

The Partnership for Effective Early Learning

Shared Services Implementation Plan

December, 2007

BACKGROUND

The Partnership for Effective Early Learning (PEEL)

The Partnership for Effective Early Learning, known as PEEL, was formed in November of 2004. It is comprised of leadership from eight childcare centers and one Head Start program from Rockingham and Strafford counties, and 1 statewide childcare policy organization, Early Learning NH.

PEEL was convened by the United Way as part of an initiative to bring agencies together to unveil and discuss their common community impacts. With monthly meetings facilitated by the Director of Community Organizing of the United Way of the Greater Seacoast, PEEL members found an ideal venue for identifying common concerns and opportunities for improvement through collaboration.

Strengthening Sustainability through Child Care Partnerships

With support of a grant from the NH Charitable Foundation in 2006/2007, PEEL took on the *Strengthening Sustainability through Child Care Partnerships* project to research strategies to maximize efficiencies, reduce overhead and strengthen the bottom-line of participating child-care programs.

Key to the project was the engagement of national childcare expert, Louise Stoney of the Alliance for Early Childhood Finance. In February 2007, Louise Stoney gave a workshop to PEEL where the group learned of models of collaboration from around the country and identified the strong potential in enhancing resources and quality through their own long term collaboration.

Shared Services Brainstorming

Through the Louise Stoney workshop, PEEL members realized that, collectively, their childcare centers generate approximately \$7 million in annual gross receipts. Their common expenses, untapped collective bargaining power, resource needs, and common goals to deliver quality childcare, unveiled the need to identify shared service strategies.

The group created the first of many subsequent lists of potential shared service opportunities that would lower costs and enhance overall quality. That list included: audit costs; staff training/recruitment/oversight; insurance costs; supplies; food; grant writing ;facility costs; fuel costs; marketing; credentialing; in-house accounting; program coordination; transportation; outreach to school departments; staffing and substitute pools; piloting a quality rating system.

The PEEL Shared Services Project

In order to move PEEL's research, dedication and planning of shared services into an action plan, the group moved forward with the *PEEL Shared Services Project*. Through support of a grant from the United Way of the Greater Seacoast, PEEL continued to engage national expert Louise Stoney and hire professional facilitator and project management consultant, Elissa Margolin.

From October 2007 through December 2007, PEEL members dedicated themselves to 15 hours of meeting time to identify a vision for PEEL Shared Services, prioritize strategies and develop an implementation plan. They also included a funding development plan to insure sustainability of their collaboration.

The PEEL Shared Services Plan

The plan herein represents the outcomes of the work of all of the PEEL members to: hone the vision of the project; establish criteria for devising shared services strategies; choose shared service strategies and create and workplan and timeline for each strategy.

The strategies within this plan are at different stages of implementation. While some strategies, such as collaborative food purchasing, are already in operation, others, such as staffing coordination, are still in the research phase.

The goal of this plan is to move all of the strategies forward. Implementation should be adjusted and workplans expanded and revised according to research outcomes.

VISION

Although the members of PEEL understood the many advantages of collaboration, they had yet to develop messaging about this project for a broader audience. In order to communicate the value of this work, the following vision statement was developed:

The Partnership for
Effective Early Learning

Better. Together.

What: A new, shared services model for area early childhood programs to strengthen business practices and enhance program quality.

Why: We know early learning lays a solid foundation for future learning. We know quality early childhood education strengthens families and communities. We believe all children should have the opportunity to reach their full potential. That is why we are coming together as independent, early childhood programs to share our

services, our management, our buying power, and our programming to sustain and enhance our work. Because, *when we are better together, our children get a better start.*

The statement will be incorporated into the public messaging associated with the implementation of strategies. In addition, the statement will be communicated to PEEL childcare centers' boards of directors and other community stakeholders.

