscal/business aspects of management and the regional staff is responsible for the program aspects.

Typical Staff in local sites

Each center has a Director. Four of the larger centers (e.g. those with 100 children or complex structures) also have an assistant position who works under the Director either as Administrative Support or as Assistant Director. Classroom positions are Lead Teacher and Child Development Aide.

Date Initiative Began/Relevant Historical Info

SWCD formed in 1972 with funds from the Appalachian Regional Commission. Child Care Resource and Referral services were added in the late eighties. Smart Start funds were available in 1994 to enhance the child care subsidy rate and increase the numbers served.

Funding

State child care subsidy funds, North Carolina Smart Start, State CCR&R funds, Child and Adult Care Food Program, endowment, small local grants, United Way, county commissioners and parent fees.

Participating Providers

The 26 SWCD centers range in size. The smallest serves 18 children and the largest serves 110. The average is 45. They are located in a variety of sites—old schools, renovated houses, community centers, churches, public school classrooms, commercial buildings and renovated classrooms on community college campuses. All of the centers are at the 4 or 5 star level in NC's rated licensing system.

Population served

SWCD centers primarily serve children from low-income families. 85% of the families they serve receive public child care subsidy and only about half of the remaining 15% pay the full private fee. (SWCD raises additional funds to help families who cannot pay the full fee and are not able to obtain public subsidy.)

CATEGORY #2 EARLY CARE AND EDUCATION PROGRAM ALLIANCES

In this model, participating centers have varying degrees of independence, but share all or some management functions. Some of the center-based alliances profiled in this report are run by a non-profit entity and include only non-profit centers; others are run by a proprietary entity and include both non-profit and proprietary centers; and one includes two subsidiary companies, one proprietary and the other non-profit.

The Children's Home (Chattanooga, TN) directly operates a child development center for 350 children and provides management services for 4 additional child care programs that collectively serve approximately 200 children each day (non-profit).

Summa Associates and Educational Care, Inc. (Tempe, AZ) provides management services to three employer-supported child care centers – two for Arizona State University and an on-site center for AG Communication - that collectively serve about 275 children each day. Summa has a non-profit corporation that “holds the license” for the centers and a for-profit corporation that provides consulting services, including center management support.

National Pediatric Support Services (Irvine, CA) provides management services to 9 child care centers that collectively serve about 650 children each day. Some of the centers are non-profit and some are for-profit. NPSS is a proprietary corporation.



THE CHILDREN'S HOME Chattanooga, Tennessee

Sponsoring Organization

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Contact Person

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Service Delivery Area

Chattanooga Area

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

The Children's Home directly operates a child development center for 350 children and also provides management services to 4 additional community-based early childhood programs that collectively serve approximately 200 additional children. All of the contract sites serve children 6 weeks through 5 years of age. The Children's Home also serves children 6 weeks to 12 years of age. (Total staff, for Children's Home early childhood program as well as contract sites, is about 100 full-time and 50 part-time.)

Each contract site has its own non-profit status, board of directors and a separate banking account. However, the board of each participating center hires the Children's Home to provide all management/support services, and management staff is shared. The sites all have the same wage scale, benefits, employment policies, and curriculum. All fiscal and administrative services are coordinated, using the same automated systems and reports. The Chief Executive Officer of the Children's Home reports to the boards of each contract agency and attends their monthly board meetings. The President of the board of each contract agency is an "ex officio" member of the Children's Home Board. Additionally, one member from the Children's Home Board serves on each of the contract agency boards.

Type of Approach

Umbrella Organization oversees several independent child care programs

Services Provided

- USDA Food Program management for all centers – One USDA food claim is submitted each month on behalf of all five programs.
- Billing/fee collection – Bills are prepared by the Children's Home financial office; fees are collected at each site by the Children's Home management staff.
- Payroll – Each site has its own payroll and bank account, but they are all maintained by the Children's Home financial office
- Staff Support – The Children's Home employs a Director and Assistant Director who collectively oversee all 4 contract sites. Either the Director or Assistant Director spends at least 50% of their time at each site.
- On-site Technical Assistance – See above
- Training – Is frequently conducted collectively, with staff from all 5 sites.
- Classroom Observations – Required by Tennessee, and conducted annually by contract agency hired by state. The Children's Home staff ensure, however, that each site is prepared to succeed and therefore conducts informal observations and assessments when necessary.
- Child Assessment – The Early Learning Accomplishment Profile (LAP) and the Learning Accomplishment Profile Diagnostic (LAP-D) assessment instrument is used at all five sites.
- Substitutes – The sites frequently share staff and are often able to cover the need for substitutes internally.
- Shared Staff for Program Support – Social Services (comprehensive services are not available at all sites, but staff are available for consultation as needed), Transportation, Volunteers, Maintenance,
- Same insurance company for all staff (health, disability, retirement)
- Shared Staff for Administrative Support – Management, Fiscal, Human Resources

Narrative describing services provided

The Children's Home maintenance and transportation staff are available to the contract sites. Food is prepared separately but the Children's Home food service staff is available to provide assistance and consultation and food is purchased in bulk for all sites. Volunteers, substitutes and staff recruitment are also coordinated.

None of the sites have done collective fundraising for operating assistance, although they have on some occasions written grants together. In some cases the Children's Home has helped sites apply for grant funds to make needed improvements, including two sites that raised money for playgrounds.

All of the sites use the Creative Curriculum.

