

# **Designing, Financing, and Sustaining Quality Early Education Partnerships**

**NAEYC Annual Conference  
Anaheim, California  
October 31, 2001**

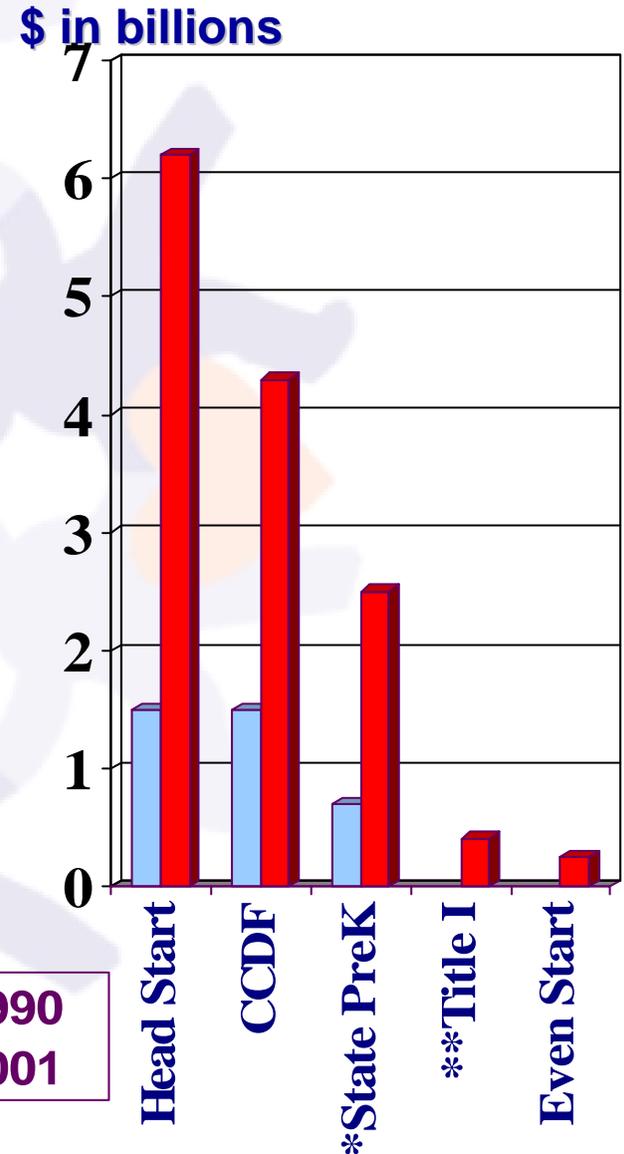
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(QUILT Team)  
Marce Verzaro-O'Brien,  
(Region IV Head Start Quality Improvement Center)***

# **This Morning's Agenda**

- Early Education Partnerships Across America: Benefits and Trends**
- Partnership Design/Structures**
- Nuts and Bolts of Partnership Financing**
- Sustaining Quality Partnerships**
- Accessing TA Resources**

# EARLY EDUCATION FUNDING

- Head Start federal funding quadruples to \$6.2 billion
- Child Care & Development Fund (CCDF) nearly triples to \$4.3 billion
- State Prekindergarten (PreK) funding increases nearly fourfold to \$2.4 billion—\*FY 99
- Title I: \$417 million—\*\*FY 00
- Even Start: \$250 million



# **Increased funding in early childhood arenas has resulted in...**

- calls for accountability and results**
- increased competition for children at the local level**
- multiple providers for children, creating continuity issues**
- local decision making/coordinating bodies—devolution**
- need for early education partnerships**

***No one funding source has enough money to provide all that's needed for children & families!***

# **PARTNERSHIP TRENDS**

- **All funders encourage partnering, many provide incentives**
- **Interest in high-quality/outcomes, full cost, and blended funding**
- **PreK—rapid growth impacting systems**
- **Coordination of systems at the local, state, and federal level**
- **Desire to affect family child care/kith & kin**



***What trends are you seeing?***

# **At the Heart of the Partnerships**

- ♥ **Full-day/year-round care**
- ♥ **Continuity for child and family**
- ♥ **Comprehensive, integrated, holistic services**
- ♥ **High-quality programming**
- ♥ **Shared outcomes**

