

Final
STAFF SUMMARY OF MEETING

EARLY CHILDHOOD AND SCHOOL READINESS

Date: 09/28/2015

ATTENDANCE

Time: **10:36 AM to 04:14 PM**

Marble *
Merrifield X

Place: SCR 356

Singer X
Wilson *

This Meeting was called to order by
Senator Martinez Humenik

Pettersen X
Martinez Humenik *

This Report was prepared by
Rachel Kurtz-Phelan

X = Present, E = Excused, A = Absent, * = Present after roll call

Bills Addressed:	Action Taken:
Foundation Funding for Early Childhood Programs	Witness Testimony
Home Visitation Programs	Witness Testimony
Public Comment	Witness Testimony
Presentation on Child Care Licensing and Demographics	Witness Testimony
Breakout Sessions	Committee Discussion Only
Discussion about process and requests for bill drafts	Committee Discussion Only

10:37 AM -- Foundation Funding for Early Childhood Programs

Representative Pettersen, chair, called the meeting to order and roll call was taken. Senator Todd was also in attendance. The first group of presenters came to the table and several handouts were distributed to the commission members (Attachment A, Attachment B, Attachment C, and Attachment D). Laura Carlson, Program Officer, Temple Buell Foundation, provided background information about the mission and purpose of the Buell Foundation, and explained that they only fund programs in Colorado. She told the commission members that 35 percent of funding goes to Denver metro area programs, and the rest is spent outside of the metro area with a focus on hard to reach and underserved areas. She spoke about the importance of funding early childhood programs and stated that 95 percent of the foundation's funding goes towards early childhood program with a focus funding on funding direct service and systemic endeavors. She said the funding is focused on early learning and education programs, parenting education, home visiting, mental health via a two-generation approach, and professional development for early childhood educators. Ms. Carlson stated that 40 percent of funding is focused on system-building programs, including the Colorado Children's Campaign and Early Childhood Councils. She spoke about the importance of partnering with other funders and explained that the foundation is currently looking into initiative-based community giving. Ms. Carlson said that the theme across all of the Buell Foundation's funding is a focus on quality, and that they have a checklist of quality indicators that varies based on the type of funding being given. She explained the focus on capacity-building endeavors in rural areas, and that one of the requirements for funding is for funded programs to come up with quality-improvement goals on an annual basis. She said there is a very strict review of all applications, and that in addition to looking at program goals and outcomes, they look at financial status, diversity of those impacted and areas served, and the composition of the board. She said that good change requires partnership, especially public-private partnership.

10:46 AM

Elsa Holguin, Senior Program Officer for Child and Family Development, Rose Community Foundation, provided background information about the foundation. She said the current endowment is \$300 million and they have awarded approximately \$250 million in grants over the past 20 years. She said they provide grants in the Denver Metro region in the areas of health, Jewish Life, K-12 Education, aging, and child and family development, and became a community foundation in order to have an impact on policy and advocacy. Ms. Holguin stated that her focus is on early prevention and early intervention, by looking at early childhood development, helping parents learn to be the best parents they can be, providing high-quality early childhood programs, helping parents become self-sufficient, and changing systems via public-private partnerships such as Early Milestones Colorado. She spoke about her work with the Office of Early Childhood and the Early Childhood Leadership Commission (ECLC), and Race to the Top funding. She talked about the partnership and collaboration between Rose Community Foundation and other local foundations, and about a new committee under the ECLC focused on awareness and engagement of parents and public information campaigns.

10:53 AM

Sue Renner, Executive Director, the Merage Foundations, provided background information about the foundations she oversees. She spoke about public-private partnerships and the foundation incubator which houses three start-up businesses, one of which is focused on early childhood called Early Learning Ventures (ELV) Shared Services Model. She explained that the foundations are deeply engaged in policy reform, and work with on-the-ground social entrepreneurs to bring what they learn into policy reform. She provided more information about ELV, which is working on providing equitable access to high quality care and approaching it from a business sector point of view. She explained that in Colorado, the majority of child care providers are small and private, which is a costly way to operate, so ELV is seeking to provide a model of shared services by taking the timely and costly activities off the child care providers' plates by connecting them with other partners. She said that this enables the providers to spend more time and money in the classrooms and focus on quality since they are saving time and money with these new efficiencies. She said that ELV impacts over 40,000 students and saves centers an average of \$8 for \$1 dollar invested by the foundation. Ms. Renner reiterated the importance and impact of public-private partnerships.

