The Cost Estimation Tool for Early Head Start-Child Care Partnership Services

Stacy McCallan: [Inaudible] webinar on the new Cost Estimation Tool for Early Head Start-Child Care Partnership Services. So, I'll start by thanking those of you who registered for our original webinar, which was conducted last week. And, we know that many of you weren't able to connect, and for those who did, they weren't able to actually demonstrate the tool because of some technical challenges we experienced. So we're so pleased that you joined us again this afternoon, so we can share the [Inaudible] tool with you, demonstrate how it works, and talk about how the Training and Technical Assistance system can support its use. Well, as of yesterday we had over individuals who had registered for the webinar. It looks like our numbers are still going up right now. But I just wanted to let you know that about a third of you are current Early Head Start-Child Care partnership grantees. And another 10 percent are child care partners. So welcome.

About 10 percent were either CCP lead agency staff or Head Start collaboration officers. So, bringing that state perspective. About 10 percent were either Federal staff or Training and Technical Assistance providers. And then the rest, about 40 percent, represented a variety of groups including non-partnership Head Start and Early Head Start grantees. We have some state advisory councils, child care resource referral agencies, and other state and community partners. So welcome everyone. My name is Stacy McCallan, and I'm a child care program specialist, an ACF Early Childhood Technical Assistance division where I support the technical assistance for the Partnership grantees. I know that the [Inaudible] and the development of this tool over the last several months, and we're very excited about its release because we really think the tool has the potential to help many grantees and partners with truly understanding the costs of providing these services and to think through how they are going to pay for them.

Our presenters today include Belinda Rinker, Senior Policy Analyst with the Office of Head Start. Jeanie Mills, Senior TTA Specialist, with the National Center on Childhood Subsidy, Innovation, and Accountability. And Molly Cooley unfortunately won't be able to join us. She is with the National Center on Early Head Start-Child Care Partnerships. But we still wanted to acknowledge the involvement of the Partnerships Center in the development of this webinar. We will also be joined by Fannie Russell, the associate deputy assistant secretary for early childhood development, and a bit later Bernice McClenahen, who is the director of a Partnership program in Oregon. And you'll see their faces a little bit later. And I would also just like to add that in addition to our presenters today, the tool we're introducing is the result collaboration across the Offices of Child Care, Head Start, and Early Childhood Development here at ACF. Also, several of our National Centers, and the early childhood Training and Technical System, including the Subsidies Center, the Partnership Center, and the National Center on Program Management and Systems Operations, as well as program-level testers including some of our Partnership grantees and child care partners, ACF grants management staff, and also our child care consultant. We're also very interested in hearing from you. We encourage you to submit your questions and comments and feedback on the tool, and we really hope that you walk away from the webinar with an understanding of the levels and concepts, and the tool's utility. Jeanie?

Jeanie Mills: Thanks, Stacy. So, let's just take a quick look at how you can post those questions to us. We have a screen shot of the panel on your should be on your screen. And there should be like a place to enter your questions. And we welcome questions throughout the workshop. We will take a look at those

questions and at the end of presentation we'll take some time to respond to selected questions and then answer individual questions in writing following the webinar. So, we've [Inaudible] that little box there. So, today's session, We're going to start with some opening remarks from Shannon, and then we're going to talk about the layering concept and how that is a unique funding expectation for Early Head Start Childhood Partnerships Programs. We're going to have Belinda review the layering concept, and then I'll demonstrate the tool which has just gone live on the Early Childhood Learning and Knowledge Center website. We have a grantees perspective, and Bernice McClenehan will talk a little bit about her experience using the tool. And then we'll point you to some guidance and some supports that we can offer you in using the tool and will address your questions as I mentioned before. So let me turn it over to Shannon now.

Shannon Rudisill: Hi, everybody. It's a great pleasure to be with you, again. And I got to say for those of us who were sitting here worrying last week, it's very much a relief and a pleasure to see the attendees number continue to creep up past . And I wish I could say, since I delivered these remarks last week, and I was racking my brain – they were just totally brilliant, and I wish you could have heard them, and now I'm going to try to do it again. But don't take my word on that. They were totally brilliant. So, we're really glad you're joining us. And I'm going to take just a minute to, because of the tremendous attendance which we are very grateful for, and because of the fact that we have a variety of people who I believe are currently participating in Early Head Start-Child Care Partnership. And the others who may have an interest in or maybe state or other partners who aren't currently involved in partnership work. I just want to remind you why we have the Early Head Start-Child Care Partnership program to begin with because I think it is really important to always keep that in mind. The reason we have the Early Head Start-Child Care Partnership program is because we know that babies and toddlers who are in poverty, or at risks, or have special needs, and a variety of other challenges can benefit the most from high-quality and comprehensive care.

And we also know that Early Head Start is the [Inaudible] bearer in terms of that. But Early Head Start as a program for over years has pretty much shaped the way that we think about what good care is as far as all kinds of new knowledge about best practices, and about how to work with families. And despite the fact that we had consistent increases in the investment in Early Head Start, with administration alone we've more than doubled almost tripled it, Early Head Start only reaches five percent – fewer than five percent of the infants and toddlers in poverty. Which, I don't know what to say about that. Obviously that's something that we want to continue to work on. We want to continue to expand Early Head Start and the President has been really steadfast in expansion. But because we are only reaching five percent of infants and toddlers in poverty. So that's honestly about the smallest universe we could be aiming for at only five percent.

