



Georgia Alliance for Quality Child Care

Discussion of Business Plan

January 5, 2010

Opportunities Exchange



Agenda

- Review Alliance mission, membership, operating model
- Member benefits and delivery systems
 - Statewide: Web-based
 - Atlanta Metro: In-person by QCC and others
- Member Pricing
- Financial Plan
- Next steps



Alliance Mission and Membership

- Mission: Assist child care centers and family child care providers to improve quality of care and financial stability
- Membership: Open to all centers and family child care providers committed to improving quality and financial stability
 - Quality requirement TBD



Alliance Operating Model

- Three levels of service
- Year 1:
 - State-wide services primarily delivered via the web
 - Atlanta metro services delivered in person from central hub
- Year 2:
 - Add network services delivered peer-to-peer



Member Benefits

- Cost Savings on Products and Services
- Time Savings
- Quality Enhancements
- ECE Community Strengthening



Member Benefits – Cost Savings

- Delivered via web
- Products, e.g.:
 - Food
 - Cleaning supplies
 - Paper
 - Office supplies
 - Classroom supplies
- Services, e.g.:
 - Payroll service
 - Credit/debit card processing
 - Insurance – liability, unemployment, workers compensation
 - Child care job postings
 - Staff screening/background checks
 - FedEx



Member Benefits – Time Savings

- Some delivered via web, some via Atlanta metro hub
- Examples:
 - Child care job postings
 - Staff screening and background checks
 - Substitute pool
 - Subsidy enrollment specialist
 - Food - Menu planning and computer generated shopping lists
 - HR tools and online guidance
 - Marketing/PR/parent communication templates



Member Benefits – Quality Enhancements

- Some delivered via web, some via Atlanta metro hub
- Examples:
 - Quality supports – mentor teachers, classroom assessments, TA support, affinity groups
 - Child assessments
 - Curriculum and classroom supplies
 - Staff recruiting, screening and background checks
 - Substitute pool
 - Online basic child care training
 - Marketing/PR/parent communication templates
 - HR tools and online guidance



Member Benefits – ECE Community Strengthening

- Peer-to-peer services, such as:
 - Transportation
 - Quality supports
 - Training
 - Food preparation
- Affinity groups



Benefit Delivery – Statewide via Web

- Cost savings on products and services
 - Web platform developed and hosted by CCA Global
 - Customized for QCC
- GCN unique offerings incorporated:
 - Unemployment Services Trust
 - Payroll service discounts
 - Customized, child care-specific job bank provided by GCN



Benefit Delivery - Atlanta Metro Services

- Services delivered via hub; QCC manage hub
 - Some services provided by QCC; some by others
- Planned services include:
 - Training classes
 - Quality supports – mentor teachers, classroom assessments, TA visits/support, affinity groups
 - Child assessments
 - Centralized staff recruitment, training and screening
 - Substitute pool
 - Food program technical assistance for centers – available statewide
 - Subsidy enrollment specialist (by phone) – available statewide



Member Benefits

- Members must meet minimum quality requirement (TBD)
- Alliance membership allows:
 - Unlimited use of Alliance web platform
 - Access to group purchasing services
 - Access to Peer-to-Peer and other support from Alliance staff
- Additional costs for posting job openings in Job Bank
- One year membership scholarship to Charter Members (implementation team)
- Access to web platform for nonmembers (higher fee than members)



Member Pricing

- Proposed fee structure:

Center licensed capacity:	Annual Fee
Under 50 children	\$125
51-100 children	\$250
101-250 children	\$450
Over 250 children	\$900

- Cash savings from discounts would average more than 4 times the suggested fee
- Time savings to be quantified

Sample Budget

	Year 1	Year 2	Year 3
# members	20	70	150
Revenues			
Membership Fees	4,500	37,350	79,200
Grants	215,282	144,771	169,277
Other Fees	8,425	15,000	35,000
Total Revenues	\$228,207	\$197,121	\$283,477
Expenses			
Staff + fringe	132,105	138,616	202,877
CCA Global	22,000	12,000	12,000
Program, Admin, Overhead	73,865	44,268	62,838
Total Expenses	\$227,880	\$194,883	\$277,715
Net Income*	\$327	\$2,238	\$5,762
*Note: Net income to be reinvested in services to benefit Alliance			
Memo: Peer-to-Peer Services	\$0	\$30,000	\$60,000



Long-term Sustainability

- Basic Alliance services are sustainable with reasonable levels of membership growth

	Year 4
Base budget	\$169,100
# members to breakeven	365

- At this level of membership, the total savings to all centers participating in the Alliance is projected to exceed \$1.8 million per year



Next Steps

- Hire Alliance Manager
- Develop quality requirements for membership
- Develop time-savings estimates
- Develop marketing/outreach materials
- Determine potential grant/other revenue sources
- Present final financial plan and operating model