Staff at Network Coordinator or "Umbrella" Organization

Chief Executive Officer
Director (for contract centers)
Assistant Director (for contract centers)
Administrative Assistant (for contract centers)
Finance staff
Transportation staff
Maintenance staff
Food Service staff

Typical Staff in local sites

The contract sites are staffed by classroom Teachers and Assistant Teachers. Management/oversight is provided by a Director and Assistant Director, hired by the Children's Home to serve all four sites. At least one Lead Teacher at each site is the designated "go to" person in the event that the Director or Assistant Director is not on site

Date Program/Alliance Began

The Children's Home was established over 100 years ago to provide residential care for children. In 1969, the agency started an extended child care program in addition to its residential care program. In 1983 the Chambliss Emergency Shelter relocated to the Children's Home. In 1986 the agency entered into its first child care management contract. Others were added within the next three years.

Funding

Funding varies by site, but includes: United Way (4 sites), Head Start and Early Head Start (2 sites), state child care subsidies, Hamilton County, the school district, USDA, churches and parent fees.

Participating providers

All of the contract sites are located in low-income communities. One is located in a high school and largely serves teen parents. One is sponsored by the Presbyterian Church. The Children's Home center serves 350 children. The network centers vary in size and enrollment. At present, the smallest center enrolls 43 children and the largest enrolls 67.

Population served

The Children's Home serves families at all socioeconomic levels and maintains a sliding fee scale. Approximately 25% of the families they serve receive state child care subsidies and 10% are eligible for Head Start. The contract sites primarily serve low-income families, many of whom are eligible for child care subsidies and/or Head Start. All sites maintain a sliding fee scale.

SUMMA ASSOCIATES AND EDUCATIONAL CARE, INC.

Tempe, Arizona

Sponsoring Organization

Summa Associates and Educational Care, Inc.
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Tempe, Arizona 85282
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www.summa-assoc.com

Contact Person

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pattyb@summa-assoc.com

Service Delivery Area

Summa works at the local, state, national and international level. Educational Care, Inc. is local in the metro Phoenix area.

Type of Organization

Independent, non-profit early care and education agency
Independent for-profit early care and education agency

Summary of Approach

Summa Associates is a proprietary company that helps employers develop effective work/family programs. Educational Care, Inc. (EdCare) is a non-profit companion corporation designed to operate dependent care programs and facilities. Currently, EdCare “holds the license” for three child care sites (so that they can be incorporated as non-profits) that collectively serve about 275 children each day. The participating centers then pay Summa a flat rate management fee, which is built into their individual center budgets. All center employees are EdCare employees. Central staff handle fiscal and human resources responsibilities for both Summa and EdCare, and give each site a monthly profit and loss statement.

Type of Approach

Umbrella organization oversees several independent child care programs

Services Provided

- USDA Food Program management (Two centers participate; in the third, the average income is above eligibility for the food program)
- Billing/fee collection -The Director at each site collects fees, gives receipts and makes deposits (although parents are given incentives to set up direct pay accounts so that fees can be collected electronically.)
- Payroll - Summa handles all accounts payable and payroll.
- Staff Support – Support for the Director, not the staff. Some technical assistance but no regular on-site meetings.
- Training – Linked to accreditation; separate contract for this.
- Shared consultants for legal, human resources, and accounting.
- Shared Staff for Administrative Support

Narrative describing services provided

Staff in all three sites are employees of EdCare and all staff have the same personnel policies (annual leave, sick leave, etc.) and insurance company. However, each center develops its own pay scale and employee benefits. The centers do not use a common curriculum; each center has its own approach. In general, the centers incorporate aspects of the Creative Curriculum, High/Scope or the Emergent Curriculum.

Staff at Network Coordinator or “Umbrella” Organization

Contract manager for each center
Accountant/Human Resources manager

Typical Staff in local sites

Director
Assistant Director
Largest site has a receptionist
Two centers have cooks. One (ASUWest) uses the University food service.

Date Program/Alliance Began

Summa Associates was established in 1980. Educational Care, Inc. was established in 1983.

Funding

Employers, Arizona State University, Child and Adult Care Food Program, parent fees

Participating Providers

Currently, EdCare operates three NAEYC accredited child care centers – two for Arizona State University and an on-site center for AG Communication Systems.

Population served

AG Communication Systems employs families with average incomes of around \$60,000 a year. However, due to recent layoffs only 25% of the families who attend the AG center are AG employees. The two university-based centers serve approximately 50% students and 50% faculty/staff. There are no income guidelines for attendance at the centers, although subsidy funds are largely targeted to lower income students.

NATIONAL PEDIATRIC SUPPORT SERVICES (NPSS)

Irvine, California

Sponsoring Organization

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Contact Person

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ssnpss@aol.com

Service Delivery Area

Southern California

Type of Organization

Umbrella organization oversees several independent child care programs

Summary of Approach

NPSS is a child care consulting and management company. In addition to offering a host of consulting services, NPSS currently manages 10 child care centers that collectively serve about 650 children each day and employ 150 individuals. Some of the centers are non-profit and some are for-profit. All of the centers have centralized management; billing and fee collection; policies and procedures for employment, enrollment, parent information and the food program. A consistent curriculum "framework" (e.g. developmentally appropriate) is used although all of the centers do not use the same curriculum. Extensive staff training and support is available, as well as help with accreditation.

