

Shared Services: A Support Strategy for Race to the Top – Early Learning Challenge

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Shared Services is an early care and education (ECE) business model that enables center- and home-based child care providers to share costs and deliver services in a more streamlined and efficient way. A network of child care centers or homes are linked by a “hub” office that centralizes leadership and management, enabling both economies of scale and economies of specialization so that maximum resources can be focused on the learning environment—where they matter most.

Shared Services focuses on supporting leadership in two key areas:

- **Business leadership** - including billing and fee collection, human resources, facility and financial management, purchasing, and overall program administration;
- **Pedagogical leadership** – including teacher leadership/supervision/reflection, curricula and lesson plan development, child assessment, classroom assessment/coaching, and so forth.

Shared Services results accrue from the power of scale, which not only helps lower costs but also makes it possible for staff to focus on specific tasks and grow in their jobs. Thus, staff with skills and interest in child development can focus on that aspect of the job and staff with skills in managing money or other administrative tasks can focus on these business tasks. In short, Shared Services enables:

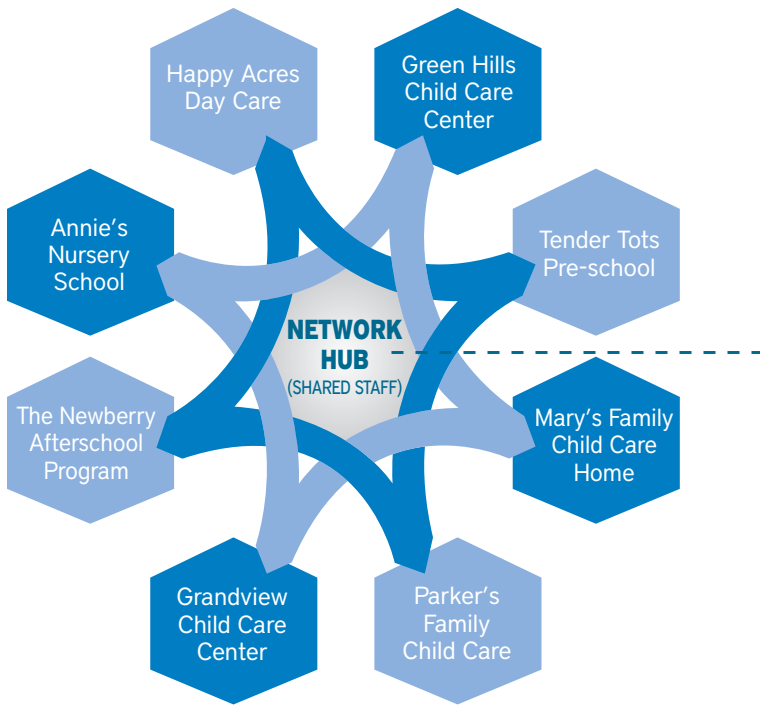
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- **Economies of Scale** – By carrying out certain functions jointly, Shared Services can lower costs for purchased goods and services.

- **Economies of Specialization** – In the typical child care center a single director is responsible for every task, and is often a “Jack of all trades; master of none.” In a Shared Services approach, greater size makes it possible to reallocate work to more specialized, experienced, and better qualified employees who are not only able to bring greater rigor and quality to the tasks they perform but also have opportunities to work at what they most enjoy and to grow professionally.

A Framework, not a Franchise

Shared Services is an approach, not an initiative; it is a framework that can be applied in many circumstances. For example, Colorado uses a Shared Services approach to licensing, enabling monitoring staff to access information needed for compliance from a shared automated system that maintains data for a network of centers and homes. A single licensor is assigned to the network, saving time for regulators as well as ECE program administrators. In some cases the approach has cut the time state staff spends on licensing in half and has enabled ECE program administrators to prepare for a licensing visit in a matter of hours rather than days. Georgia uses a Shared Services approach in the technical assistance (TA) it provides for Quality Rated, their state



Research & Development

(information technology, data collection & analysis, etc.)

Classroom Supports

(mentor teachers, classroom assessments, QRIS support, etc.)

Administration Services

(payroll, billing, fee collection, marketing, tax/finance support etc.)

