

Service Delivery and Efficiency Task Force
November 2, 2015

Purpose (from 10-13-15 Board Meeting)

Recognizing that our Coalition must be accountable to OEL as well as the children and families of Hillsborough County these issues highlight the need to look at opportunities to improve internal functions, utilize technology in seamless processes, and maximize the funds available for direct services to children and families. ELCHC staff will work with a Board Task force to develop a plan to include (but not limited to) the following:

- Transfer contracting and Child Care Resource and Referral (CCR&R) functions to ELCHC;
- Examine opportunities to integrate and streamline processes; and
- Identify long-term cost saving strategies that will increase funds for high quality direct services and supports for children.

Background Information

ELCHC Mission: The mission of the Early Learning Coalition of Hillsborough County (ELCHC) is to promote school and life success for all young children and their families through quality school readiness services and supports.

Key Funding Sources

Florida Department of Education, Office of Early Learning (OEL)	
School Readiness (SR)	\$43,151,425
Voluntary Pre-Kindergarten (VPK)	\$28,798,839
Children’s Board of Hillsborough County	
Quality Counts for Kids	\$ 1,834,107
School Readiness Match	\$ 1,723,239
Hillsborough County	\$ 478,000
United Way	\$ 107,900
Other Community Programs	\$ 38,000

Contracts for Services on behalf of ELCHC

Hillsborough County Public Schools	
School Readiness	\$39,677,520
VPK	\$28,330,442
Hillsborough County Child Care Licensing	\$ 1,058,904
Early Childhood Council (Inclusion services)	\$ 71,500

Hillsborough County Public Schools contract summary

In 1999, the Florida Legislature passed the School Readiness Act (s.411.01, F.S.), which consolidated an array of individual early childhood education programs into one integrated program. The Act created the Partnership for School Readiness to coordinate local services administered by single-county or multi-county School Readiness Coalitions, which were funded through a blend of state and federal funds. The School Readiness Act required Coalitions to

provide “system support services, including a central agency, child care resource and referral, eligibility services, training of providers, and parent support and involvement. “ By 2010, the Act had been amended numerous times and no longer required coalitions to include a central agency in their service delivery model.

In 2002, voters passed a state constitutional amendment requiring access for all of Florida’s 4-year-olds that resulted in the Florida Voluntary Prekindergarten (VPK) Program. The program began operating across the State in 2005. During the 2004 session, the Legislature abolished the Partnership for School Readiness and directed the Agency for Workforce Innovation (AWI) to govern state-level policy and provide statewide coordination and administration of the School Readiness and VPK Programs. Effective 2011, statewide coordination and oversight of School Readiness and VPK programs was transferred to Florida’s Office of Early Learning (OEL).

Locally, the Early Learning Coalition of Hillsborough County (ELCHC) is responsible for the design, implementation and management of all required services established in 411.01 F.S, including but not limited to the following: child care resource and referral, intake and eligibility determination, provider payment processing, monitoring of provider compliance with programs standards and contractual obligations, and provider training and technical assistance for both the School Readiness and Voluntary Prekindergarten Programs. ELCHC is currently contracting the vast majority of these functions to Hillsborough County Public Schools. Prior to the existence of Coalitions, the Central Agency in each county (or counties) administered the School Readiness (often called Subsidized Child Care) funds. In Hillsborough County, the School District served as the Central Agency.

On October 14, 2015 in a meeting with Superintendent Jeff Eakins, it was agreed that ELCHC staff would assume the contracting functions for both SR and VPK beginning January 1, 2016 and ELCHC staff would assume the child care resource and referral functions beginning July 1, 2016. It is important to note that while school readiness funds generally serve moderate to low income families, both child care resource and referral (which includes comprehensive consumer education) and VPK is open to all families. ELCHC staff will amend the current School District contract to reflect this change.

Hillsborough County Child Care Licensing contract summary

On October 1, 2007, ELCHC initiated a contractual relationship with Hillsborough County Child Care Licensing for quality services (licensing monitoring and improvement). This was at a critical time in the County’s recent economic downturn and many services that benefitted the community were in danger of, or were actually cut back or even eliminated. In order to assure that the County had adequate funds for licensing inspection, the staff and Board leadership at ELCHC initiated the first contract for \$221,362. This amount represented about 25% of the Child Care Licensing’s budget. Over time ELC has grown its funding contribution to this budget and today, ELCHC funds nearly 80% of child care licensing, with the exception of some of the staff’s use of County fleet vehicles.

Early Childhood Council (ECC) contract summary

The ECC provides Inclusion services (Care Options) for SR & VPK children in an agreement that began July 1, 2012. The contracted amount is \$71,500. These services compliment those provided by the School District.

ELCHC Current Status

Over the past 10 years, the Coalition has seen its School Readiness funds from the Office of Early Learning (OEL) decline, from a high of \$48M+ in 2005, to its current level of \$42,151,425 for FY 2015-2016. In addition, new requirements have been enacted that require Coalitions to dedicate a percentage of funding to enhance quality. The result has been fewer dollars that can be used to serve children. This trend is not likely to change dramatically in light of state and federal economic policies. Our options to increase the funds that ELCHC can invest in direct services to children, their families, and child care providers to maximize the funding we currently receive and to draw in new sources of revenue. In order to accomplish the latter (attract and receive new funds), experience from others tells us that investors/funders look an organization's branding and outcomes for their work. Generally, those successful organizations can demonstrate that their work is accomplished in a high quality, cost containment manner – once again that points to in-house expertise and efficiency.

It is no surprise that as we looked across the state at other Coalitions that many have taken or are taking a similar approach. The Coalitions are bringing services in house and consequently, through careful use of resources, realizing significant savings that can be re-invested into direct services for children and families. These same Coalitions are also attracting new funders and actively employing fund development techniques to add additional high quality services for children and families.

ELCHC's contracts that can be brought in house include the School District School Readiness/VPK and possibly Hillsborough County Child Care Licensing. While both contracts have been beneficial to the Coalition and community, the return on the investment for both contracts must increase. Additionally, while our work must meet (and hopefully exceed) expectations from our funders, the foundation of our work must directly link to our clients – children, their families, and child care providers. We need to reinforce a culture with our current staff and incoming staff that professionalism and superior customer service are essential elements of our work.

With respect to the School Readiness/VPK contract, cursory examination indicates savings can be realized by eliminating duplicative positions and accompanying expenses at the Administrative level; eliminating indirect cost charged; reductions and/or elimination of full-time positions and incorporating use of part-time positions and cross-trained staff; elimination of overtime and seasonal employment; utilization of low/no cost space; and enhanced use of available technology. Coalitions that have employed similar methodology

have realized annual savings of \$1,000,000 or more. For every \$1,000,000 saved, our Coalition could serve at least 200 additional children for an entire year.

The Hillsborough County Child Care Licensing contract presents similar opportunities for improvement although on a smaller scale. An added benefit in this case would be the purposeful integration of quality standards coaching during mandatory visits to all licensed child care providers.

Next Steps

As already mentioned, the School District has agreed that ELCHC will assume the contracting and monitoring functions for School Readiness and VPK at the end of the calendar year and will then add the Child Care Resource and Referral functions beginning July 1, 2016. ELCHC staff is developing a detailed implementation plan and timeline for incorporating these agreed upon contracted components of the School Readiness/VPK contracts into internal operations. The Task Force would recommend approval for ELCHC staff to proceed to identify similar streamlining of processes and efficiencies through internal processes to the full board at the December 14, 2015 Board meeting. Interested Task Force members would be welcome to continue involvement in this process if schedules permit. This resulting plan would be shared with the Board for feedback and components would be implemented.