Type of Approach

- Multi-Site non-profit center-based
- Multi-Site proprietary center-based

Services Provided

- USDA Food Program management for centers – 4 of the 10 centers participate
- Billing/fee collection – Fees collected on site, bills prepared centrally, bad debt collection handled centrally.
- Payroll
- Staff Support – Monthly directors meetings
- On-site Technical Assistance - On-site visits every other week
- Training – West Ed
- Classroom Observations – At least every other week
- Child Assessment – NPSS trains Directors to do assessments & provides a health consultant as back-up for behavior problems.
- Substitutes - NPSS maintains a substitute pool for all sites and occasionally can pull staff from other parts of the central office, or other sites, to help out.
- Shared Staff for Program Support - Nurses, mental health, medical advisor/pediatrician, special education, curriculum specialists for lesson plans
- Shared Staff for Administrative Support – Management services, fiscal, human resources, grant writing

Narrative describing services provided

Child assessments use the California "desired results" format and are done at least twice a year. NPSS oversees the assessment process, looks at the recommendations and works with the Director and staff on goals and outcomes. Central office writes grants on behalf of local sites, although these are rarely "umbrella" grants for all sites but rather site specific (e.g. funding from the California Child Care Division for playground renovations and/or other facility repairs.)

Staff at Network Coordinator or “Umbrella” Organization

NPSS has 180 employees in total; 10 of these are at the central office. Central office employees include:

Chief Executive Officer

Human Resources Manager

Accounting – 1 Comptroller, 1 USDA Food Program Manager, 1 receivables/payables

Program Supervisor – Oversees sites & works with site directors

California Child Development Division Liaison – Works with the state subsidy program

Resource and Referral – 1.5 specialists for corporate clients, but are qualified teachers and able to help with ECERS rating at sites, work as substitutes occasionally, and assist where needed

Marketing/PR Director

Typical Staff in local sites

Director, Assistant Director, Administrative Assistant, Family Services Coordinator, as well as Lead Teacher, Teacher, Assistant Teacher for each classroom.

Date Program/Alliance Began

NPSS was established in 1982.

Funding

State of California (child care subsidies & grants)

Child and Adult Care Food Program

Employers

Developers

Churches

Parent fees

Participating Providers

The 10 child care center sites range in size from 24 children to 125 children, and include the following: one school-age child care program, two serving government and community employees, two employer-supported sites, two church-sponsored sites, one church-housed and community program, two community programs.

Population Served

NPSS serves families at all income levels. Approximately 70% of the families they serve receive some form of public or private subsidy.

CATEGORY #3

HOME-BASED EARLY CARE AND EDUCATION ALLIANCES

In this model, participating homes are independent businesses, but share all or some management functions, including billing and fee collection. The Alliances profiled in this report are administered by both non-profit and proprietary organizations, and go beyond what is typically included in a family child care network, satellite or system, to include assuming responsibility for many of the fiscal and management aspects of running a home-based child care business.

Infant Toddler Family Day Care, Inc. (Fairfax, VA) is a network of 115 family child care providers that collectively serve, on average, about 340 children each day (non-profit).

Acre Family Day Care (Lowell, MA) oversees a network of 39 family child care homes that collectively serve, on average, 234 children each day (non-profit).

Monday Morning, Inc. – Monday Morning Moms® (Bridgewater, NJ) Monday Morning, Inc. is a family child care management service that includes approximately 160 providers and serves, on average, 340 children each day. Monday Morning Moms® is a proprietary Child Care Management Service that operates as a franchise. Owners of a Monday Morning Moms® franchise develop and manage a network of family child care homes, and market the network to working parents. Both entities are proprietary.

Consortium for Worker Education (New York City, NY) operates a Satellite Child Care Program that currently includes 115 family child care providers and serves about 400 children each day. Unlike most family child care networks, CWE family child care providers are not independent contractors but rather employees of CWE and receive regular paychecks and employee benefits (non-profit).



INFANT TODDLER FAMILY DAY CARE, INC. Fairfax, Virginia

Sponsoring Organization

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ihoffbaby@aol.com
www.infanttoddler.com

Contact Person

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703-352-3449

Service Delivery Area

Northern Virginia – from Arlington down to Southern Prince William County

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Infant/Toddler Family Day Care of Northern Virginia, Inc. is a non-profit educational organization of family child care providers that serves approximately 340 children six weeks and up. Providers receive a wide range of supports and services, including: marketing, training (start-up and on-going), monthly support visits, billing and collection of child care fees, paid vacation, liability insurance, field trips, group activities, a professional network, emergency consultation and technical assistance. Parents also have access to support groups, parenting education (there is a special group for dads and toddlers) and stable care (substitute care is available if a provider is ill).

Type of Approach

Family Child Care Network with non-profit “umbrella”

Services Provided

- USDA Food Program management
- Billing/fee collection -The agency handles all billing and fee collection, so that providers are guaranteed a per-child allocation for every child they enroll and do not have to collect fees from parents.
- On-site Technical Assistance (see below)
- Training – Bi-lingual, including Infant/Toddler credential for college credit
- Substitutes
- Shared Staff for Program Support (see below)
- Liability insurance, mentors and a small amount of money is available for start-up equipment, if needed.
- Shared Staff for Administrative Support (see below)

Narrative describing services provided

Each provider is assigned to a Child Care Specialist, who makes monthly unannounced visits. The visits are used to provide training, technical assistance, work with providers on necessary paperwork, conduct informal observations of children, etc. (If a formal child assessment is requested, the agency has staff who are trained to provide one.) Each provider is assigned a mentor, with whom she spends a week as an “intern”. The Mentor visits the new provider’s home to evaluate and assist with set-up. Providers also receive business training and tax preparation assistance.