SHARED SERVICE STRATEGIES

Using the Louise Stoney workshop as a starting point, the following list of strategies was developed for discussion:

- Purchasing pools (food, heating fuel, commercial cleaning, insurance, etc...)
- Staffing services
- Human resources
- Food services
- Marketing
- Contract negotiations
- Shared administration
- Billing and fee collection
- Professional development
- Enrollment
- Quality rating tools
- Fund development
- Financial consultation (including audit)

The list confirmed similarities identified through the workshop; indeed, many areas were ripe for collaboration. It was noted that there are differences among the centers in terms of internal structures and agency relationships. Because of this, PEEL members are working toward a menu of shared service opportunities, with an incentive-based "opt-in" approach rather than requiring participation.

CRITERIA FOR STRATEGY SELECTION

In order to choose and prioritize strategies, PEEL developed the following criteria for strategy selection:

- Likely success/cost savings
- Inclusion/broad participation
- Things we know how to do/easy
- Makes a measurable difference
- Suits current needs
- Maybe impossible to do on our own
- Creates a new expertise

It should be noted that the above criteria could be used to help select opportunities for future collaboration.

IMPLEMENTATION

Short Term Strategies

PEEL is engaging in several joint purchasing opportunities that use collective bargaining power to generated cost savings.

Pool Purchasing of Food.

Vision: Pool purchase food for childcare centers in order to lower costs.

Status: A vendor has been chosen. Half of the PEEL membership is currently participating. Some members have yielded savings of up to 11%.

Point person: Dawn Collins, Somersworth Early Learning Center

<i>Action Step</i>	<i>Responsible Party</i>	<i>Timeline/Deadline</i>	<i>Follow up</i>
Document the strategy, including vendor and opt-in info	Dawn Collins	01/08	Distribute to PEEL members
Document cost savings of all of the participating centers	Dawn Collins	6 months prior to renewal of current PEEL contract	Distribute to PEEL members
Document lessons learned	Dawn Collins		Distribute to PEEL members

Pool Purchasing of Office Supplies, Classroom Supplies & Office Equipment Leasing.

Vision. PEEL will have an “a la carte” menu of vendors/providers with a PEEL discount.

Status: A survey is being developed.

Working group: Dawn Collins, Stacey Healey and Wendy Monroe

<i>Action Step</i>	<i>Responsible Party</i>	<i>Timeline/Deadline</i>	<i>Follow up</i>
Create and disseminate survey to PEEL members re: current vendors and costs in these areas	Wendy Monroe	Complete	
Analyze survey to identify best opportunities for bulk purchasing, cost savings and create list of items	Purchasing subcommittee	01/08	
Contact vendors to investigate pricing	Purchasing subcommittee	01/08	
Select a common vendor or vendors	Purchasing subcommittee recommends; PEEL decides	End of 01/08	Disseminate new vendor and order info
Collect orders	Wendy Monroe	End of 02/08	
Integrate into pool purchasing menu	Purchasing Subcommittee		
Document cost savings	Purchasing subcommittee	Ongoing	

Pool Purchasing of Additional Services

Vision. PEEL will add to the “a la carte” menu of vendors/providers with a PEEL discount.

Status. PEEL is researching NH insurance regulations regarding multi-employer groups and potential broker discounts on insurance. The first survey of PEEL members is scheduled for February 2008.

Outstanding Question. If PEEL does not meet NH’s requirements, does it want to become one group/one legal entity?

