We Are On Indigenous Land.
Expanding reach. Enhancing impact. Advancing equity.

WEBINARS IN 20 DAYS

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Building brains through early talk
Inspiring potential
Advancing ED and Measured Progress are NOW

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How to Make the Most of This Webinar

• Choose Your View.

  ![Speaker View]  ![Gallery View]

• Nonverbal Feedback.

  ![Participants]

  yes  no  go slower  go faster  more  clear all

• Chat With Us.

• Participate in Polls.
Presenters

Louise Stoney
Opportunities Exchange

Sharon Easterling
Opportunities Exchange

Monique Reynolds
Quality Care for Children

Jennifer Drake
Child Care Aware of America

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Emergency Child Care and Technical Assistance Center staff work with:

• Child Care Resource and Referral Agencies (CCR&Rs) and other system-level professionals.
• Child Care Providers.
• Families.
Enabling Child Care Industry Recovery

- Child Care Management Systems.
- Business training.
- Shared services.
- Data interoperability.
- Strategic cost modeling.
- Staffed Family Child Care Networks.

Learn more at www.childcareaware.org

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Agenda

• Why business leadership matters.
• What effective business leadership looks like.
• The role of QRIS is supporting best practice.
• CCMS as an essential tool.
• Business training linked to CCMS.
• Resources on Technology Solutions.
• Q & A.
Opportunities Exchange: Promoting Shared Services in the EC Sector

Transforming the business of early care and education

- Shape public policy and public financing in ways that incentivize high-quality, sustainable care for young children.
- Providing technical assistance to Early Childhood providers who want to develop new, sustainable business models.

Helping the early childhood field achieve financial sustainability and strong child outcomes through Shared Services.
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Job-Equipped Pedagogical Leadership Plan

Analyze (data + observations)

Assess

Teach

Adapt teaching & re-assess

Reflect
Business Leadership

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Business and Pedagogical Leadership Are Linked

Iron Triangle Focus= More Revenue
Automation = Directors spend less time on administration.

Increased $$ for teacher compensation
Directors have MORE TIME to work with teachers in their classrooms.

Teachers improve their practice with more reflective supervision.

Better child outcomes.

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What Success Looks Like

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Change Focused on Results

The Change

• Launched CCMS - automated Child Care Management System.
• Joined a Shared Services Alliance – to leverage business expertise.
• Made boosting teacher wages + job-embedded coaching a priority.

The Results

• Improved teacher compensation:
  ✓ Health insurance.
  ✓ 401K Plan.
  ✓ Wage increase for classroom teachers.
• Time for director to focus on instructional leadership:
  ✓ 17 more hrs/wk to work with teachers in classrooms.

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## What FCC Success Looks Like

<table>
<thead>
<tr>
<th></th>
<th>w/ Business Leadership</th>
<th>Stand-Alone</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market price avg monthly tuition (per child)</td>
<td>$600</td>
<td>$600</td>
</tr>
<tr>
<td>Total capacity of home</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>% of market tuition captured</td>
<td>100%</td>
<td>90%</td>
</tr>
<tr>
<td>Actual monthly tuition charged</td>
<td>$600</td>
<td>$450</td>
</tr>
<tr>
<td>Vacancy rate</td>
<td>5%</td>
<td>25%</td>
</tr>
<tr>
<td>Total potential revenue</td>
<td>$82,080</td>
<td>$61,560</td>
</tr>
<tr>
<td>% of tuition collected (bad debt)</td>
<td>100%</td>
<td>90%</td>
</tr>
<tr>
<td>Estimated Annual Revenue</td>
<td>$82,080</td>
<td>$55,404</td>
</tr>
<tr>
<td>Expenses (Assistant wages, materials, services, etc.)</td>
<td>$34,150</td>
<td>$31,907</td>
</tr>
<tr>
<td>Net Revenue to FCC Home Provider</td>
<td>$47,930</td>
<td>$23,497</td>
</tr>
</tbody>
</table>
Pedagogical Leadership
- Child development expertise
- Classroom coaching
- Teacher supervision
- Instructional leadership
- Child assessments

Business Leadership
- Full enrollment
- Fee collection
- Cost-per-child, by age
- Fundraising
- Reporting
- Regulatory compliance

= High Quality ECE
Every director deserves an administrative team.

Every teacher deserves pedagogical leadership.

Every child deserves a reflective teacher.

How can QRIS – systems, coaches, and supports -- help make this possible?
Why Business Automation Matters

- **Saves Time:** Automating operations greatly reduces the amount of staff time needed.
- **Saves Money:** Reduced labor translates to cost saving for administrative tasks.
- **Increases Revenue:** Automated payments reduce bad debt, reconciliation of subsidy reimbursement, etc.
- **Skilled Financial Management:** Data available in electronic format can be analyzed; informs financial decisions.

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Business Leadership: Business Automation + Financial Management

FROM

- Manual/paper recordkeeping that takes staff time and is susceptible to errors.
- Passive attendance in “business trainings.”
- Director or part-time bookkeeper managing finances.

TO

- Integrated data systems that track enrollment, attendance, billing with automation.
- Seamless data transfers to reporting systems.
- Active application of business principles to organizational financial management.
- Skilled financial manager able to generate timely information and analyze business metrics that matter most (Iron Triangle).
Business Leadership: New Roles for QRIS Coaches and Supports

- CCMS Experience.
- Trusted partner.
- Data-Driven.
- Process-skilled (kind but firm).
- Opportunity to focus on equity.