We have 95 percent of infants and toddlers in poverty not in an Early Head Start program. Not to mention all of the other low-income families or families facing some sort of challenge with infant and toddlers who are in community-based child care. So, sitting here together, across our early childhood office wide work, [Inaudible] and our colleagues in the Office of Head Start and the Office of Child care, we really sat and thought about how can we bring Early Head Start quality and comprehensiveness, and the concepts, and the training, and the interactions. How can we get that into more settings faster while we continue to work on expanding on Head Start. And that is naturally how the Partnership program was born. It's about getting more infants and toddlers having access to that kind of knowledge, and qualified staff, and support for their families, and developmental trainings at an early identification. So

that's what we're after. Now, part of what we're hoping is that we will not only do a great job for the tens of thousands of kids who will benefit from the Partnership grants, and depending on how you look at it. Right? We'll probably have somewhere a little north of , kids with this newest round of funding that we're awarding this year, or in – I should say we are awarding in calendar . We'll have probably a little north of , kids in those slots. We think we will accept thousands more, who are in those programs but not occupying one of those slots. But even so, our aim is bigger. So our aim is to think about how we use this program to influence and care more broadly for more kids. Which is why I am so happy that so many of our state partners probably a lot of Head Start collaboration directors, probably some folks from state advisory councils. Maybe we have some licensing staff on the line. We want you to look at these partnerships as a way to learn about things we can use to revolutionize our whole system. Which means we will be having to touch our other funding streams, and other monitoring systems, and other systems of standards. Interestingly, it's not just about what happens in the classroom that we hope that will happen.

We hope that we'll figure out a lot about financing and administration, too. Which brings us to this webinar today. So one of the really innovative features of the partnerships is the innovative financing approach. And I want to say upfront that we know we have a problem across the country but especially outside of Early Head Start with adequately stably financing infant-toddler programs. And, we know that, first of all, subsidies don't reach that many babies and toddlers. Even once their qualified because the waiting lists are so long. And when our subsidies do reach those babies and toddlers, I don't think there's a single state in the country [Inaudible] that can't make some improvements. So we could say that is a predictable and adequate revenue stream. To provide a teacher with infant-toddler training. To provide extra support for developmental screening, to provide high-quality intentionally-implemented curriculum.

We're just falling short on financing infant-toddler services. So, the Early Head Start-Child Care Partnership is a little interesting. Because we traditionally, folks have thought about wrap-around. Right? So, that's part of the early days of Head Start child care. People have been doing that a long time. The difference here is that we want the standards all day. Babies don't turn their brains off at p.m. Whatever environment they're in, whatever person is caring for them, they are soaking up and learning, you know, all day long. They don't know there's a certain part of the day that learning is going to happen, and development is going to happen. That's part of the day where there's something else. I don't know. And so, that's why this model is a little bit different. We've been really clear that if you are in a Early Head Start-Child Care Partnership grant, you have to maintain the Early Head Start-Child – you have to maintain the Early Head Start standards all day. And that really lead us to thinking about this layering approach. The other thing that lead us to this layering approach is we want the benefits to have a multiplier effect to raise – you know it's like the rising tides that raises all boats.

So, it's a developmental screening person that is being brought in to do hearing screening. We want it to happen for all of the kids within the center. Not just the Head Start kids. Right? Now things that are very specific and very intense, they have --those things need to be specifically for kids and tots. But we have a layering concept that allows us to leverage the funding to create this rising tide raises all boats phenomenon. And I can tell you in the spring, I visited Partnership grants in four states. Every single grantee had an example of this. A lot of them were about screening. Because once you brought in a community partner to do the screening, they would do it for everybody. A lot of it was about teacher training. If I trained my teacher and gotten them an infant-toddler CDA. Guess what? If there is only

three of the kids in her little group that are Early Head Start, you know, kids. Now all four kids have a better trained teacher. Same with curriculum. Right? If we bring in a better curriculum to the classroom of eight kids, six of them are Early Head Start, well all eight of them now have a more intentional curriculum and better interaction.

So that's the – those are the two key things of layering. All day, because babies don't turn their brains off. And this idea that we can leverage this Early Head Start idea and this Early Head Start funding to reach more kids. I want to be really clear though that this is not an insular way of doing it. It, you know, this is a voluntary way of doing it. It's an innovation that we're trying to figure out and it's really helped us to bring together some of our people experts to work out how this could happen. And it's not that you can't, you know, the wrap-around idea that we've always used is not a band or anything like that. We're just continuing to innovate because we really want to be able to improve this. We want to have a model that can bring up the others. I should say other folks have already been doing this, and some of you on the phone may say, "I've already been doing this for years," or whatever. But, it wasn't widely known, understood. We weren't out helping people. Teachers love. So we're out there trying to, you know, do things like this to help you with the tool. You know, we want to help you. We know that this has been a tough area for some of our grantees. And I think the last thing that I really want to – you know, be clear about is we know that in some states and maybe counties, or others. Part of what's making this a challenge is that people are saying, "No we can't pay a subsidy and an Early Head Start fund at the same time." Double dipping term is being kicked around. Some states and some counties saying that they can't do it.

And I just want to be, you know, really direct about how we view it. The way I view it is we know that the subsidy by itself is not adequate to provide, quite frankly, and most places even what we think at a baseline needs to happen, much less what's happening in the Early Head Start-Child Care Partnership. So this is not double dipping. We are not saying provide the same thing that you're always provided but now get paid twice for it or make it twice as much. There is a difference between what folks are doing in the huddle, and when people are reaching for Early Head Start. If you got providers reaching for Early Head Start even without this model. Right? They have to have revenue to do it. It has to be something they can count on month after month. Not something that will be here for two months and gone for two months. And so, in our minds, until we reach the day where one stream alone can provide what's needed to do the job that's being asked, putting two streams in is just a necessary to do it.

And locally we have really smart people like Belinda and Jeanie who can explain a way to do it that makes the accounting all about for our accounting standards. Right, that's not my area of of expertise. But part of what's been great about this is that we've been able to tap experts to help us understand how to make that work. And that's why we're so happy to bring that training to you today. So I think that's a terrific place to turn it back to Jeanie, who will walk you through the tool. And as you know, we're always open to feedback. This is a learning test for everybody. And that's what it was designed to be. So feel free after this, to, you know, to reach out to any of us with questions, or comments about what I've said or anybody else on – what you hear on the rest of the webinar. And with that, I'll turn it back to you, Jeanie.