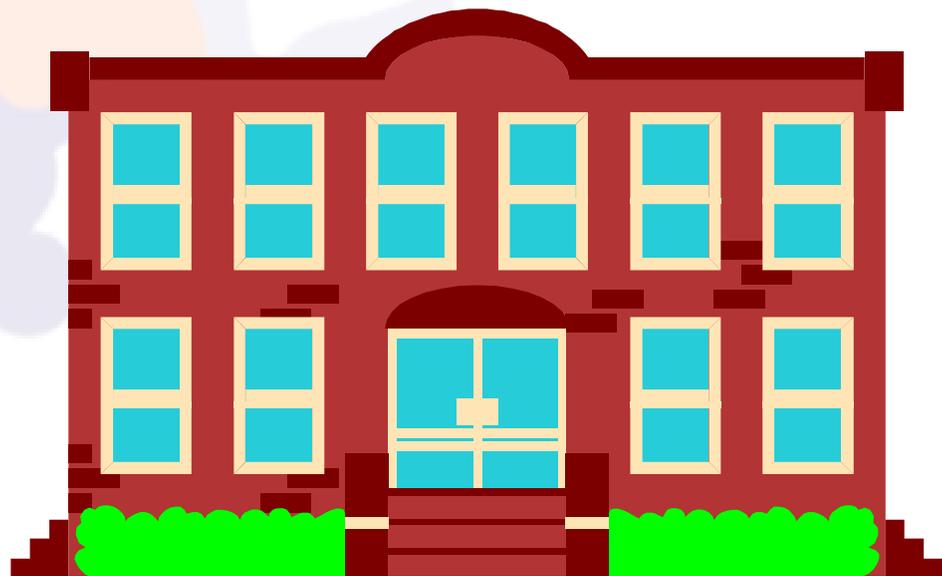
# **QUILT—Early Education Partnership Structures**

- I. A single program or agency blends funds from multiple sources to serve children at a single site**
- II. Two or more agencies, which are separate legal entities, partner to serve children at a single site**
- III. A program or agency partners with family child care provider/s**

The background features a circular arrangement of stylized human figures in light blue, holding hands. Interspersed among the figures are several light orange hearts. The overall composition is centered and serves as a backdrop for the text.

***Let's "tour" some  
programs...***

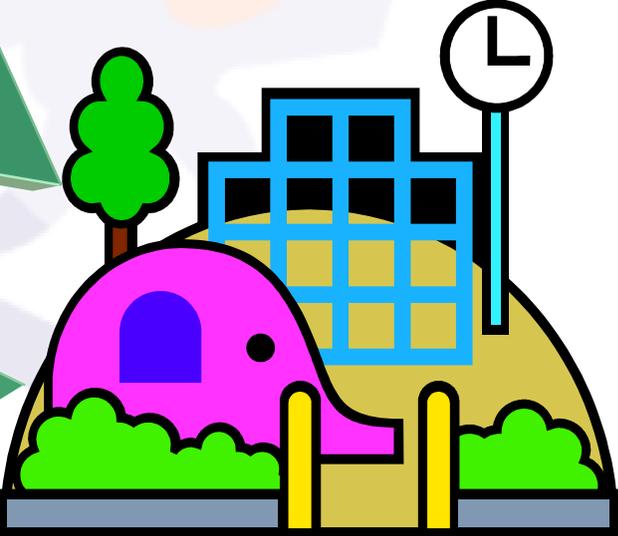
# Structure I(A)