11:02 AM

Ms. Renner answered questions about shared services and connecting non-profit organizations with school districts to deal with capacity issues. She spoke about the difficulty for some providers in maintaining Colorado Preschool Program (CPP) standards and how shared services assists them with maintaining these standards. Ms. Holguin spoke about how often foundations work together and communicate with each other. She talked about how multiple foundations worked together to develop Qualistar after acknowledging the need for quality standards in early child care. Ms. Renner answered questions about how providers find out about and access ELV, and about the return on investment to the foundation. The commission members discussed the importance of accessing economies of scale across multiple sectors. The panelists talked about the Colorado Family Resource Center Association which assists 24 family resource centers across the state, and answered questions about low worker pay and whether operational efficiencies have led to higher pay. The panelists talked about the importance of teaching providers how to access third party dollars, such as food program dollars, and Denver Preschool Program slots. The panelists answered questions about what the legislature can do to assist early childhood education, including focusing on efficiencies of policies, sustainability of Race to the Top funding, public awareness and engagement, and the need to invest in family, friend, and neighbor care and home visitation programs since approximately 70 percent of children are not cared for in child care centers.

11:18 AM

Ms. Carlson spoke about the need to ensure that the quality of centers is standard across the state, and about a model of higher worker pay that is successful in Summit County, Colorado and is now being implemented in other counties. Ms. Renner spoke about market incentives in the child care sector, and the need to examine how to incentivize providers to become more competitive. The panelists talked about how early intervention saves millions of dollars and answered questions about whose responsibility it is to pay for early childhood education.

11:37 AM -- Home Visitation Programs

The next panelists came to the table: Allison Mosqueda, Consultant, Nurse-Family Partnership, Charlotte Brantley, President and CEO, Clayton Early Learning, and Jackie Cordova, Home and Community Based Mentor Coach, Clayton Early Learning. Ms. Mosqueda distributed a handout (Attachment E) and provided background information about the Nurse-Family Partnership. She discussed the importance of working with young children before problems start, including improving pregnancy outcomes, child development, and self-sufficiency of parents. She explained that nurses from the home visiting program visit parents starting early in pregnancy until a child is approximately two years old, and visit the family's home every 2 weeks. She explained that the home visit is with a registered nurse, and the focus is on six key areas: personal health, environmental health, maternal role, life course development, family and friends, and health and human service utilization. She spoke about the history of home visitation programs and about the randomized control trials that show the success of these programs. She told the commission members that the Nurse-Family Partnership is a public-private partnership, with the Office of Early Childhood as the fiscal agent, Invest in Kids as the program support, and the University of Colorado as the contract manager. She spoke about the success of the program in Colorado and how the program saves the state money. She discussed a study by the Rand Corporation showing that every dollar invested in the Nurse-Family Partnership yields a \$5 return in the future.

11:45 AM

Ms. Brantley provided background information about Clayton Early Learning, which offers home-based programs for infants, toddlers, and preschool children. She discussed the Home Instruction for Parents of Preschool Youngsters (HIPPY) and told the commission members that 94 percent of preschool age children in HIPPY identify as Hispanic. She provided other statistics about the students enrolled in the home-based program as opposed to the center-based program. She said that 64 percent of families enrolled in home-based program report food insecurity issues. Ms. Brantley talked about the tools used to assess the outcomes of children who have participated in Clayton Early Learning's home-based versus center-based programs, and said that the data shows that the majority of children who participate in both types of programs enter school ready for kindergarten.

11:52 AM

Ms. Cordova told the commission members that she is a former home visitor and is now a mentor coach. She explained that home visitors visit a family once a week, and that twice a month a group of families and their home visitor come together for socialization activities. She said there are currently 56 families and eight home visitors in the infant and toddler program, and 72 families and 6 home visitors in the preschool program for 3-5 year olds. She stated that the program supports parents in their role as primary caregivers, promotes self-sufficiency, helps connect families to resources in their community, and provides families with activities and books to help with a child's social, emotional, and cognitive abilities.

11:57 AM

The panelists answered questions from the commission members.

12:02 PM -- Public Comment

Senator Martinez Humenik asked if anyone in the audience wished to make public comment.