Jeanie: Thank you, Shannon. Daniel, you're going to launch a poll now. And we're going to ask the audience to respond to a couple of questions we have for you. Daniel, can you put the poll up and we will ask you folks in the audience to respond to the questions we have. And the questions relate to what

you know about layering. So you've got four answers you can select from. And once we see that voting has subsided we will share with you the results. So I see lots of you are responding and it looks like we have fair number of you who has joined us because you want to learn some more, and you're doing some of your own learning but are looking forward to hearing from us. So, let's see. Looks like we've already got more than three quarters of you who have voted. That's great. I'm going to give it just a couple of more seconds. And then I'll ask Daniel to go ahead and post the results. Daniel. Okay. So, I think you should all be able to see that 49 percent of you are learning about the layering concept. Twenty-eight percent say don't know much. Sixteen percent of you have been saying that you have been doing it since you received your grant. And seven percent of you say there's nothing new, but you've been blending funds for a while. Well, we're going to let Belinda explain a little bit about the difference between blending funds and layering. Daniel, why don't you take the poll back down. And I'm going to turn it over to Belinda now. And Belinda, you want to share a little bit about what's unique about layering.

Belinda Rinker: Thanks, Jeanie. Yes, layering is a little bit unique. I think many of us grantees in the Head Start world, in the world of early child services have become very adept at using multiple funding resources. When we talk about what, funding and freighting, fairly commonly. But this is a little bit different approach.

As Shannon indicated, one of the fairly common ways that Head Start funds or Early Head Start funds, ad child care subsidy have worked together historically has been – it's something that we've called wrap-around, or sometimes we call it extended day. And this was a situation where there was core numbers of ours that were Early Head Start compliance hours. And in order to meet the needs of working parents for care, on either end of that core of compliant Early Head Start hours was added some child care hours so that we might have six hours of Early Head Start care that was then bookended by a couple of hours of child care, which was not Early Head Start compliant in the morning. And another two hours of child care which was not fully comprehensive Early Head Start services in the evening.

So that, the benefit of course was that parents had high-quality care throughout the day, but then children were only receiving full comprehensive services during that six-hour time, in the middle of the day. So, As Shannon said, they don't turn their learning on and off. So, the goal of this was to find a way to utilize existing child care subsidy to partner with folks who are already receiving those subsidies, and add some funds that would be provided through the Partnership to allow that entire -hour day to be a fully compliant Early Head Start day, with comprehensive services for children, family engagement, and all the things that go along with hours of Early Head Start. So, when you think about traditional blending, and upgrading or wrap-around, or extended day, those are good models based on providing additional services to children. But those are not quite the model that we are working with. We are looking at a model that layers services. So this concept of layering services and costs moves us to that fully compliant -hour day, where all enrolled children and their families are receiving comprehensive services.

So, we're starting as I said with an initial level of funding that we've identified as Layer One. That is those core child care services that are paid for by the child care subsidy. And we know that at least 25 percent of enrolled children in the partnership are expected to have a child care subsidy. So we have this existing base that we're calling layer one. That's the money that is from the state under various delivery methods for providers who are providing child care services for working parents. Then we have the unique aspect of the child care Partnerships. And this is layer two. These are those additional resources

that are necessary to support providers in being able to move from child care services to fully comprehensive, Early Head Start services throughout the entire day. These are things like additional training for teachers. Production end ratios. Reduction in group size. Enhancement in the child care environment.

That might be additional supplies in a classroom where kids are being served. It might be something like an enhanced playground area for children who are being served in that location. So, as Shannon indicated the ripple effect of layer two is that even though the Partnership funds follow an enrolled child, the other children who are sharing that classroom or that family child care home with that enrolled child are also experiencing some benefits from enhancements that Partnership grants can provide. That's why we're in layer two. Layer Three is where we we're looking at very individualized services to children and families that are only available to enrolled children. As I indicated, the funding still is based on enrollment in Level two that funding has a fairly road impact even on children who are not enrolled. But when we get to Layer Three, these are things like formula for children, diapers for children, home visits to families, specialized testing that might be necessary for a child. Those are individual services that can only be paid for with the Partnership funds for enrolled children. But one of the benefits, however, is that when we are paying for things for enrolled children, we may be able to create some efficiencies or some savings that will allow the partner to provide a very seamless experience for all children. So for example, the partner may engage in something like bulk buying of diapers and then just pay back with the costs of the non-enrolled children. But overall it's much more cost effective. We can create some efficiencies in Layer Three that may support partners, but as far as the individual services are concerned, those can only be paid for with the Partnership funds. So, I'm going to turn it back over to Jeanie. I know that we're all anxious to bet started on our journey towards understanding this great new tool.

Jeanie: Okay, thanks Belinda. Okay, so before we launch into the demonstration of the tool, I just want to point you to a resource that’s very valuable that can give you a little more information about the layering concept and is really a way to help you understand how to implement Early Head Start-Child Care Partnership services. I know many of you probably already seen this. It's been out and published about a year ago. We hope your copy is as groggy as ours is. We've reused this as a guide in creating our tool. The tool addresses – the IM states right here "Grantees are expected to direct a significant portion of funding to their child care partners...to advance the cost of providing Partnership services and accomplish the goals and objectives established in the agreement." Our tool addresses some of this. And, it help users to estimate the actual costs delivering enhance program, and individual life services to ensure that child care providers, no matter that Partnership model, will receive funds to cover their costs, if not enhance their entire program. For instance, providing higher salaries for teachers in those classrooms. The tool also guides users to consider partnership- friendly but fiscally responsible methods of advancing the costs of providing services. "A 'one size fits all' approach to partnerships is not possible, and each partnership agreement should be tailored to reflect partner needs." The tool provides for this. While some may try to estimate costs for a whole class of providers, for instance all center-based or family child care providers, the tool has been designed to be used as individuals and we think that by using it with your individual partners, you'll be able to better reflect the differences and services in the cost for each of the partners.

Finally in the IM it addresses the agreement and "program budgets must anticipate the loss of subsidy or other funding recognizing that lots of funding is not a basis for this enrolling in Early Head Start-Child

Care Partnership child already enrolled in the program." The tool provides some nuts and bolts suggestions including how to help programs estimate the loss of subsidy. So again, we want you to take a look at the IM and recognize that the tool addresses lots of those issues there. So, you can find the tool on the Early Childhood Learning and Knowledge Center, which is Head Start's website. And it is now live. I will show that to you in a minute. And it will soon be linked to the Child Care Technical Assistance Network websites. The Subsidies Center has a section there and you'll find the tool there. So, let me now show you how we want – we're going to demonstrate the tool, and show you where to find it. Okay. So, here's the Early Childhood Learning and Knowledge Center site. We will go to the T/TA resources.