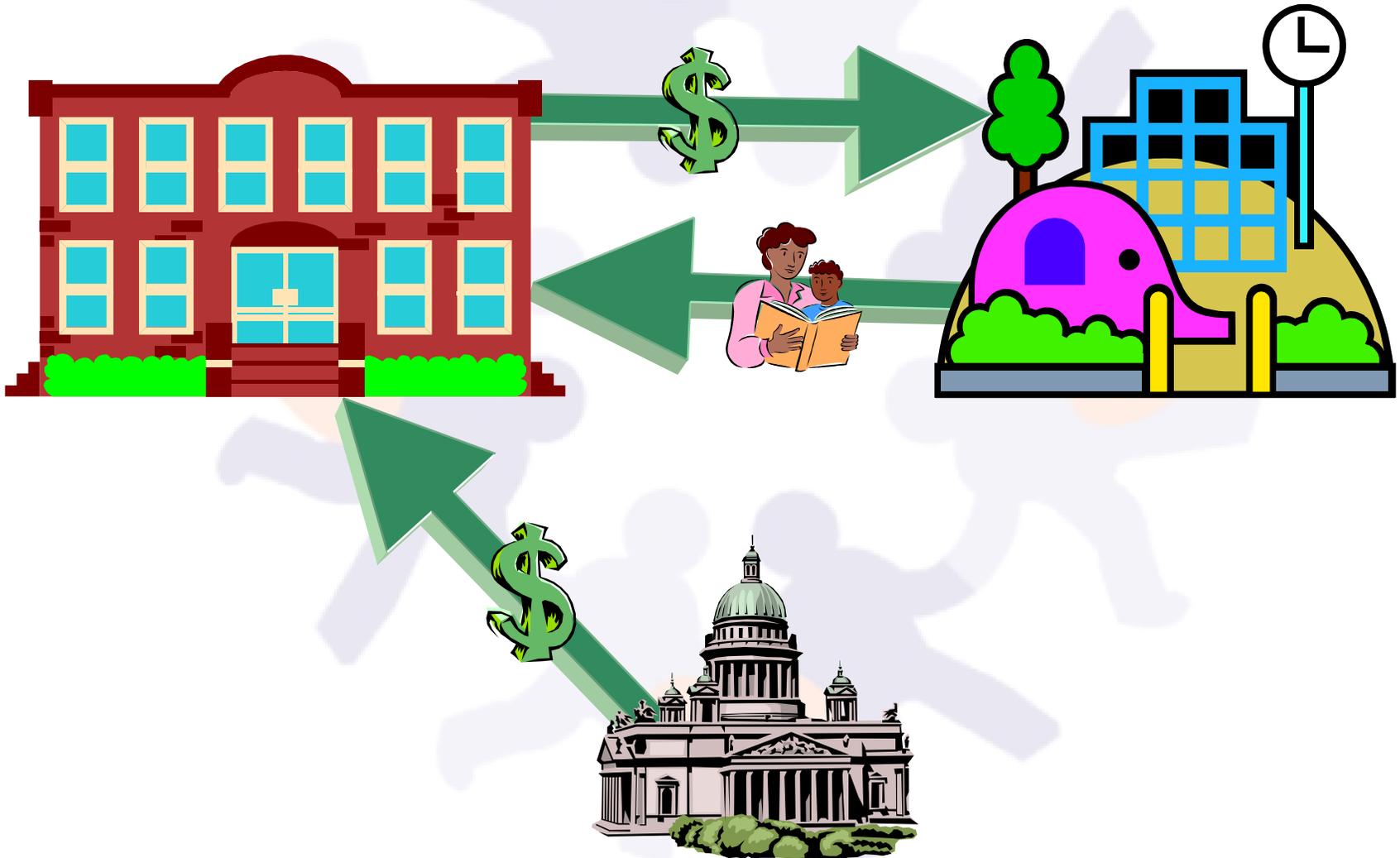
# Structure I(B)



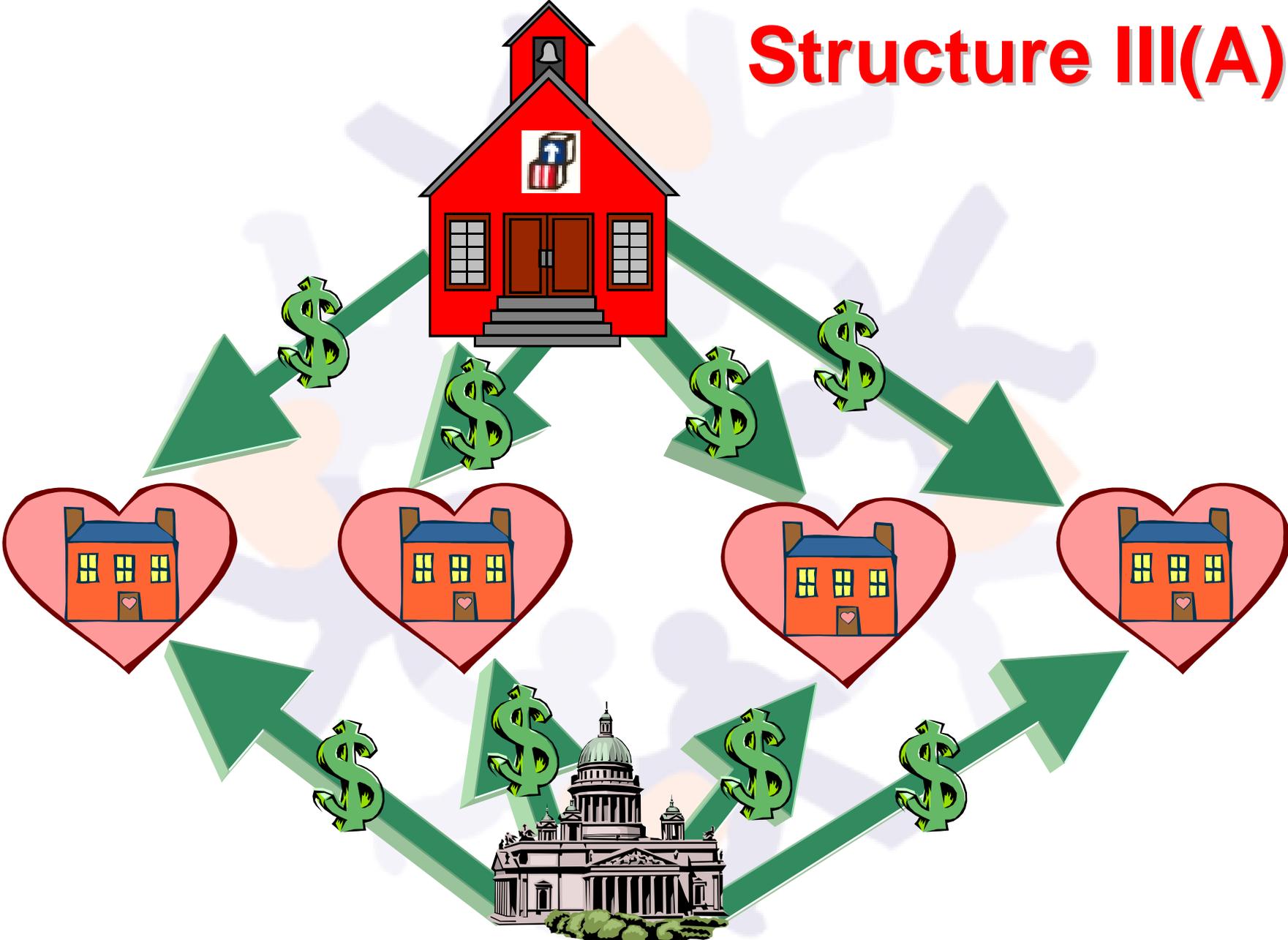
# Structure II(A)