Comprehensive Services

(health, mental health, social services, family support)

Fundraising & Fund Development

(from public and private sources)

Staff Recruitment & Screening (including substitutes)

Bulk Purchases of Goods & Services

Human Resources

(health and retirement benefits, unemployment insurance, etc.)

Quality Rating and Improvement System (QRIS). In this case, a single TA provider is assigned to a ‘cohort’ of centers or homes. The goal is to encourage and enable staff, which is shared by a group of ECE providers and available for on-going support to classroom teachers, to effectively support progress in attaining higher ratings. In short, it is a strategy for building capacity within the ECE sector rather than always relying on external coaching for quality improvement. Pennsylvania has customized the national Shared Services website to support QRIS participation. The site, www.SharedSourcePA.org, includes a special “Raise Quality” tab that links users to an automated pathway to required QRIS tools and resources, saving time for ECE programs as well as QRIS technical assistance staff.

Links to RTT-ELC Requirements and Priorities

A Shared Services framework can help states achieve many RTT-ELC goals and priorities, as described in more detail in the Table on pages 4-5. Shared Services can address criteria such as:

- aligning and coordinating early learning and development services;
- promoting participation in QRIS;
- promoting access to high-quality early learning for children with high needs and addressing their health, behavioral and developmental needs;
- supporting child and program assessments;
- engaging and supporting families;
- supporting the professional development of early childhood educators; and,
- encouraging private sector support.

System-Building for Service Providers

While much attention has focused on system-building in government, Shared Services offers a parallel framework for service providers. Rather than each small service provider attempting to tap and layer funding from multiple sources, a single back-office manages this task on their behalf. Local Alliances like the Chambliss Center network in Chattanooga, Tennessee, Sound Child Care Solutions (SCCS) in Seattle, Washington



and many others, align and coordinate early learning services from multiple public agencies including CCDF child care assistance, Head Start, PreK, early intervention, Military Child Care, and others. The Community Group (TCG) in Lawrence, Massachusetts includes a very broad array of ECE services and family supports in homes, charter and public schools and community settings. TCG has developed an Alliance-wide culture they refer to as “the virtuous circle”: accountability, high expectations, and great teaching, with shared data (such as formative assessments) used to inform instruction and support alignment in all sites. Again, this work is possible because all TCG programs share an administrative staff that not only ensures sustainability, but also enables the kind of alignment and synergy that produces results.

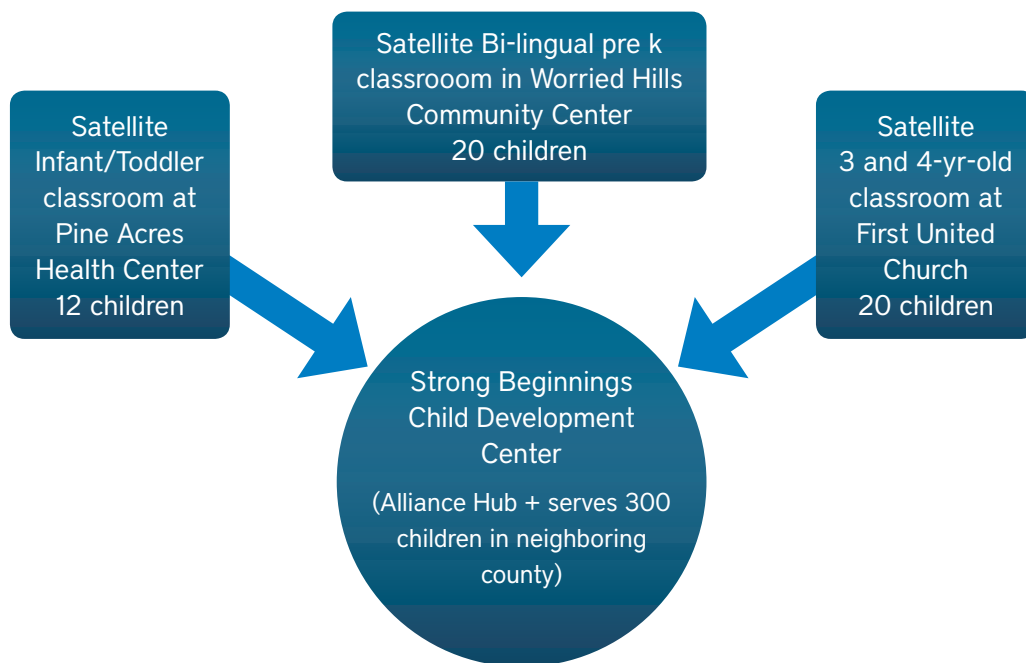
Support for High-Need Families and Communities