And the Early Childhood Learning – the Early Childhood Partnerships Center website. Go to their "Administration" tab. And down here you'll find the Cost Estimation Tool. So, on this page, we have an introduction obviously. Here's the tool. But we also have some helpful tips on how to use the tool. We have a PDF version of the tool available. And we have guidance on funding and payments, and then we have Frequently Asked Questions that really address the layering services and funds concepts. I saw some questions that some of you asked earlier, that have already been asked in our webinar today.

And I think you'll find answers to some of those questions. For example, somebody asked whether curriculum can be paid for with this funding. So, you take a look at that Frequently Asked Questions and I think you'll find some of those answers to those questions. Now let's take a look – And by the way, we also have additional resources and links to those resources here on the broader topic of financing early care and education, and also on cost estimating. There are some other tools available and we allow – you know, we have links to those for you at this page. So let's actually go into the actual tool. And, let's start here on the introduction page. If you want more information about each of the layers, you can click on the layers, and we have just a little bit of information that provides a little guidance. It's kind of a refresher to what Belinda just talked about. The introduction sets the stage for your use of the tool, answering some basic questions such as why you'd want to use the tool. What the tool provides for you. Who should use the tool. And how you'd use the tool. So you see you can click on any of those links. While information from this Cost Estimation Tool can support the development of a grantee's or partner’s budget, it wasn't really created to prepare a whole list of budgets. We begin the process of layering services on an existing child care program. Therefore, the grantee doesn't need to seek their partner's child care budget.

Together, they'll discuss what revenue is used to cover core child care. And they'll discuss things like the child care teacher salary and other elements that may make up a child care budget. Information gathered will be included in the reports that may provide useful information for creating a program's budget. So, next screen. You'll be asked to select the type of partner you're using the tool with. We'll ask different questions. We'll provide different guidance on the program type. So for this demonstration, I am going to walk us through how you might fil in the information. And I'll select center-based partner. Once you've selected the partner type, this page here guides you on how to save the data you will post to the tool. The most secure way to is to generate and print a report whenever you decide to close down your computer. However, if you use the same computer and your browser supports it, you'll be given an option to resume where you left off once you've started posting some data in the program. Some of you might have noticed when I first went in the the tool, it asked me if I wanted to resume. I was doing the tool earlier today, and inputted some information.

And as I said, yes that information would have been saved because I have a browser that supports that. So, now we begin with the provider profile, but first before we walk through all of these sections. I just want to show you how to navigate through the tool. You can do so by clicking the "next" button as I've been doing. Or you can use these tabs here on the left which can take you directly to a layer. For example, Layer Two. In that case, the left-hand on the side here helps to frame the content of the tool and it helps you see that you're going to answer questions first about the provider which you're working with and then you'll move on to Layer One, Layer Two, Layer Three. And then, have the ability to talk about and document what funds you'll use and how you'll pay your provider. So, let's get started. And I'm just going to input some information here. I am going to be working with ABC Child Care Center. Let's move to the next screen. And obviously, I am working with that center as we're filling this in. And together, we're talking about what services the child care provider offers. And let's say ABC Child Care offers the child and adult care food program. And they also provide parent-teacher conferences. That information is checked. And now they'll move on and they want to know what does that child care provider receive for child care subsidy. And let's say, and of course I'm making this up. But that they're getting paid $230 a week for infant care, 220. For toddler care 190 for preschool care. And by the way, if you and your partner don't know how to find rates, we have a link to the CCDF administrators in each of the states.

So that will allow you to reach out and find out what the rates are if you're not aware of that. So you input that information and then we ask your partner. Are they charging the private-pay families the same rate? Or maybe they are charging private-pay families a higher rate. So let's say they are going to pay, charge private-pay family a higher rate, and let's indicate that that was 270 here for infants. And 260 for toddlers and 245 for preschoolers. And please know I'm making this up as we go. Then, they're talking to the partner about the revenue sources that the partner collects to support their child care services. Maybe they have private-pay clients. They're collecting subsidies. They have parent co-payments, and maybe none of the other are applying to them right now. But they decide discuss what other revenue sources they might want to seek together. And maybe they'll seek foundation funding. Don't you love how I am typing? But let's – I want to demonstrate this, because I want to show you what the report is going to look like.

And let's move on, and they ask the partner how many hours of operation do you operate a day. And maybe the partner operates hours a day. And they're open weeks a year. And, maybe they have one classroom where they plan on offering services. Maybe they got up to 10. But if they got up to classrooms we allow you to type in the number of children in the group and what the staff/child ratio is for each of the classrooms. And this information is important to document clearly, because it will feed other other information layer – of the layers. So, once you've completed all of the partner profile information, you're congratulated and we suggest that you generate a report. So let's just take a look at the report now. And you'll see here's the information that I entered. ABC Child Care Center. Remember that I said that they provided child and adult care food program, parent and teacher conferences, etc. So, the information already filled in is available on this report. And let's scroll down you will see other information has not yet been entered.

So, let's move on now to Layer One. And Layer One we'll be examining the additions that may need to be added to the partner's for-child care services that may result in increased costs. Such as additional

hours of operations, providing child care assistance to children who don't have or lose their subsidy. Or in rare occasions, to assist parents in temporarily covering their co-payment. So, as you can see, remember I filled in the information previously under the partner profile. And I said that that center ABC child care was open hours a day.

Now, Early Head Start-Child Care Partnerships regulations require programs to provide full-day full-year. And full-day full-ear is defined as hours per day. So, this provides you an estimate of additional hours that would be needed in the year to be a fully compliant program. And they offer a way for you to estimate how much more it may costs your partner to extend their house of operations. We've, you know, the partner may be able to estimate that for herself. And again, this is a rough estimate. We've given some examples on how you might want to do it. And then you'd enter that information here. I'm not going to continue to enter information in. I just wanted you to see that in the partner program and see the importance of having that included. But as we move along here, we move in to test out hours of operation.