Additionally, the agency has developed specialized training for non-English speaking providers, including a workplace English as a Second Language program and a special internship for new non-English speaking providers. They also help them enroll in and pay for a multi-lingual credit-bearing infant/toddler certificate program at the local community college. Providers that participate in Infant/Toddler Family Day Care, Inc. do not all use the same curriculum.

(Note: Infant/Toddler Family Day Care, Inc. is a licensed family child care system and has been authorized by the Commonwealth of Virginia to license the family child care homes that participate in the system)

Staff at Network Coordinator or “Umbrella” Organization

Executive Director
Assistant Director
4 Child Care Specialists
Bookkeeper
Accountant
Administrative Assistant

Typical Staff in local sites

Each provider is licensed to care for up to 5 children, although they typically enroll only 4 – leaving one space available for substitute care, when needed.

Date Program/Alliance Began

The Agency was incorporated in March, 1983.

Funding

Parent fees, Fairfax County, small grants from foundations, state child care subsidies, USDA food program.

Participating Providers

The network currently includes 115 providers, 90 of whom speak a primary language other than English. Turnover is very low—around 1% a year.

Population served

The agency serves a very diverse group of families – all income levels and all cultures. Currently, 340 children are enrolled and 25 of these children (from 19 families) receive a public child care subsidy.

ACRE FAMILY DAY CARE Lowell, Massachusetts

Sponsoring Organization

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Paula Bowie, Institute for Family Child Care Systems
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Service Delivery Area

City of Lowell, Massachusetts

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Acre Family Day Care oversees a network of 39 family child care homes that serve, on average, 234 children each day. Acre provides training and technical assistance to both member homes as well as other current and prospective family child care providers, business training, loans, transportation for children, referrals for families, and subsidy assistance for low-income families. Acre also provides “peer to peer” technical assistance to other organizations seeking to establish a family child care network.

Type of Approach

Family Child Care Network with non-profit “umbrella”

Services Provided

- Billing/fee collection – For all except private, fee-paying families who receive no subsidy. (Non-subsidized families pay the provider directly.)
- On-site Technical Assistance (see below)
- Training (see below)
- Classroom Observations (see below)
- Child Assessment (see below)
- Substitutes
- Shared Staff for Program Support – Social worker, transportation
- Loan program (for liability insurance, supplies and expenses, repairs, etc.)
- Shared Staff for Administrative Support

Narrative describing services provided

Acre staff provide the following *pre-service* support to prospective family child care providers: 120 hours of pre-service training in business management and child development and pre-service technical assistance including help in meeting Massachusetts licensing requirements. Once the providers are licensed and part of the network, Acre staff provide the following supports: site visits at least monthly but often more frequently; in-service technical assistance, by phone and on-site, on business issues as well as child-specific concerns; in-service training; transportation for children. At present, classroom observations and child assessment are done on an “as needed” basis, however, the agency is moving toward making these a standard practice in all homes for all children.

Acre pays providers a per-child allocation every two weeks, based on the child’s attendance. The allocation is based on the family child care reimbursement rate established by the Massachusetts Office of Child Care Services. Acre receives an additional allocation of approximately \$9 per day per child to cover network costs. Acre bills both the state and the parent for their portion of the child care fees. Additionally, Acre administers a loan program that makes low-cost loans available to help providers purchase required liability insurance or equipment/repairs needed to provide in-home child care. Payment of the loan is deducted from the providers bi-monthly child care reimbursement check.

Family child care providers that participate in the Acre Network do not all use the same curriculum.

Staff at Network Coordinator or “Umbrella” Organization

Administration and Finance: Executive Director, Deputy Director, Staff Accountant, Accounting Assistant, Administrative Assistant, Director of Resource Development

Institute for Family Child Care Systems at Acre Family Day Care: Research, Training and Policy Director, Training Coordinator

Child Care: Child Care Instructor (Spanish), Child Care Specialist (Khmer), Child Care Business Specialist (Spanish/English), Social Worker, Contract Manager

Transportation: Transportation Manager and 4 drivers.

Typical Staff in local sites

One provider in each home of up to 6 preschool children and two additional school-age children after school or on holidays. One provider and one assistant in each large family child care home of up to 10 children. (Note: the providers are all independent and have no employee relationship with Acre.)

Date Program/Alliance Began

Acre Family Day Care was established in 1988.

Funding

Acre has over 31 public and private funders, including: City of Lowell Community Development Block Grant, Lowell Enterprise Community, Massachusetts Office of Child Care Services, Merrimack Valley Housing Partnership and many private foundations and businesses.

Participating Providers

In June, 2003 a total of 33 providers were participating, 9 Spanish-speaking, 7 Spanish/English bilingual, 7 Khmer-speaking, 4 Khmer/English bilingual, 6 English-speaking.

Population Served

97% of the families served by Acre receive a public child care subsidy.

MONDAY MORNING, INC. Bridgewater, New Jersey

Sponsoring Organization

Monday Morning, Inc.
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www.mondayam.com

Contact Person

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Service Delivery Area

Monday Morning, Inc. is based in Bridgewater, New Jersey with 4 offices that cover Somerset, Middlesex, Mercer, Hunterdon, Union and suburban Essex and Morris Counties.