Promoting access to high-quality early learning and development programs for high-need children is an important priority of the Race to the Top - Early Learning Challenge (RTT-ELC) grant competition. Indeed, policy makers across the US are challenged by the lack of high-quality ECE in many communities

where significant numbers of children who are at risk of school failure reside. These communities typically lack the robust child care market demand and the concentration of child care subsidy dollars that are needed to attract and sustain high-quality ECE services. To address these challenges, some states have released targeted subsidy scholarships, or grant programs, focused on the children and families who reside in these communities. But these efforts are often only marginally successful, largely because the level of resources needed to support a new child care center are not only significant but may require an up-front assurance that funding will be consistent and stable over time. Alternatively, some states have focused on improving the quality of ECE services that are currently available in these communities by targeting improvement grants as well as training and technical assistance (TA) services to these areas. Again, results have been mixed, in large measure because the child care centers and homes in these communities are often economically fragile and challenged by high staff turnover. A Shared Services framework can help address both of these challenges by supporting a classroom, or a network of home-based providers, in the target community rather than seeking to open a new full-fledged child care center. *(See example in graphic below.)*

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Potential Shared Services Approach in Targeted Community





A Targeted Approach for High-Needs Children

The first step to ensuring that high-need children and families have access to high-quality early learning is mapping the areas where these children and families reside and where high-quality ECE is scarce or non-existent. These maps can then inform a plan for addressing, and funding, systemic capacity building in areas of need. Using a Shared Services framework to address these gaps could involve issuing an RFP to recruit existing 4 and 5-Star ECE service providers (from neighboring regions or other parts of the State) who are willing to support ECE classrooms or homes in the target areas. The RFP would request a scope of work, and budget, for the following tasks:

- Opening an early childhood classroom for approximately 15-20 children or launching/supporting a network of home-based providers to serve a specified number of children. The classroom or homes would be required to meet the 4 or 5-Star rating requirements, including individual child assessments and transition plans with local public schools.
- Offering family supports and comprehensive health, mental health and social services.
- Conducting home visits.

The RFP would select a ‘hub’ agency to oversee the classroom/homes, including shared administration and supports, and assume responsibility for ensuring that the sites are accountable for results. Entities selected to serve as ‘hubs’ would receive funding to support child development services as well as waivers

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from licensing or QRIS rules so that they could offer “off-site” administrative services using a Shared Services framework. Funding for child development services could be administered via a contract for a classroom of children (or guaranteed vouchers), with eligibility determined annually. While family supports/comprehensive services could be provided via collaborative agreement with another agency, leadership and accountability for results would remain with the entity selected to serve as the Shared Service Alliance ‘hub’. Depending on local needs, the RFP could seek bi-lingual classrooms or support services.

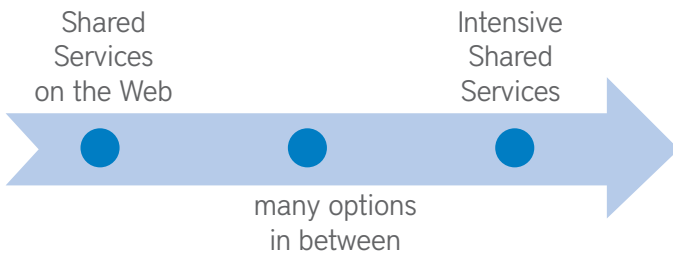
An RFP for Systemic Capacity-Building

Over the past few years Colorado policy makers have worked closely with Early Learning Ventures, an operating foundation established by the David and Laura Merage Foundation, to offer web-based Shared Services throughout the State. This collaboration has led to a Shared Services approach to child care licensing, which has resulted in significant cost savings for the State as well as participating child care centers and homes. Colorado was also selected in the ‘second round’ of the RTT-ELC awards, and elected to use some of this funding to support an RFP focused on systemic capacity-building using a Shared Services framework for licensing, billing and fee collection. The RFP, which will be released in mid-September 2013, seeks a Shared Services contractor to provide back-office systems and supports for child care providers.