We now move into unsubsidized child care costs. So children who needed subsidy. And, Belinda mentioned earlier that depending on your partnerships model, at least 25 percent of the children enrolled should be receiving the child care subsidy. But you may have write in your grant or have written in your grant that your target is 40 percent. So you equate that into how many children actually want to see the subsidy, and you'd put that information here. And that will help you then calculate the amount of money that either your provider will use if she doesn't receive payment for those children she's going to serve. So that information you will talk with your provider about. And we give you an opportunity to do the rates here. Remember I indicated what the provider receives for subsidy. And normally, and here's the rate that she charges for private-pay families. Maybe they'll decide that they'll split the difference. It may be difficult to estimate actual dollars because you don't know whether the children are infants, toddlers, or preschoolers.

Again, this is a rough estimation of costs. So, here's where we move on to children who may lose their subsidy throughout the year. We let you estimate the costs by child leave. You would then input that information there. You also would input information about absences and whether the subsidy program pays the child care partner for children's absences, and whether or not you want the calculator estimate loss of revenue due to absences. So again, we allow you to budget a small amount, or suggest that you might budget a small amount of money in case parent co-payment aren't received. And there are some requirements around that. And I won't go into those now. But there is a place for doing that. So again, at the end of layer . See we did not input any information, but had we, there would have been estimated expenses. So, Layer Two is really a little more comprehensive. These costs as we noted before can be paid as direct expenses using Early Head Start-Child Care Partnerships funds. As long as the expense is necessary to meet program requirements for enrolled Early Head Start-Child Care Partnership children.

Again, this is a little more complex and you and you partner will have learned significant information about Early Head Start requirements and practices by going through all of these topics. So for example, classroom staffing. Had I inputted before all that classroom up to classroom, you know, classrooms that group sizes, class size ratios, you would see here if ratios were not following the 1:4 requirement of Early Head Start or if group size exceeded the group size for Early Head Start, which is eight. So that information would be filled in here for you. So, let's see here. We're going to move on to additional staffing and substitutes. We allow for you to discuss with your partner the amount of time that teacher

may be out of the classroom. And we might need to hire a substitute or a floating teacher. So, these – and again this provides some guidance to you on what kinds of requirements are attached to Early Head Start which may require a teacher to leave a classroom. Planning curriculum. Documenting in records, that kind of thing. So, we, again provide guidance and then, we also have the opportunity to address not only weekly time out of classrooms but periodic time such as staff training, and additional time. Maybe you want teachers to be a apart of family or parents meetings.

And so, maybe those meetings occur while children are present and you need to have substitutes. But once all of this is discussed with you and your partner, we suggest that you discuss with staffing plan. And here's where we have what I call a white board. It's really an opportunity for you to document discussions that you and your partner are going to have about the best mechanisms to cover or those teachers that are working and need to be paid, but will not be in a classroom with children. So, again this allows you to document a discussion. So, let's see here. I want to again show you a little bit more about Layer Two. We allow you to address salary enhancements. Have a discussion with your partner about whether you think you're comparing – providing comparable wages. Whether you're paying with your partner for enough money to incentivize the teachers to achieve higher education degrees and credentials.

Again, you have a white board. You can document that, and then you can estimate costs and put those in here. And the calculations, of course are happening in the background. So, other things you have to make include materials and supplies, consumerable materials, materials and furnishings. Let's just take a quick look at this one. We allow you to estimate ongoing costs of classroom materials and furnishings and one-time costs. And so, again, when you're talking to your partner about who's going to pay for these. Are you going to just buy all of the classroom materials and furnishings and just give them to your partner, or are you going to give your partner a budget? So, this tool I hope provides flexibility to match the model that you have.

And we've got all kinds of different estimates. Here's something on equipment. We provide you guidance on equipment's, define equipment. Facility improvements. We define facility and minor facility improvements. We provide you a link to the data that Davis-Bacon Act, which is a requirement in Head Start if you have a contract. And as you see, this provides a link to the Davis-Bacon Act site. So you can see that while you're meeting with your partner, you have the ability to get guidance and while you're estimating your costs. Let's just move on here to Layer Three. And again, as a reminder, Layer Three is addressing individual child or family services. And Early Head Start-Child Care Partnership Funds can only be used to cover Layer Three costs for children enrolled in the Partnership. Other sources of funds must be found to cover the costs for other children receiving these services. And of course, it's encouraged that we have seamless programs. And so if you have the ability to provide individual child and family services to all children in the classroom, that's great. You'll need to document and identify how you'll pay for those costs for non-enrolled children. So, I am kind of going through this quickly because I want to be able to give you an opportunity to see a report. And, also, hear from Bernice. But, you get the impress – you get the picture that there's lots of calculation that's going on. We urge you and your partner to generate a report before you even get started so that you know the data that you need to collect and gather before you're sitting here together and filling out the report. And, we also encourage you, when you come to the funding and payment section, that you read the guidance on the webpage about funding and payments. It provides some helpful tips on how you might discuss which funds will be used for which services. And then, in general, all of this section includes white boards, where you'll

discuss with your partner what funds will be used to pay for the services and how you will pay the provider. And, how you'll balance the payments provider in a provider- friendly way so that they have resources up front that will allow them to core their costs, and yet also fiscally accountable. So, let me just show you now a finalized report and what you will receive once you've completes all the information. So, here's a report that I created earlier. You'll see the partner's contact information.

The special services that were checked. The child care subsidies rates and whether or not that they match or don't the private-pay rates. What revenue sources are used to cover child care costs. You'll see the white board information shows up here. They have in this case a discussion about seeking foundation funding. Hours of operation, all of that kind of information is shared. And then, at the end of each of the layers, here's the estimate of what's the costs of those layers. Let's see. That was Layer One estimates there. Layer Two estimates here, both ongoing and one-time costs. And Layer Three estimates. And then, here's the documentation of the conversation they had about payment method. For example, in this case maybe they discussed that Early Head Start-Child Care Partnership funds the additional costs for child care for those children wo don't have or lose their subsidy. And that they'll calculate it costs per child, and then will reimburse the provider within one week of notification that the child is not receiving the subsidy.