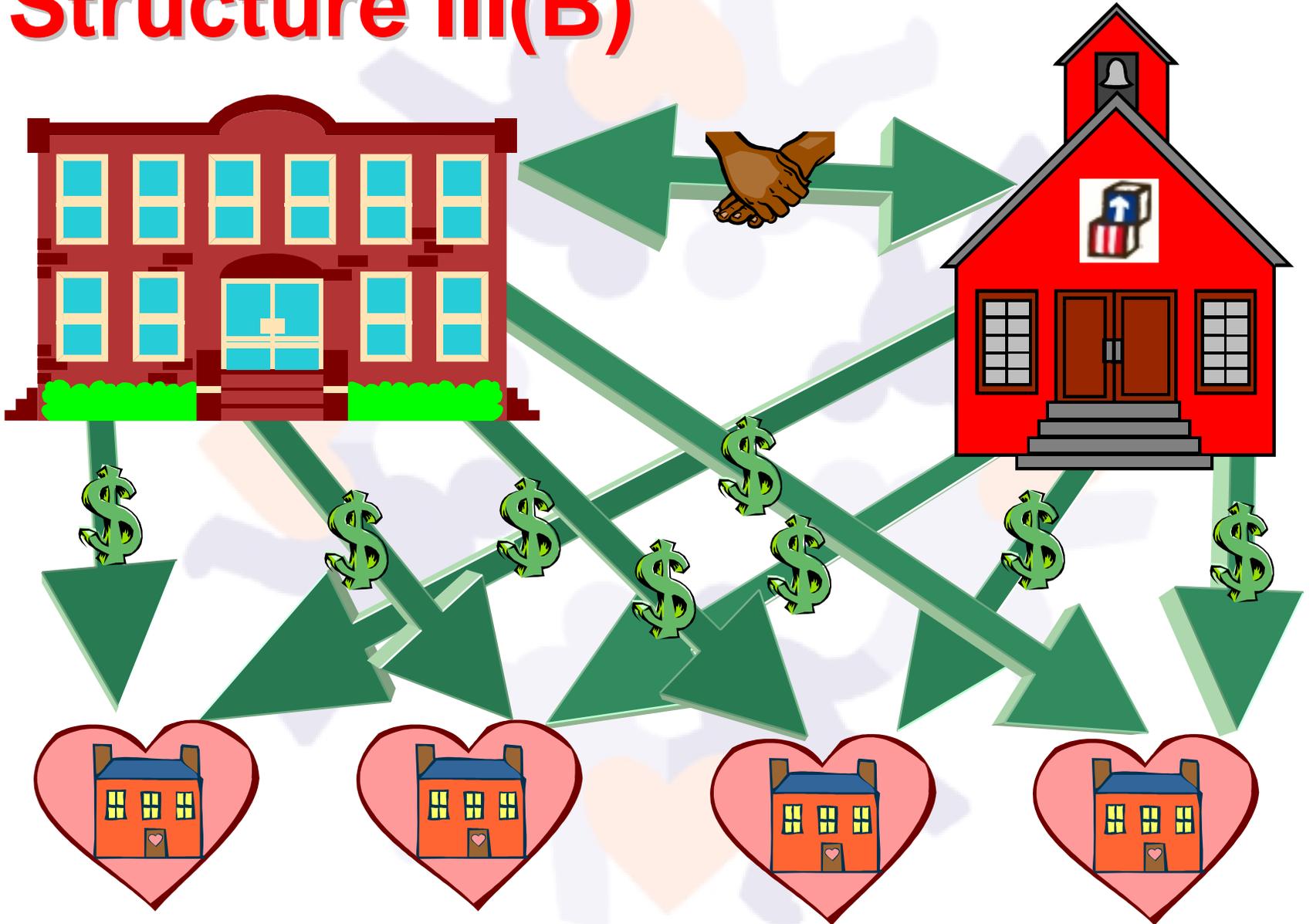
# Structure II(B)