Monday Morning, Inc. is the model for Monday Morning Moms® franchises, but is not affiliated with those franchises. Monday Morning Moms® is the registered trademark name of franchises sold by Monday Morning America, Inc. At present, franchises are operating in the following areas:

Southern New Jersey
Montgomery County, Maryland
Colorado Springs, Colorado
Cleveland, Ohio
Bucks and Montgomery Counties, Pennsylvania
Dallas, Texas
Oahu, Hawaii

Type of Organization

Independent, for-profit early care and education agency

Summary of Approach

Monday Morning, Inc. is a family child care management service that currently includes approximately 160 providers and serves, on average, 340 children each day. Monday Morning Moms® is a proprietary Child Care Management Service that operates as a franchise. Owners of a Monday Morning Moms® franchise develop and manage a network of family child care homes, and market the network to working parents. Franchisees receive complete training, customized software, ongoing business support and exclusive territory. The family child care providers they work with are all independent.

Type of Approach

Family Child Care Network with proprietary “umbrella”

Services Provided

- Billing/fee collection - The program collects provider's fees as well as management fees from parents.
- On-site Technical Assistance
- Training - Tax seminar and child development training sessions
- Substitutes - Substitute care is offered in other program homes in the event a provider is ill.
- Shared Staff for Program Support - A behavioral consultant is on call to all providers and parents. Lending library of equipment, toys and books; liability coverage. Staff are available for consultation, technical assistance and training.
- Shared Staff for Administrative Support - Advertising and marketing; screening potential clients; billing and fee collection.

Narrative describing services provided

Every 6 to 8 weeks the home-based providers are visited by staff who assist with program activities and offer mentoring, support and curricula ideas. Providers must meet standards that are at least equal to – and usually exceed – state licensing requirements. Parents also are invited to attend parent/provider seminars, receive monthly newsletters and an end of the year statement of child care expenses.

Providers receive a per child reimbursement, based on their full rate. Program administrative fees are paid by the parent. In the event that a parent receives public subsidy, staff will handle the paperwork. The program is sometimes able to obtain grants to help support training or other quality improvement efforts for participating providers, however, because it is a for-profit organization some grant funds are not available to them.

All providers are encouraged to use an emergent curriculum with the children, which is supported with the Creative Curriculum® for Family Child Care. In addition, a proprietary curriculum called “Cycles” is distributed at regularly scheduled on-site provider visits.

Staff at Network Coordinator or “Umbrella” Organization

Staff varies based on the size of the franchise. A franchise that includes 30 providers might have two staff—one to do the “inside” work of billing, bookkeeping, marketing to parents, etc. and one to do the “outside” work of visiting providers and coordinating training and technical assistance. As the franchise grows additional staff are added.

Typical Staff in local sites

Each family child care home will have approximately one provider for up to six children (depending upon state or local regulatory requirements) or one provider and one assistant for up to 12 children. Program providers rarely enroll to full regulatory capacity. On average, each home has only 2.5 child care children.

Date Program/Alliance Began

Monday Morning Inc. began in New Jersey in 1981. Monday Morning Moms® franchises have been available since 1991.

Funding

Parent tuition and fees

Occasional employer grants/contracts (Lucent, AT&T, Avaya)

Participating Providers

The New Jersey Monday Morning, Inc. program currently works with approximately 150-200 providers. Most are middle-class women who are at home with their own children. Franchises around the country vary from fairly small (10-20 providers) to larger (about 50-75 providers).

Population served

Monday Morning Moms® serves mostly upper middle-class, fee-paying families.

CONSORTIUM FOR WORKER EDUCATION New York City, New York

Sponsoring Organization

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Service Delivery Area

The Satellite Child Care Program is currently operational in three boroughs of New York City: Northern Manhattan (Central and West Harlem, Washington Heights), the Bronx (borough wide), and Brooklyn (Red Hook and Sunset Park). In addition, the Satellite model is being adapted in Savannah, Georgia; Polk County, Florida; and 17 counties in rural Alabama.

Type of Organization

Division of large non-profit (e.g. Community Action Program, YMCA, Community Development Financial Institution, etc.)

Summary of Approach

The Consortium for Worker Education (CWE) is a private not-for-profit agency that offers a variety of employment, education, training, retraining, and child care programs for union members, dislocated workers and public assistance recipients. CWE serves over 75,000 workers annually in partnership with a variety of public agencies, community-based organizations, labor unions, education and post-secondary institutions.

The Satellite Child Care Program currently serves about 400 children in family child care homes. The program was started by CWE but plans to spin-off as its own non-profit entity. This initiative takes a unique approach to building a family child care network. The Satellite child care providers are not independent contractors but rather employees of CWE and receive regular paychecks and employee benefits. The CWE approach has two components: 1) provider recruitment/training/home licensing; and, 2) on-going management of participating providers, which includes: enrolling children, billing and fee collection, vacancy control, etc. CWE contracts with a child care center in the Bronx (Tremont-Crotona-Crotona Day Care Center) to enroll children, manage the subsidy and USDA food programs and collect co-payments from the parents.