So, you can see that we have a final report and you have the ability to change your assumptions, and go back and make any changes that you want within the tool. So, we encourage you to play with the tool and learn a little bit about it. And the best method of using the tool is really just schedule some time to work with your child care partner together. And I know Bernice is going to talk about this in a minute, but it really does allow you to build a partnership. So, I am going to turn it over to Bernice McClenahen. And Bernice, I first want to thank you so much for being one of our guinea pigs and testing the tool on two – one potential partner and an existing partner. So first I'll ask you to share a little bit about yourself and your program. And then, tell us what your experience was using the tool.

Bernice McClenahen: Hello everyone. I work at Mount Hood Community College Childhood Development Center [Inaudible] programs. And I am the Early Head Start-Child Care Partnerships manager. And we currently have partners. Four with family child care and homes. Three partners with local high schools, teen parent programs, and then three community child care centers. They're totaling children that we have slots for, that we're working with. I was asked to use this tool with the development of a new partner, and I did it once with a center-based, which was our new partner and I did it with an existing family child care home that we had been partnering with for a while. I used both early on paper copy, which I think available, and then, the online tool. And, I think one of the benefits for me personally was my own greater knowledge when I gained about how layering funds worked. So I could better articulate it in my conversations with partners and others in the community and explaining it to others. So, for me I found that to be a great benefit that I clearly understood how layering of funds worked after using the tool with a partner. So that, I found that to be a great benefit. I think one of the benefits that partner and I both agree on was the increased communication that happened and the building of a stronger partnership because those some very concrete examples in the tool. You start conversations about how that, how's those things are going to happen in your partnership. You know, we're going to start, you were talking about ratios in the classroom. And, the classrooms you're going to partner with, and what are the ratios in that classroom, and how you're going to maintain the ratio for Early Head Start ratio in those classrooms. What it costs to increase staffing to do that. So those were really concrete conversations that we had through, early on in the partnership, before our contract was

signed. So it was really clear, you know, how that was going to work, what the additional costs were going to be for people.

You know, one other thing that came out was the additional time that it took for teachers to be out of the classroom to do, you know, whether it's home visits or just class, you know, assessments, or how they would have to increase staffing and what kind of person. Were they going to hire a substitute, a floater? How was that going to work? Again, to maintain the ratio and have a trained person in there at all times. But also give the teacher the five hours a week to do the additional paperwork that might be involved as part of this partnership. So that, that, those were conversations that when I developed partnerships with others, I did not have right from the start. So this, really the tool helped bring up all of these different aspects out instead of things that might come out, you know, a couple weeks into a partnership. Or, "Did I tell you." It was easier just to, it was all there. It was systematically, we went through it, and we discussed each piece.

And then, we were able to, you know, using the tool helped, let's you generate your own ideas and solutions to problems, or solutions to how this partnership going to work, or how you can work together in making it a beneficial piece that's really going to serve all the Early Head Start kids in your area. So, for me, that was the benefits. It was just really that increased communication all on one concise form, that I could go with partners. And then also, the big benefit of being able to articulate to others about how layering of funds works, and how the benefits are going to be.

Another thing that really was helpful in clearly outlining all the benefits of this partnership for the provider. You know, the idea of increased staff training. And that – how that's available to partners through this partnership. And the kind of supports that again, needs to happen for families and for the center with ed specialists being able to support staff and the mental health consultants that we might be able to provide for, as part of this partnership. And all of the nutritional consultant that we might be able to provide that are part of our agency that we'd be able to provide for partners with they wouldn't necessarily have access to, in the community at large. So that was, those are just some of the benefits that happened as part of this partnership, and I think the partners, the feedback that I got from partners were very positive. They were like, "Wow! I never thought of it as this way." Or, you know, when we started to go through this decide how much it cost them to have maybe an extra staff or something. So, you could have – it opened up conversations with partners that they way, in a safe way that really lead to collaboration on what was going to be the solution. So, those are just some of the benefits that I found with this tool and using it in both models. I really, it was very helpful. I wish I would have had it earlier when I was first starting to develop these partnerships. It's been very helpful.

Jeanie: Bernice, I have a question for you. This is Jeanie. How long – Can you estimate how long it took you to go through the tool with the partner? And I think one time you used it with a partner in using the paper tool. Am I correct? And the other time you used the online tool?

Bernice: Right. So when I used the paper tool, it did take a little longer. But on average, it took us an hour. And that, not – A little over an hour, probably. Because there was a lot of – We're breaking down. You're figuring out, and you're entering in numbers. And so at the same time you're doing a little bit of estimating and coming up with different costs and different aspects. So, it takes over an hour to do it because you're having a lot of conversations. And then, one partner we had, we did the tool, and then later we came back and talked about some other different solutions we hadn't talked about that day. So,

the conversation continued later. But the initial tool maybe will take an hour to an hour and half with a partner, I would say.

Jeanie: Okay, great. I think that is in line with what we have heard from some of the other testers. We had some folks say it took a couple of hours. I think we see it as an iterative process, the way your process will be in developing partnership agreement. And as you said, Bernice, you talked about something, and then you maybe need to go back and think about it, and gather more data. That's why we're so cautious about telling you how to save your information. And I do see one question in here that I think I can answer right now, whether or not this data that is inputted is viewable by others. And no it is not. It is only used by you and your partner, and you control what is in that information and what you've inputted and printed out. And so, that information we see that as important to know that you may pick it up, and leave it, and come back to it. Or, you may pre-plan. So, thank you so much. I see one other question for Bernice. And I'm just going to see. For your older partners, did you go back and use the tool, or do you have plans on using it with your initial partners.