Reaching Beyond Target Communities

The Shared Services approach is a paradigm shift, challenging the widely held assumption that ECE programs work best as small individual businesses operating independently. ECE Shared Service Alliances can take many forms and can vary in intensity. In some cases, Alliances share staff among sites in multiple locations (like the example described above). However some services can be shared via the web. Currently thirteen states (CO, GA, FL, KY, LA, ME, MS, NH, NM, NY, OR, PA, TN) are engaged in Shared Services on the web, using either the national

A Range of Services & Entry Points



site (www.ECESharedResources.org) or state-customized versions such as Pennsylvania's www.SharedSourcePA.org or Colorado's www.earlylearningventures.org.

Shared Services on the web was originally perceived by many as an opportunity for shared and discounted purchasing; however its value to providers is now known to be far broader. The web-based platform contains a host of management tools—for staffing, teaching and learning, and business operations—that provide significant time savings and contributions to working smarter, as well as resources for classroom teachers and links to important supports for quality improvement. In some states the platform has become an automated pathway to help ECE centers and homes successfully participate in Quality Rating and Improvement Systems. Others are beginning to explore it as a common access point for on-line training.

In summary, Shared Service strategies can help states strengthen the ECE sector overall as well as meet many requirements of the RTT-ELC. National collaboration is not only possible, but already occurring. For example, states that sponsor Shared Services on the Web are part of a national advisory committee to review and share content for the national and state sites. A national learning community has also been created via LinkedIn.

Cross-State Collaboration Opportunity

RTT-ELC applicants that plan to include a Shared Services component in their applications are also invited to participate in a cross-state collaboration around shared services. This collaboration would include meetings, webinars and technical assistance across the participating states, the opportunity to develop and use common shared services tools and resources, and participation in

a cross-state evaluation of shared services approaches. This is an opportunity for your state to be a leader in this work while also enhancing your RTT-ELC application as federal reviewers are particularly interested in seeing greater cross-state collaboration in the applications. If you would like to discuss this opportunity in greater detail, email gcobb@buildinitiative.org to discuss more specifics. We can assist you with this aspect of your application and discuss costs for your budget related to participation in the cross-state collaboration.

For more information on the national Shared Services movement and details for integrating these ideas into your RTT-ELC application, go to www.opportunities-exchange.org.



Suggestions for including Shared Services in the RTT-ELC Application

Selection Criteria	How Shared Services Supports	Example
(A)(3) Aligning & coordinating early learning & development across the State	A Shared Service Alliance can coordinate funding and service delivery from multiple state and local entities.	<p>The Chambliss Shelter Alliance in Chattanooga taps funding from multiple sources, including: CCDF, Head Start/Early Head Start, USDA, school districts, county tax levy, United Way, faith-based organizations, philanthropy and parent fees. For more info, see http://opportunities-exchange.org/wp-content/uploads/Profile-Chambliss-Center-for-Children-4-8-13.pdf</p> <p>The Community Group (TCG) Alliance includes center, home and school-based settings and aligns child assessment and professional development across all sites. TCG maintains an Alliance-wide culture of the “virtuous circle”: accountability, high expectations, and great teaching, with data (such as formative assessments) used to inform instruction. TCG maintains a centralized database that allows for collection, analysis and sharing of assessments and other relevant data across all programs. http://opportunities-exchange.org/wp-content/uploads/Profile-The-Community-Group-4-19-13.pdf</p>
(B)(2) Promoting participation in the State’s Tiered Quality Rating and Improvement System	Shared Services on the web can be strategically linked to a State QRIS, so that providers have an easy-to-follow electronic ‘pathway’ for QRIS participation. Additionally, most Alliances require participation in TQRIS (or another quality improvement project) as a ‘floor’ for membership.	<p>The “Raise Quality” button on the Pennsylvania shared services website (www.SharedSourcePA.org) has made it much easier for programs to participate in Keystone Stars and has also helped to make QRIS-related technical assistance more efficient.</p> <p>The Shared Solutions Alliance in Lorain, Ohio makes QRIS rating a requirement for membership. (For more information: http://opportunities-exchange.org/wp-content/uploads/Profile-Shared-Solutions-Alliance.pdf)</p>
(B)(4) Promoting access to high-quality Early Learning and Development Programs for Children with High Needs	Local or regional Shared Service Alliances can boost access to high-quality ECE for high-needs children.	In Seattle, Sound Child Care Solutions (SCCS) Alliance was able to open classrooms in high-need communities and target English Language Learners. (For more info, see: http://opportunities-exchange.org/wp-content/uploads/Profile-Sound-Child-Care-Solutions-REVISED-2.23.12.pdf)
(C) (2) Supporting effective uses of a Comprehensive Assessment System	Local or regional Shared Service Alliances offer a range of supports to participating centers, including staff support for screening & assessment of children, classroom & teacher observations, as well as other measures of environmental quality.	Early Connections Learning Centers in Colorado Springs uses Teaching Strategies GOLD assessments across all sites to ensure continuity. Site Directors conduct monthly classroom observations to inform staff coaching, and classroom teachers conduct two home visits a year. A curriculum coordinator is shared across sites. http://opportunities-exchange.org/wp-content/uploads/Profile-Early-Connections-9-14-12-.pdf
(C)(2) Identifying and addressing health, behavioral, and developmental needs of Children with High Needs to Improve School Readiness	Local or regional Shared Service Alliances help ensure that all children receive appropriate screening/assessment and that individual needs are met.	<p>97% of children who attend the Chambliss Shelter Alliance score well on kindergarten screening.</p> <p>The (largely low-income, Latino) children who participate in The Community Group Alliance outperform their higher-income peers on the state MCAT exams.</p>

