

Policy Solutions and Emerging Practices: Where Policy and Business Meet

SHANNON RUDISILL

EXECUTIVE DIRECTOR, EARLY CHILDHOOD FUNDERS COLLABORATIVE



Where Policy and Business Meet in Child Care

- Current system fails to take into account what it costs to do the job.
- Quality requires stability and stability requires adequate, predictable funds.
- Policy choices matter and this moment offers important opportunities.
- It is essential plan across all age groups birth – 5 (and even better to include afterschool and summer!)
- Financing for the a well-qualified workforce with competitive salaries, benefits, and working conditions is essential.

Financing to Deliver on the Promise

- The price-based system doesn't work. We need a cost-based system.
- Start-up matters and the timing of incentives matters.
- Predictability and stability matter.
- Promote scale and full enrollment.
- Question assumptions about *who* our providers are- *private vs. public providers; child care vs. Head Start/preK; for-profit vs. non-profit* – data shows these distinctions are more perception than reality.

Quality and Stability

Stability (aka continuity) matters in every dimension of the enterprise:

- **Child – necessary for successful development and learning**
- **Family - economic success and total well-being (health and mental health, parenting)**
- **Provider – adequate funds to support quality and predictability to invest**

In addition to failing to provide adequate payment, the current system fails to provide stability and predictability.

Choices We Can Make Now

- Base payments on what it costs to do the job that we are asking providers to do.
- Pay attention to timing and delivery of payment— prospective payments?
- Provide grants, contracts, and other stable payments rather than 100% vouchers. (And preserve choice; these are not at odds.)
- Undertake direct supply building activities - esp. for infant and toddler care, rural care, and other under-served populations and areas.

Question: Why does government not pay in accordance to the private sector norms for the child care sector?

Solutions have to be Birth to 5

(and maybe afterschool and summer, too!)

- Data and analysis show that it is virtually impossible to establish a sustainable business model for 0-3 only.
- Efforts that focus only on 4 year-olds can have unintended consequences of diminishing supply of care for infants and toddlers. PreK efforts should grow the total available supply, but if planned in isolation, can actually shrink it.
- Design features- keep 4's in the same establishments with 0-3; focus on and grow afterschool in these providers; add infant and toddler set-asides to preK funding initiatives; work on infant and toddler business models.



Focus on the Workforce

- Data shows that job turnover is high; but career attachment is also high- people switch jobs, but stay in early learning.
- Therefore – need to array our training and spending toward professionalizing a career workforce. Policy and funding frequently does no match what data is now showing.
- Adequate per child financing will be key to achieving this goal.
- Yet – some anecdotal evidence that adding funding does not always translate into higher salaries, benefits, and better working conditions. Specific targets (e.g. pay parity with K teachers) and incentives or requirements may help.

Thank you!

Want to discuss more?

Shannon Rudisill

Shannon.Rudisill@ecfunders.org