Bernice: So, I was, I did do it with an existing partner that I'd already partnered with. One of the Child Care partners that I'd already partnered with for eight months. So, even at that point it was helpful. It really – helping the partnership. Bringing things out and communicating. Talking about the different benefits of the partnership. So it was helpful in that way. And I have thought about using it with other partners just as a tool, sort of as an assessment tool or a tool that helps us look at where we are in this partnership, and you know. Are there issues around this area or that area? How is this working for you? How is this not working for you? So, I can see how you can use this with, if you already have partners, and using it and starting it now. And, now that you know each other, it just will bring up conversations and maybe come up with some solutions of areas that you might be stuck in right now, and you might be stuck around the idea of how do you stop the classroom and maintain the ratios, and all of those things that are kind of sticky wickets, sometimes. And, it helps you just open up those lines of communication with your partner and come up with solutions in a very safe way. Because it's very concise, and clear, and concrete. So. I think you can use it. If you have existing partners, I would encourage people to use it with them. And see that you both get on the same page about how this works.

Jeanie: Okay. Well thank you so much, Bernice. Appreciate it. Now I'm going to move to Stacy. Stacy?

Stacy: So, we wanted to talk a little bit about what supports are available to grantees as they use this Cost Estimation Tool. And we want to ensure that programs receive the full benefit of the tool. So, we're preparing, kind of, key components of our Training and Technical Assistance Systems to support users. We're shared the tool with Regional office, fiscal, and program specialists. And this is the first line of support for our grantees. These specialists are familiar with the tool, and it's purpose, how it works, and their available to discuss the results with grantees and offer to support grantees if any questions they have around funding. Next week, we're doing a training with the Early Head Start-Child Care Partnership implementation planners and fiscal consultants. These are consultants that are hired by Partnership grantees, and we want to make sure that they're equipped with, sort of the, how the tool works as the continue to support their grantees in that way. And then finally, we know that our Office of Head Start regional Training and Technical Assistance providers also provide a lot of support to the Partnership grantees. And so, we're looking into, sort of, doing a training with them when they next come together for their professional development training. So, those are kind of three direct courses of support,

ongoing support for grantees as they use the tool. And with that, I want to hand it over to Belinda Rinker and see if there are – I know lots of questions came in – if there are any that we're able to answer now. Belinda?

Belinda: Yes, thank you so much. And I appreciate all the questions. I do want to refer folks to the Information Memorandum that Jeanie previously referenced in one of the earlier slides. Because I noticed that it's one that contained answers to several of the questions that I'm seeing. So, I'm going to get through as many of them as I can. One of those questions was whether or not the child care subsidy monies that are received in Layer One can be used as non-federal match in the Partnership funds. And because those child care subsidies are federally sourced, they actually come from the Federal Government, to the states, and then to providers, they cannot be used as a match to the Partnership funds. Another question we have is on enrollment criteria, and whether children with child care subsidy can be prioritized for enrollment purposes. And each program does have the ability to develop its own eligibility and enrollment criteria.

And it is not inappropriate to subsidize – or prioritize children with subsidy. But that enrollment should also take into account whatever the community needs assessment is telling the program in terms of what's needed in that community. So it really needs to take into account a variety of sources, but subsidy can be an element of eligibility and criteria. I'm going to check here and see what else we have for fiscal questions. There's a question here as to whether or not parent co-pays can be collected. And again, this is a topic that is addressed in the Information Memorandum, but just to summarize. If parent co-pays are required to be paid by the state. If they have not been waived, for example, then it is allowable for a partner to collect those co-pays and only those co-pays from the parents of enrolled children. So additional kinds of charges like trip charges or supply charges, or anything other than state-mandated co-pay, and that's the only cost can be collected from an enrolled child's parents.

And remember, many states, or an increasing number of states have chosen to waive the co-pay requirement for children who are enrolled in this partnership. And so, if that co-pay has been waived by the state, then it cannot be collected by the parent. So, the answer to that will somewhat vary from state to state. So let's see what else. We have that's fiscal. And the, kind of, a follow up question to that which is can state required co-pays be considered non-federal share. Again, state-required co-pays are part of the Early Head Start Partnership funding criteria generally, and they cannot be claimed as co-pays. Let's see here. Question was can Early Head Start funding be used to pay entirely for things like curriculum, even though children outside of the slots are benefiting. So this is a layer expense. As long as that curriculum is necessary to support the provision of services to enrolled children, the fact that non-enrolled children are sharing in that curriculum does not require that it be cost-allocated as long as it falls within Layer Two.

Gonna look a little bit further. Some of these are technical questions about the the tool, Jeanie, that I'm sure you're going to answer individually. I just a – Do you include the parent co-pay with the child care subsidy in Layer One? And the answer to that is yes. That's exactly right.

Jeanie: I see one here, Belinda, that I can answer. It's, the question is does the layering tool identify potential sources of funding for child care enter. You know, it doesn't explicitly do that, but in that drop-down box, it says, you know, foundation funding, other kinds of funding. But no, it doesn't suggest a way for folks to find other child care resources. It assumes that the child care provider is collecting child care

resources from both the state and maybe private pay, and we, but have a list of, for example, foundation funding that might be able to be used for child care.

Belinda: Thanks, Jeanie. I think that's helpful. There's a question here about does – does the partner need to provide the grantee with an accounting and tracking by documentation of all the funds they have received from the Partnership grant. This really turns on the question whether your partner is a CEP recipient or a vendor. And we provided – there's quite a few materials on ECLKC that will help you answer that question. But we think most of the partners in these arrangements are in fact vendors. With a vendor partner, you do need to be sure that as a purchaser are receiving the services that you contracted for at the level of quality that you contracted. So you certainly may need to see some documentation. So, for example, if you as a grantee are paying for the costs of your partner's staff to attend a training, you want to make sure that they are actually attending that training. So you may need to see some documentation for that. So it's really an issue of whether you as a purchaser and as receiver of child care services are providing oversight to ensure that those services are compliant and at the quality level that you contracted for. So it's really that partnership agreement, and the needs for documentation that drive how much and what kind of information that each grantee needs to collect from their partner. Let's see. I think I need to look a little deeper in these questions. This is an interesting question. One of them is does the tool access the amount that the grantee should contract with the partner for.