Type of Approach

Family Child Care Network with non-profit “umbrella”

Services Provided

- USDA Food Program management - Tremont-Crotona-Crotona manages this service, although providers may choose to work with another Child and Adult Care Food Program sponsoring organization.
- Billing/fee collection – Tremont-Crotona manages this service
- Payroll – CWE provides this service.
- Staff Support - Satellite child care providers are employees of CWE
- On-site Technical Assistance - Satellite child care providers receive assistance in site preparation, a start-up kit containing safety and educational supplies & bi-weekly visits from a supervisor
- Classroom Observations - Conducted by Site Coordinators annually and as needed
- Child Assessment - Done on a limited basis
- Substitutes – Satellite staff try to find temporary care with another network provider, but this works only about 50% of the time because of difficulties with geographic match. CWE used to have providers who worked as “floaters” but they had to cut this service because it was too expensive.
- Liability Insurance; start-up kits; consumable supplies (gloves, paint, paper, etc.); providers also have access to an Employee Assistance Program (EAP)
- Shared Staff for Administrative Support

Additional narrative describing services provided

CWE's Satellite child care providers earn a regular salary with fringe benefits, in-service training and opportunities for career advancement. All Satellite providers use a core curriculum that was developed by the project.

Staff at Network Coordinator or “Umbrella” Organization

Director

At present: 3 Supervisors (3 to visit homes, with caseload of 35-40 homes each, and 2 additional staff involved with vacancy, enrollments, overseeing the Tremont-Crotona sub-contract, billing, etc.) and two clerical support staff.

Sub-contract staff at Tremont-Crotona includes: Director and 5 line staff.

Typical Staff in local sites

According to New York State family child care regulations, one provider in each Satellite child care home may legally care for up to 6 children, however, at present the average is just under 4 children per home.

Date Program/Alliance Began

The Consortium for Worker Education was founded in 1985.

The Satellite Child Care Program began in March of 1998.

Funding

In 1997, New York State passed legislation recognizing “Satellite Child Care” as a distinct category of child care and provided funding to launch the project. CWE also receives funding from the following public agencies: the US Department of Labor (welfare-to-work competitive funds) and New York State Departments of Labor (Wage Subsidy Program), New York State Office of Children and Family Services, the New York City Human Resources Administration. Officially considered a Work Experience Program (WEP) site, the Program meets all federal, state, and local welfare-to-work requirements. Private funders have included the United Way and the Picower Foundation.

Participating Providers

Currently, 115 providers participate. The program recruits participants—both as prospective employees and as consumers (parents)—from among TANF recipients and other low-income residents of targeted public housing projects and surrounding neighborhoods in New York City.

Population served

94% of the families who enroll their children in the Satellite Child Care program receive public subsidy.

CATEGORY #4 SUPPORT SERVICES ALLIANCE

In this model, participating centers or homes are independent businesses but contract with a single entity to provide some management support services. The support services alliances profiled in this report take responsibility for tasks that are typically included in child care program operations - such as staffing, recruiting and hiring substitutes and food preparation/management.

Action for Children (Centers that Care), (Columbus, OH) recruits and screens individuals interested in employment in early care and education programs on behalf of member child care centers. At present, 25 centers participate. Centers that Care is a non-profit entity. Participating centers are proprietary and non-profit, single and multi-site, inner city and suburban.

Child Care Staffing Solutions (Rochester, NY) is a complete staffing program for child care centers that recruits substitutes/temporary staff, temp-to-hire staff as well as direct placement staff. Currently 40-50 child care centers participate. CCSS is non-profit. Participating centers are proprietary and non-profit.

Child Care Services Association, Inc. (Chapel Hill, NC) offers a host of support services to child care providers, three of which are discussed in this profile: 1) a meal service program that currently delivers meals to 12 child care centers in Orange County, NC (serving approximately 400 children in total); 2) an Americorps program that assigns 10 Americorps members to a child care program to provide consistent educational relief time so that regular center staff can attend college classes; and 3) a substitute program that employs six resource teachers full time (on the CCSA payroll) to provide teacher modeling and coverage for professional development, class preparation and emergencies. CCSA is non-profit.



ACTION FOR CHILDREN (CENTERS THAT CARE) Columbus, Ohio

Sponsoring Organization

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Service Delivery Area

Currently focused on Central Ohio, but will be developing a “franchise model” to go statewide.

Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

Centers that Care recruits and screens individuals interested in employment in early care and education programs. The goal is to give center directors a place to go for a pool of eligible applicants, rather than spending so much of their own time and efforts in recruiting and screening staff. Centers that Care does the following:

- Uses a range of techniques to recruit a broad pool of qualified applicants (including on-site recruiting at college campuses, major newspaper ads, the internet, etc.)
- Screens each applicant according to Ohio licensing standards (including background and reference checks);
- Creates an assessment profile on each applicant that makes it possible for directors to compare the applicants mental aptitude and personality/behavior traits with persons who are successful in the early childhood care and education profession;
- Maintains a website, accessible by passcode for member centers, that includes a pool of screened applicants ready for employment.

Type of Approach

“Partial approach” umbrella organization coordinates some shared services to centers or homes

Services Provided

Shared Staff for Administrative Support – staff recruitment

Narrative describing services provided

An evaluation of the Centers that Care pilot project found the centralized recruiting and screening project to be effective (the quality of applicant increased) and efficient (child care centers’ time commitment was reduced.) Child care staff hired through Centers that Care had significantly more early care and education course work than previous applicants. Additionally, staff from the project indicate that the applicants recruited by Centers that Care appear to be new entrants to the field (i.e. they are not people who would already be applying for early care and education jobs) and appear to have a higher retention rate than the community norm.

Staff at Network Coordinator or “Umbrella” Organization

Centers that Care currently has one full-time staff person, although the initiative is one project of a larger organization, Action for Children.