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(C)(4) Engaging and supporting families	Local or regional Shared Service Alliances offer a range of family support services.	<p>Infant-Toddler Family Day Care (ITFDC) in Fairfax, Virginia is a single point of entry for families, helping with enrollment & finance issues, offering parent supports & strengthening communication between families and the home-based providers in the Alliance.</p> <p>http://opportunities-exchange.org/wp-content/uploads/Profile-Infant-Toddler-Family-Day-Care-REVISED-5.12.pdf</p> <p>Both SCCS in Seattle and TCG in Lawrence, Massachusetts have family support staffs who work closely with New American families and their children. As a result, these families are deeply engaged. TCG, for example, boasts 100% participation in parent meetings.</p>
(D)(2) Supporting Early Childhood Educators in improving their knowledge, skills, and abilities	<p>Shared Services on the web includes a host of supports for classroom teachers, ranging from support for lesson plans to links to on-line training on ERS and CLASS.</p> <p>Local or regional Shared Service Alliances share staff to support teaching practices via classroom coaching, professional development planning, reflective supervision and learning communities.</p>	<p>To view the national Shared Services web platform, see www.ECESharedResources.org</p> <p>Many Alliances, including SCCS and Early Connections Learning Centers, require teachers to prepare a personal professional development plan & then supports them in carrying it out. For more detailed examples of teacher supports, see the SCCS multi-media tool (URL) and Sharing Staff Roles and Responsibilities Across Sites http://opportunities-exchange.org/wp-content/uploads/Sharing-Staff.pdf</p> <p>ITFDC providers stay in the child care field 2.6 times longer than the national average.</p>
Competitive Priority #1: Including all Early Learning and Development Programs in the Tiered Quality Rating and Improvement System	See (B)(2) above: Shared Services on the web can be strategically linked to a State QRIS. Local or regional Alliances can require participation in TQRIS .	See (B)(2) above
Optional Priority #1: Sustaining program effects in the early elementary grades	Local or regional Shared Service Alliances can strengthen links to early elementary grades.	Teachers engaged in The Community Group Alliance in Massachusetts use common child assessment tools, share data across sites, and are able to support children as they move from ECE into the early grades. SCCS in Seattle also has a strong family engagement component focused on empowering parents to support their children as they move into the local elementary schools.
Optional Priority #2: Encourage Private Sector Support	Private Sector Funders have been early investors in Shared Services across the US.	These funders include, among others, Annie E. Casey Foundation, Gouizuetta Foundation, United Way, The David and Laura Merage Foundation, and the William Penn Foundation.



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