I think, and Jeanie, you may want to chime in here. But the purpose, the tool is way to estimate costs based on the assumptions that the parties have made and the information they have entered. If partners are bringing different things into the agreement, those numbers are going to look very different. So each partner that you have, you're going to need to go through this process for – unless you and your partner are interacting in exactly the same way, your partners look exactly the same, this tool may very well come up with a different number for each partner. And there may be a situation where that number seems a little bit too high or too low. You may need to go back, have a conversation with your partner about the assumptions that you've made. Make sure that you're properly counting all of the funds including all the expenses. Not double counting. So, it doesn't give you an amount you should pay. But it gives you a way to estimate many of the costs, and that will help you determine what you, you and your partner can agree to and both feel like you're getting a fair deal in your partnership agreement.

Jeanie: That's exactly the way that I'd answer that, Belinda. And I want people to know that, you know, we want you to be empowered to talk with your partner and negotiate with your partner on makes sense for you and your relationships, and what costs there are. And the tool isn't meant to be a black and white. Here, "Okay. Spit it out and here's how much I'll pay them." It allows for you to estimate, and that's why it's an estimation tool. And, then to negotiate, and to discuss, and to determine what seems fair and equitable. And so, you know, I hope that you view it as an empowering tool that there's for – to support you.

Belinda: Thanks, Jeanie. There's a question here that says does the tool take into account any costs implications for Layer Two. If a class has 50 percent of enrolled children, and there are supplies that are needed, would the partnership pay 100 percent of the costs. And this is one of those questions where you need to have some thought and some discussion with your partner Because remember, Layer Two is to enhance whatever exists in that partnered classroom environment. To the point where the classroom

environment meets Early Head Start-Child Care partnership standards. So if, for example the supplies are things like pictures that you want to put up on the walls, or additional books. We can't determine whether that book is going to be picked up, or that picture is going to be looked at by an enrolled child or a non-enrolled child.

So, we're – supplies are necessary. They are not already existing in the classroom but they are necessary to bring that classroom where there is an enrolled child. Remember it has to be at least an enrolled child in that classroom, to bring those services all the way to an Early Head Start compliant classroom. And the fact that other children in the classroom benefit from those enhancements does not take it out of Layer Two. So, it does not require costs allocation, as long as it fits within those Layer Two criteria, and in that case, the partnership indeed could pay the entire costs of those supplies. The additional supplies. Okay, I'm going to look through and see...just a couple more questions. So, one of the questions is, you know whether this layering concept is consistent with financial regulations. And the answer is yes. When we developed these concepts, we did work with our grants counterparts very closely. And if we think about some of these layers in more traditional economics, or financial perspective, what we would say is that the Layer One costs ae primarily a direct cost to the child care subsidy, except for the children who are either ineligible for the subsidy or have lost their subsidy, in which case those charges can be made directly to the Partnership. So, Layer One are direct costs, primarily to the child care subsidy. And if not available, then only then to the Child Care Partnership.

Layer Two costs are direct costs to the Partnership. Remember those are only the enhancements, but as long as enrolled child, children are being served, those expenses are considered direct to the Partnership. the Partnership has a dual purpose of enhancing child care environments, and expanding the number of slots for eligible children. A direct expense in Layer Two was allowed as l ong as an enrolled child benefits even if other children do, as well. So those are direct expenses to the partnership. And when we get into Layer Three, these are shared costs. These costs have to be allocated, and the allocation has to be based on the child's enrolment status. If they are an enrolled child, the Partnership funds can pay for those costs. If they are not an enrolled child, the partnership funds cannot. So let me see if there's any other questions. Let's see.

Jeanie: And meanwhile, Belinda I have put on the screen the ECLKC website because I see there was a question about where to find the tool. So, while you look, I'll just show folks that when you get onto ECLKC, there's a tab at the top that shows "T/TA Resources" and all of the national, the OHS-funded National Centers have a site. And you will go to the Early Head Start-Child Care Partnership page. And go to "Administration" tab here on that page. And, scroll down, and you will see the Cost Estimation Tool here. Again, you'll find it also on, if you go to the Child Care Technical Assistance Network website, and I don't have that up right now but, it eventually will be linked to our Subsidies Center page there. But I think this answers several questions that came up. Was there anything else, Belinda that you had?

Belinda: I think there are some specific questions, but I overall, I think we've covered many of the points. And again, I would really encourage folks – I'm seeing a fair number of questions here that I know we did directly respond to in the Information Memorandum. So I would again, encourage folks to take a look at that.

And, just to summarize a bit before we close. If you came to the orientation sessions, when we first started talking about the Partnership and partnership agreements, one of the things we said is the best partnerships are those in which there are no surprises. And having a tool like this particularly if you are

contemplating a new partnership really lets you have all those important conversations, particularly about money, with that partner, so that you are both clear on the amount, how it was arrived at, what's included in it, and what's expected of the partner and what's expected of the grantee. So this tool is wonderful because it produces a lot of information about costs that, perhaps an even important in the long-term aspect, is to create a partnership agreement to be the the basis of a partnership agreement, that really doesn't contain surprises, and that allows a reasonable cost to be paid that's affordable for the grantee but also needs the ongoing financial needs of that partner. So I think this agreement, this tool also contributes towards really effective, long-term partnership agreements.

I think another non, strictly monetary value of this tool, addressing one of the points that Shannon made, which is what about this concern that somehow partners are being paid twice for providing the same service. And because these, this tool specifically identities what's in Layer One, which we are clearly not duplicating, and what's in Layer Two, which is new because of the Partnership, and what's in Layer Three, which we are very clearly assigning to an individual funding source based on the child's enrollment status, it really voids those questions about are we paying twice for the same service. Are we double dipping because of this program? Demonstrates that that is not the case. And then it also demonstrates another important point, which is this program does not supplant funds. We are not replacing Early Head Start funds with state funds. We are not replacing state funds with Early Head Start funds. We are utilizing both of those important funding streams to create fully comprehensive services throughout the entire service day for the children of working parents. So I think that this tool has a multitude of important purposes. So, that's the last of the comments that I have. Jeanie I don't know if you want to just close this webinar, and I appreciate everyone participating.

Jeanie: Okay, great. Well, as we wind down and when we close the webinar, you will be asked to provide us an evaluation. We have a little survey for you. So we really welcome your feedback. And we thank you, and especially for those of you who tried to join us last week. We appreciate your persistence and hope that you find the tool helpful. So, again thank you so much.

[End video]