Working group: Dawn Collins, Stacey Healey and Wendy Monroe

<i>Action Step</i>	<i>Responsible Party</i>	<i>Timeline/Deadline</i>	<i>Follow up</i>
Create and disseminate another survey to PEEL members to gather information on insurance (percentage paid for employees, health insurance type, providers, agents, other insurance types like dental, life, disability), utilities, heating fuel, phone internet, payroll services, and retirement/IRA benefit	Wendy Monroe	03/08	
Analyze survey to identify best opportunities for cost savings	Stacey Healy and Wendy Monroe	06/08	
Research NH insurance regulations regarding multi-employer groups	Jackie Cowell	12/07	Make sure this is possible prior to completing next steps
Create task list to contact multiple vendors	Stacey Healy	05/08	Assign vendor contacts
Negotiate new pricing	Subcommittee or designated PEEL	06/08	

	personnel. Lauren Wool can assist	
Select new vendors	PEEL members	07/08
Organize group purchases	Stacey Healy	08/08
Integrate into pool purchasing menu	Stacey Healy	09/08
Document cost savings	Stacey Healy and Wendy Monroe	08/09

Marketing & Outreach

Vision. A concise message to motivate funders and all program stakeholders to support the goals of the Partnership for Effective Early Learning's Shared Services Project.

Status. Testing vision statement and tag line: *"Better together for children"*

Working group: Chris Casserly, Jackie Cowell, Marylee Clement

Action Step	Responsible Party	Timeline/Deadline	Follow up
Finalize vision statement and tag line	All PEEL members	12/07	
Identify a PEEL marketing subcommittee	All PEEL members	01/08	
Identify audiences	All PEEL members	Part of media plan	
Develop media plan that includes articles profiling PEEL in R & R, ELNH and NHAEYC newsletters	Media consultant or volunteer with marketing subcommittee	TBD	

Long Term Strategies

Staffing

Vision. Hire a PEEL staffing coordinator who understands the field to recruit staff, provide screening (background checks), and assist with staff sharing among PEEL centers.

Status. Louise Stoney has provided several contacts and models. Sue Chase is taking on researching lessons learned of these models.

Outstanding issue. Need outside funding source to kick start supporting the position along with a sustainability plan. Also, need to document the real costs associated with staffing turnover in childcare centers.

Working group. Susan Chase, Anne Grassie, Lauren Wool

Action Step	Responsible Party	Timeline/Deadline	Follow up
Review the documentation on other models provided by Louise Stoney	Sue Chase	Complete	
Create a list of interview questions for calls with other programs	Sue Chase	01/08	
Investigate potential funders for the position and other United Ways' involvement	Lauren Wool	01/08	
Quantify the real costs associated with staffing turnover with national and local data	Lauren Wool, Jackie Cowell, Pool purchasing subcommittee for survey	02/08	Add questions to pool purchasing 02/08 survey re: costs of ads for recruiting, training orientation, Director's time and HR services including payroll costs
Investigate potential support from the R &Rs and Child Development Bureau	Anne Grassie	01/08	
Identify the number of	Sue Chase to include in	02/08	

PEEL centers needed to participate for optimal use	concept paper		
Secure funding for PEEL staffing coordinator	All PEEL members	TBD	
Draft staffing coordinator job description	Sue Chase & PEEL review and comment	03/08	Review CCC's staff coordinator's position description and include in final concept paper
Draft concept paper and guidelines for the process and fairness for all participants	All PEEL members	03/08	
Draft performance evaluation plan for stating coordinator	Lauren Wool	TBD	

Auditor Sharing

Vision. Secure one audit firm that understands nonprofits and childcare to do all PEEL centers' financial statements and 990s.

Status. Researching opportunities and potential savings.

Working group. Susan Chase, Anne Grassie, Lauren Wool

<i>Action Step</i>	<i>Responsible Party</i>	<i>Timeline/Deadline</i>	<i>Follow up</i>
Research models Louise Stoney highlighted from North Carolina and New York	Auditor Subcommittee	01/08	
Review concept with NH Attorney General's office on Charitable	Lauren Wool	12/18/07	

Trust		
Review concept with CPA United Way volunteer	Lauren Wool	12/18/07
Research best practices through the NH Center for Nonprofits	Lauren Wool	12/18/07
Talk with Jim Toye	Anne Grassie	01/08
Survey PEEL members' current audit services and associated costs. Find out dates audits are needed	Chris Casserly	01/31/08
Draft a request for proposals for audit firms and send to auditor firms	JoAnn Murphy Benson or NHCNP	02/29/08
Review proposals and make recommendations	Auditor subcommittee	04/30/08
Select audit firm	All PEEL members	07/1/08
Coordinate audit preparation	Auditor subcommittee	TBD
Document cost savings	PEEL	ongoing

Quality Rating (Improvement) System

Vision. Pilot a new quality rating (improvement) system for NH that a wide audience can understand and appreciate.