# Structure III(A)



# Structure III(B)











***Let's look at  
finances...***

# **QUILT—Early Education Partnership Structures**

## **STRUCTURE I**

**A single program or agency  
blends funds from multiple  
sources to serve children at a  
single site.**

# About Finances—Structure I

- **Develop a cost allocation plan, or**
- **Treat subsidies & parent fees like program income**
- **Show all revenues in Head Start grant application**
- **Establish procedures & policies for collecting fees**
- **Understand state/county child care/preK policies**
- **Ensure child care or preK funds cover expenditures; what's the break even point?**
- **Work with financial specialists to develop plans and policies**

# Financial Points

## Cost allocation plans must be . . .

- ★ Clear, equitable, & relatively simple
- ★ Provide details on all sources of revenue
- ★ Give rationale for allocation of costs, considering the # of children, hours/weeks served, funders' requirements, etc.
- ★ State how expenditures, per cost center, are allocated & recorded/documentated
- ★ Consider the two cost category exemptions (per the 1998 Head Start Act)—equipment & nonconsumable supplies

# **QUILT—Early Education Partnership Structures**

## **STRUCTURE II**

**Two or more agencies, which are separate legal entities, partner to serve children at a single site.**

# **QUILT—Early Education Partnership Structures**

A background graphic featuring a circle of stylized human figures in light blue, holding hands. In the center of the circle is a large, light orange heart. The figures are arranged in a ring, with their arms raised to connect with their neighbors.

## **STRUCTURE III**

**A program or agency partners  
with family child care provider/s.**

# **Finances—Structures II and III**

- **View partnership as revenue-neutral for Head Start, revenue positive for child care**
- **Identify incentives (financial, etc.) for partners**
- **Negotiate finances openly and fairly**
- **Agree on the amount of cash/resources child care receives from Head Start**
- **Determine how/when partners receive payments**
- **Build in plans for child/family continuity**
- **Annually review/revise financial agreement details**

# Points on Finances

## Partnering should . . .

- ★ Be win-win for all—children, families, programs, communities
- ★ Maximize resources and funding from various public and private sources
- ★ Allocate revenues/resources fairly and thoughtfully
- ★ Express the interests of both parties

# More Financial Points

- ★ **Work out financial agreements in advance**
- ★ **Consider what's needed to comply with the highest standard**
- ★ **Involve key players (e.g., independent auditor and federal, state, and/or local officials)**
- ★ **Provide detailed information, including budgets, in the Head Start grant**
- ★ **Ensure that documentation provides auditors with sufficient details**

# Points to Consider in Negotiating Financial Details

- ★ What is the Head Start program's annual \$ amount per child?
- ★ What is the annual \$ amount child care or preK can access?
- ★ How many Head Start children will child care/preK serve?
- ★ What staffing resources are needed to ensure standards are met?
- ★ What are child care/preK's nonconsumable needs, if any?
- ★ What other costs does Head Start incur for the partnership?
- ★ Given Head Start's grant \$s (# of children served in partnership) and Head Start's staff and other resource expenditures, what HS \$s remains to support child care in meeting standards?



***Let's find out  
about training  
and technical  
assistance  
resources...***

**Thank You All!**