Typical Staff in local sites

Child care center directors still take responsibility for doing interviews and making hiring decisions. Centers that Care recruits and screens candidates and assists with employment issues.

Date Program/Alliance Began

A six-month pilot project was launched in September 2002, after which the project was expanded to serve the entire Central Ohio region.

Funding

The pilot project and evaluation was funded by United Way. Operating costs are now picked up by participating centers. Full and part-time early childhood programs join Centers that Care for a \$300 annual membership fee. Additionally, members pay \$50 for each employee assessment profile they purchase (and they must agree to purchase at least 6 profiles in a year, or pay a minimum yearly fee of \$600.) Members may also purchase any of the following services:

- Complete Applicant Processing Services, including complete application packet, 3 completed reference checks, verification of education credentials, gathering of documentation for INF form, signed non conviction statements, or background checks and medical statement - \$500 per candidate
- Background Check only - \$20 for Ohio background check; \$50 for federal background check

Participating Providers

At present, Centers that Care has 25 participating centers—proprietary and non-profit, single and multi-site, inner city and suburban. Program size also varies. One participating program has a staff of 80, another has a staff of 4. Both full- and part-time programs participate and, at the time the interview was conducted, 2 large school-age programs were seriously considering the program.

Other Sites with Similar Strategies

Quite a few organizations have developed support services to help with both temporary and permanent staffing, including: Child Care Services Association in North Carolina and Child Care Staffing Solutions, Inc. in Rochester, New York (see profiles on both of these efforts), as well as the Fund For Child Care Excellence in Austin, Texas; Delaware Valley Council for Early Care and Learning in Philadelphia, Pennsylvania; Bryant and Associates in Georgia; Teaching Temps, Inc. in Minneapolis, Minnesota; the McLean County Early Care and Education Partnership in Illinois; and others.

CHILD CARE STAFFING SOLUTIONS, INC. Rochester, New York

Sponsoring Organization

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Service Delivery Area

Monroe County – plan to expand to Livingston and Wayne counties in the future

Type of Organization

Independent, non-profit early care and education agency (Currently project of CCR&R agency; is in process of applying for own 501c(3) status)

Summary of Approach

Child Care Staffing Solutions (CCSS) is a complete staffing program for child care centers. CCSS recruits individuals who are interested in working in child care; conducts interviews to determine if they are a “good fit” for the industry; trains selected recruits (in a 15 hour curriculum that includes state-mandated training and is held in over a one-week time period); conducts all necessary screening (child abuse and criminal background check) and health tests (TB, etc.); checks references; and hires successful applicants as employees of Child Care Staffing Solutions, Inc. These staff are then placed in member child care centers as:

- Flexible staff - (substitutes or temporary staff)
- Temp-to-Hire staff – hired as temporary staff with the ultimate goal of a full time placement if they are a “good fit” for the center. (Temp to perms must stay on the Child Care Staffing Solutions, Inc. payroll for a continuous 10 weeks before being hired by the center.)
- Direct Placement staff – hired as a regular employee.

CCSS operates a hotline for member child care centers to call when they need staff. The hotline is available from 6 am to 10 pm Monday – Friday and from 6-10 pm on Sunday evenings.

An Employee Portfolio is completed for each temporary staff person that includes: a picture, social security number, date of birth, child abuse registry clearance status and training information. Staff take this file to each center in which they work, and it serves as their portable employee file (in accordance with New York State regulations that require an employee file at every site where child care staff are employed.)

Type of Approach

“Partial approach” umbrella organization coordinates some shared services to centers or homes

Services Provided

- Payroll – for temporary staff on CCSS payroll
- Staff Support - for temporary staff CCSS payroll
- Training - for temporary staff on CCSS payroll
- Substitutes
- Shared Staff for Administrative Support, e.g. management, fundraising, etc.

Narrative describing services provided

Staff are hired by Child Care Staffing Solutions, Inc. as per diem employees and receive a standard training package regardless of prior experience or education. Temporary staff receive hourly wages, based on education and experience in the field, but no employee benefits. Centers that use the service do not pay a membership fee, but are billed for temporary services at an hourly rate.

Staff at Network Coordinator or “Umbrella” Organization

CCSS currently has 2 internal staff to handle program development, recruitment, hiring, staffing and training. Finances, including budgeting and payroll, are handled by the Child Care Council, Inc. CCSS operates with an independent Board of Directors.

Typical Staff in local sites

Same as regular center

Date Initiative Began

CCSS spent approximately 1.5 years in planning and has been operational for about 1.5 years (since 2002)

Funding

Centers pay an hourly fee for flexible and temp-to-hire staff. Centers that directly hire temp-to-hire staff prior to the 10 week trial period, pay a \$1,000 direct payment. Centers that use CCSS to recruit permanent employees are charged a minimum of \$800 or 5% of the employees first year’s salary.

CCSS currently receives grant funds from the local community foundation, but intends to be self-supporting by 2004.

Participating Providers

Currently 60-70 child care centers participate in the initiative, including all of the Head Start programs and YMCA child care centers in the county as well as many other centers. Participating centers are large and small, proprietary and non-profit.

Population served

CCSS attracts a wide range of recruits with varying backgrounds, from entry level to degreed candidates with many years of experience in the field. For those with little or no experience in early care and education prior to coming to CCSS the decision to work as temporary staff gives them a chance to participate in training and “try out” the field.