Status. Researching models and best practices.

Working Group. Chris Casserly, Jackie Cowell, Marylee Clement

Outstanding issue. Need funding to support the creation of a viable Quality Rating Improvement System.

Action Step	Responsible Party	Timeline/Deadline	Follow up
Send out info on the QRS Working Group of Early Learning NH to PEEL members	Katie of Early Learning NH	complete	
Attend the QRS Working Group meeting on 12/20/07	Chris Casserly and/or Anne Grassie	12/20/07	Identify questions to bring to marketing group and integrate into marketing group's workplan
Research the Quality Matters program and its lessons learned	Wendy Monroe and Anne Grassie	02/08	
Research models provide by Louise Stoney. There are 13 statewide models and twice as many regional models	Stacey Healy and Early Learning New Hampshire	01/08	Share research with QRS subcommittee by early 02/08. Make sure to include PA model.
Look for resources available from UNH, NHCTC and Head Start	Anne Grassie, Jo-Ann Murphy Benson	End of 01/08	Discuss with member from UNH
Research model	QRS Subcommittee	TBD	Louise Stoney and Gail

curricula			Hall are resources
Articulate the benefits of creating a new QRS to staff, parents, community, R &	PEEL members, Jackie Cowell to help coordination with ELNH	TBD	Should coordinate with PEEL marketing committee
Research and secure funding to support the research, development of a QRIS for PEEL	Jackie Cowell and ELNH will research funding	TBD	Should reach out to Child Development Bureau
Create model for a Quality Rating Improvement System for PEEL	QRS Subcommittee	09/08	Deadline may be moved forward depending on final plan and funding

Additional Strategies

In addition to the seven strategies outlined above, PEEL members identified two additional strategies for future planning: Professional Development/Training Coordination and Fund Development for PEEL Centers.

Professional Development/Training Coordination

Status. Create vision, workplan and timeline. Establish working group. Lauren Wool to distribute survey to identify the range of professional development currently underway at individual centers.

Fund Development for PEEL Centers

Status. Create vision, workplan and timeline. Establish working group.

POTENTIAL BARRIERS TO SUCCESS

In order to strategize an effective implementation strategy, PEEL members took time to anticipate potential challenges. Although there are some challenges inherent within every individual strategy (i.e. NH insurance regulations or auditor requirements), there were three common barriers identified:

- Ongoing coordination
- Ongoing support for planning
- Sustainability

Coordination

The PEEL membership is made up of the directors of childcare centers who have a limited amount of time to devote to projects outside of the centers. Although there is a commitment to investing time in shared services to improve overall long term quality, there is also a recognition that engaging professional support facilitates implementation.

Planning

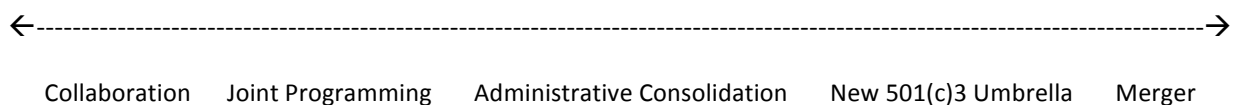
Several long-term strategies, such as staffing coordination and developing a quality rating system, require additional research and planning. In addition, PEEL members are committed to developing workplans around coordination of professional development/training and fund development.