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Business Leadership:
New Roles for Public and Private Funders
• Link automation + business training/coaching.
• Underscore value of scale + support back-office start-up.
• Encourage off-the-shelf CCMS CCMS and links to public data systems through APIs.
• Build cost of automation into provider funding.
• Link accountability to business outcomes (e.g., Iron Triangle metrics) vs. inputs (business plan or budget).
• Build capacity for real-time data, rooted in CCMS.
Voices from the Field....

- **CCMS** — Free subscription to ProCare.

- **Site-based support** — To help directors populate, launch, and utilize CCMS effectively.

- **Business Training** — Focusing on the Iron Triangle metrics.

- **Peer Group** Community of Support — a cohort that implements CCMS and learns from data together.

- **Alumni Group** — for ongoing mutual support and accountability.
Preliminary Results from QCC Pilot

• At start, bad debt avg. $52,532 per program.

• At end, was $877 per program.
  - Providers now have systems to flag problems and address them before debt accumulates.

• Enrollment (filling vacancies) grew an average of 34%.

• All program revenue increased by 24%.
  - Two more than doubled revenue and one almost tripled revenue.
QCC helped me gain control and understand my business and how to take it to the next level.
QCC Child Care Pandemic Support

- 36 (90%) of the 40 centers and family child care homes QCC supported applied for SBA funding.
- 32 programs (or 89% of those that applied) received loans or grant awards.
- Collectively these programs received over $1.3 Million in federal support.
Assistance from QCC allowed me to be able to sustain through the pandemic and pay my bills and staff thus far.
• ChildCareJobsGA.org – Free service to post and find jobs as well as manage the entire hiring process.
• Administrative Resources and Templates.
• Negotiated discounts on goods and services.
• Support for Quality Rated.
Questions
PARTING THOUGHTS
For QRIS Leadership
Automation and Data: Steps Toward Equity

- ECE programs with strong fiscal management, automated systems and coaching were much more likely to receive federal PPP funding.
- 85% of minority businesses say technology is key to success.
  - But only a fraction of ECE businesses use automated systems.
- Smartphone use is very high in diverse and low-income communities – and that is often enough for CCMS.
- Data helps empower the field to address issues of racial and ethnic equity.
Focus on Fewer Standards

Skilled Leadership

“...is the capacity to select from the many activities of seemingly comparable significance the one or two or three that provide leverage well beyond the others and concentrate on them.”

John Doerr
Author, Measure what Matters
For More Information

www.opportunities-exchange.org

- Reinvent vs. Rebuild: Let’s Fix the Child Care System By Louise Stoney, April 2020
- Business Training and Automation for Early Childhood Programs
- Making Business Leadership Real Technology
- Defining Staffed Family Child Care Networks
- OpEx_2019_MicroCenterNetworkStrategy
- Examining the Cost + Supply of Infant/Toddler Care
Coming Soon

- Lessons learned from the Emergency Child Care Solutions (ECCS) partnerships that can be applied to future problem solving and policy development.
- ECCS partnership tools for CCR&Rs and other agencies.
- Inventory of the state of child care systems across the U.S.
- National view on the impact of COVID-19 on the child care system.
- Issue briefs, resources, and technical assistance aimed at encouraging and enabling real-time supply and demand data.
- Issue briefs and webinars on administrative scale, de-centralized operations, and strategic cost modeling.
Mark Your Calendars! Three-part Webinar Series

• Why Business Automation Matters to ECE Providers, Thursday 7/23 @ 2 PM ET.

• Why ECE Provider Automation Matters to Intermediaries, Thursday 8/6 @ 2 PM ET.

• Business Automation + Business Training = High Impact Change, Thursday 8/20 @ 2 PM ET.

Register and find recordings at www.childcareaware.org
## Solution: Business Automation

### Lower Administrative costs

<table>
<thead>
<tr>
<th>Task</th>
<th>Before Automation</th>
<th>After Automation</th>
</tr>
</thead>
<tbody>
<tr>
<td>Payroll/HR tracking</td>
<td>6-8 hours/biweekly</td>
<td>1 hour/biweekly</td>
</tr>
<tr>
<td>Tuition billing, tracking</td>
<td>10-12/month</td>
<td>.5 hours/month</td>
</tr>
<tr>
<td>Attendance tracking/subsidy billing</td>
<td>10 hours/week</td>
<td>.5 hours/week</td>
</tr>
<tr>
<td>Waitlist management/enroll new families</td>
<td>6 hours/month</td>
<td>1 hour/month</td>
</tr>
<tr>
<td>Total</td>
<td>48-54 hours/month</td>
<td>5.5 hours/month</td>
</tr>
<tr>
<td></td>
<td>.5 FTE staff</td>
<td>.0009 FTE</td>
</tr>
</tbody>
</table>

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Electronic Billing and Collections

- Invoice automatically generated (no staff time, no paper/postage, no tracking).
- Increases on time/full payment.
- Reduces the need to communicate for non-payment.
- Parents manage payment record (including tax information).

Notes from the field: In every instance of moving from paper to electronic billing, OppEx has observed that collection rates significantly improve.
Solution: Data Management

• **Data** – Track your vacancy rate, by classroom, each week and use these data to drive decision-making.

• **Technology** – Use a CCMS that has vacancy reports, staff assignment tools, on-line enrollment for families, etc.

• **Trends** – Use data to understand times of the year when enrollment goes up and down, and plan classroom staffing accordingly.
Tax Prep is Key for FCC

Assistance with tax preparation can make a big difference in the bottom line of home-based provider income.

Automation makes record-keeping, and tax prep, much easier.
Evaluation

Please respond to the two questions that pop up on your screen.

Also, please tell us in the chat box what was useful, significant, or new and how we can improve the webinar.