Other Sites with Similar Strategies

Quite a few organizations have developed support services to help with both temporary and permanent staffing, including: Child Care Services Association in North Carolina and Centers that Care in Ohio (see profiles on both of these efforts), as well as the Fund For Child Care Excellence in Austin, Texas; Delaware Valley Council for Early Care and Learning in Philadelphia, Pennsylvania; Bryant and Associates in Georgia; Teaching Temps, Inc. in Minneapolis, Minnesota; the McLean County Early Care and Education Partnership in Illinois; and others.

CHILD CARE SERVICES ASSOCIATION Chapel Hill, North Carolina

Sponsoring Organization

Child Care Services Association (CCSA)
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Juliellen Simpson-Vos, Director of Technical Assistance
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Service Delivery Area

Orange and Durham Counties, North Carolina
(Durham to be added to food service this fall)

Charlene Stroud, Director of Training and Support Services
(substitute program)
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Type of Organization

Independent, non-profit early care and education agency

Summary of Approach

CCSA is a child care resource and referral (CCR&R) agency in Durham and Orange counties that offers a host of support services to child care providers, three of which are discussed in this profile:

- Meal Service Program - currently delivers 2 snacks and 1 lunch daily (or any combination) to 12 child care centers in Orange County (serving approximately 400 children in total). Centers that purchase meals must participate in the Child and Adult Care Food Program. They may choose to do their own Child and Adult Care Food Program (CACFP) paperwork or to contract with CCSA to handle this function as well.
- T.E.A.C.H. Early Childhood® Corps - assigns 10 Americorps members to a child care program Monday through Thursday for 10 months to provide consistent educational relief time. The purpose of this initiative is to allow regular center staff to attend college classes. Americorps members also help conduct child/classroom assessments, meet ratios, tutor children, implement literacy and anti-bias curricula, or assist with special projects.
- Substitute Program - employs six resource teachers full time (on the CCSA payroll) to provide teacher modeling and coverage for professional development, class preparation and emergencies. The resource teachers have a minimum of an AA degree in early childhood and two years experience working in a child care program.

Other initiatives sponsored by CCSA include: administering child care scholarships for low-income families that are linked to quality indicators and conducting county and statewide early childhood workforce studies that serve as baseline data for assessing early childhood in North Carolina. Additionally, CCSA is the founder and state administrative agency for the T.E.A.C.H. Early Childhood® Project, a college scholarship program for early childhood professionals, the Child Care WAGES® Project, which provides salary supplements linked to provider education and retention, and T.E.A.C.H. Early Childhood® Health Insurance.

Type of Approach

“Partial approach” umbrella organization coordinates some shared services to centers or homes

Services Provided

- USDA Food Program management available (for centers that participate in the meal program and don't want to do the paperwork themselves)
- On-site Technical Assistance
- Training – staff orientation for substitutes
- Classroom Observations
- Substitutes

Staff at Network Coordinator or “Umbrella” Organization

Meal Services Program

Vice President of Local Programs

1 Meal Service Manager – responsible for menu planning, shopping, meeting regulations

2 part-time cooks

Contractors deliver the meals

T.E.A.C.H. Early Childhood® Corps

2/3 time Project Coordinator

Part-time Administrative Assistant

Substitute Program

Director of Training and Support Services

Part-time Administrative Assistant

6 Resource Teachers

Typical Staff in local sites (center and home-based)

N/A

Date Initiative Began

Child Care Services Association (CCSA) has been committed to affordable, accessible, high quality child care for nearly 30 years. CCSA began in 1974 as two independent organizations: the Durham Day Care Council in Durham County and Day Care Services Association in Orange County. Each organization was created in affiliation with its local United Way as an ongoing vehicle to meet community child care needs. In 1999, the two organizations merged to become Child Care Services Association. The Meal Service Program began 15 years ago. The Substitute Program began 9 years ago, and the T.E.A.C.H. Early Childhood® Corps began 7 years ago.

Funding

Meal Service Program – fee for services; agency reserve funds fill gaps when needed. Fees are based on the number of meals and are provided at cost. 5% discount offered to centers that serve at least 50% low income children. Teachers may also purchase meals (teacher meals provided free twice a week). For every 8 servings, one is provided free to allow for second helpings.

T.E.A.C.H. Early Childhood® Corps – fees (\$3,700/mo.) paid by centers; federal grant; Smart Start

Substitute Program – fees for services (\$7.25/hour for 5 star facilities and \$7.50 for 3 and 4 star facilities) and Smart Start funds

Participating Providers

Meal Service Program - Currently 12 Orange County centers with approximately 400 children in total participate. Centers are both non-profit and proprietary. A second Orange County meal service site that will serve 200 children and a Durham County meal service site that will serve 600 will soon be added. Participating centers must agree to be part of the Child and Adult Care Food Program (CACFP) and have attained a 3 star rating (on the NC quality rating system), be working towards it, or be under contract with CCSA's Local Quality Initiatives Department for assistance in attaining 3 stars.

T.E.A.C.H. Early Childhood® Corps - The same centers have participated since the beginning of the program. Participating centers must be non-profit, sponsoring staff on T.E.A.C.H. scholarships, willing to serve children with special needs, and at least 33% of their enrollment must be children that receive child care subsidy

Substitute Program - Centers with three to five stars on their rated license, or those on contract to progress to the next star level within six months, are eligible to participate. Participating programs must serve children that receive child care subsidy. Currently about 30-40 proprietary and non-profit programs participate each year.



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