Sustainability

Several strategies require an outside funder to kick start shared services strategies. Will the overall cost savings be enough to drive up quality within the centers and sustain the shared service practices? This is an unknown at this time. However, through continued commitment to collaboration, research, planning and documentation of lessons learned, the Partnership for Effective Early Learning will identify the most impactful and sustainable strategies.

THE COLLABORATION CONTINUUM

PEEL Shared Services project participants devoted meeting time to identifying and discussing various levels of collaboration. National expert Louise Stoney confirmed that there are several models of collaboration in other regions of the country, ranging from informal partnerships to full mergers. Through this project, PEEL members were able to begin a discussion about which level of collaboration would best suit their PEEL Shared Services vision.



FUND DEVELOPMENT PLAN

The PEEL Shared Services project requires additional fund development for additional planning and implementation. Below is a general list of needs and potential resources that can serve as a starting point for future outreach and development.

Need	Resource	Action	Responsible Party	Timeline/Deadline	Follow up
Coordinator of pool purchasing program	TBD	Establish if working group with rotating chair can handle or seek funding for outside consultant	All PEEL members	03/08	
Media and outreach plan	TBD	PEEL to work on creative brief.	Elissa to send creative brief. PEEL	ongoing	

		Identify if media consultant is required	to work on plan.		
Research and plan a new quality rating system for NH	TBD. Louise Stoney recommends seeking state support.	Investigate interest from funders and government	QRS working group	End of 01/08	Draft grant requests or advocate for government funds
volunteer CPA or hire consultant to help with drafting RFP for auditor firms	TBD	Seek out volunteer	Lauren Wool	12/08	
Funding for staff coordinator and sustainability plan	List of potential funders include: CDFA, Nellie Mae, Annie E. Casey, Mirage, United Way, Local Businesses, Corporate foundations	Develop funding request from final staffing coordinator concept paper	Sue Chase – concept paper Grant writing – Jackie Cowell	03/08	

DOCUMENTATION OF OUTCOMES AND LESSONS LEARNED

National expert Louise Stoney has called out that PEEL exemplifies an unusual commitment because the shared services effort has been spearheaded by the childcare center directors themselves, rather than government, funders or private business.

In addition, PEEL is a regional effort, poised to set an example for other centers around New Hampshire. It is therefore, essential, that PEEL document outcomes to this work including cost savings and investment of savings into more quality and lessons learned along the way.

ACKNOWLEDGEMENTS

The following people and grantors contributed to the development of the implementation plan:

Sue Chase	Community Child Care Center of Portsmouth
Chris Casserly	Rochester Day Care Center
Marylee Clement	Farmington Child Care Center
Stacey Healy	Kingston Children's Center
Wendy Monroe	Great Bay Kids Company
Anne Grassie	Dover Children's Center
Dawn Collins	Somersworth Early Learning Center
JoAnn Murphy Benson	Rockingham Head Start
Jackie Cowell	Early Learning New Hampshire
Lauren Wool	United Way of the Greater Seacoast
Louise Stoney	Alliance for Early Childhood Finance
Elissa Margolin	Margolin Consulting, Project Management Services
New Hampshire Charitable Foundation	
United Way of the Greater Seacoast	

CONCLUSION

As the vision statement developed through this project articulates, this is a new, shared services model for area early childhood programs to strengthen business practices and enhance program quality. Many of the outcomes, such as cost-savings, higher pay for more qualified childcare staff, are quantifiable, while other outcomes, such as developing a confident, business-savvy leadership, and a more sustainable quality environment for the region's young children are less tangible.

In either case, the Partnership for Effective Early Learning's shared services project is poised to improve early learning in the region, around New Hampshire and serve as a model around the country. For further information on the Partnership for Effective Early Learning: contact Susan Chase, Executive Director of the Community Childcare Center of Portsmouth at schase@communitycampus.org or Jackie Cowell, Executive Director of the Early Learning NH at jcowell@earlylearningnh.org.