12:06 PM -- Lisa Hill, representing Invest in Kids, and Heather Tritten, Executive Director, Colorado Parent and Child Foundation, came to the table to speak about home visitation programs. Ms. Hill explained that the Colorado Home Visitation Coalition has been in existence for over 20 years to ensure that there is coordination in regards to service delivery strategy. Ms. Tritten stated that her foundation serves as the state office for HIPPY and Parents As Teachers (PAT). She said that there are over a dozen home visiting programs in the state, and provided further information about several of these programs. Ms. Tritten stressed the importance of home visiting, and stated that these programs are made possible because of public-private partnership. She talked about the federal funding that is available for these programs. The witnesses answered questions from the commission.

12:15 PM -- Ms. Mosqueda returned to the table to answer questions.

12:21 PM -- Ms. Hill answered questions about federal funding received through the Affordable Care Act.

12:27 PM -- Ms. Mosqueda answered questions about programs to prevent childhood obesity.

12:32 PM

The commission recessed for lunch.

01:24 PM -- Presentation on Child Care Licensing and Demographics

Senator Martinez Humenik called the meeting back to order. She invited Noel Nelson, CEO and President of the Early Childhood Education Association of Colorado (association), to come to the table. He explained that the association is a professional trade association focusing on the needs of early childhood programs and parents. He provided background information about the association, and distributed a copy of his powerpoint presentation (Attachment F). He discussed a survey that was done in 1996 when the Colorado Preschool Program was first being implemented to identify the top five early child care provider concerns. He told the commission members that from 2012 to 2014, the number of child care centers operating in Colorado dramatically decreased, and that center closings are outpacing center openings. He explained that in response, a new survey of child care providers was done and the top concerns of providers currently are: low Child Care Assistance Program (CCAP) reimbursement rates, new publicly-funded centers that compete against private centers, problems with staff recruitment, and a burdensome regulatory structure. He said that Colorado ranks second in the country for the high cost of infant care, and talked about the expenses incurred by providers and why it is so expensive to provide early child care. Mr. Nelson responded to questions about why child care in Colorado is so expensive.

01:35 PM

Mr. Nelson spoke about the economic impacts of the child care industry on the state. He said that these employees support families that are working in other industries, and therefore early child care is a driver of other economic impacts in our state. He said the child care industry provides \$1.4 billion in output to Colorado's economy, and that the affordability of child care is central to the conversation, but the real issue is how to support families facing the high cost of high-quality early childhood education. He discussed the need to leverage dollars to support private industry as opposed to directly competing with it. Mr. Nelson answered questions from the committee.

01:42 PM

A commission member asked Mr. Nelson what percentage of providers in the state provide continuing education services to their employees. Mr. Nelson answered that 70 percent of the association's providers provide continuing education benefits to their employees. The commission discussed employee recruitment and retention in the child care sector. Mr. Nelson responded to a question about why more centers are closing than opening. He said that the number one reason is the shallow talent pool, which causes centers to be unable to find qualified staff to meet the operating licensing requirements. He explained that this problem is more pronounced in rural counties. He said there has also been a decline in enrollment in early childhood education programs in the community college system.

01:51 PM

Mr. Nelson responded to questions about the current regulatory environment faced by child care centers and stated that in the past five years, the Department of Human Services has become more collaborative with the Early Childhood Education community when dealing with concerns. He said there is a need for child care center licensing to ensure health, safety, and quality education for children. He concluded by stating that another reason centers are closing are due to the local county reimbursement rates.

01:58 PM -- Breakout Sessions

Senator Martinez Humenik asked Anna Jo Haynes, Co-Chair of the Early Childhood Leadership Commission (ECLC), to come to the table to speak about a letter sent to commission members from the ECLC. Ms. Haynes read the letter aloud and a copy was distributed to the members (Attachment G). Ms. Haynes answered questions from the commission members regarding the specifics of the letter. Senator Martinez Humenik announced that the breakout groups would meet for one hour and then come back together as a group to present what was discussed. She reviewed the ground rules and goals for the breakout groups.

02:17 PM

The commission recessed so that the breakout groups could meet.

03:09 PM

The commission came back to order. Representative Singer provided a summary of what was discussed by the breakout group focusing on teachers. He said that the group did not come up with any ideas for legislation, but did identify a number of issues, including recruitment and retention; House Bill 15-1001; a lack of diversity amongst early childhood teachers; and the need to examine whether teacher pay or increasing professional development credentials makes more sense.

03:12 PM

Senator Hudak came to the table to provide an overview of what was discussed by the breakout group focusing on equalizing access to care. She stated that the group came up with three ideas for legislation. She asked Thamanna Vasan, a representative from the Colorado Fiscal Institute, to join her at the table to explain one of the ideas, which is to remove a trigger from the Child Tax Credit which was established by Senate Bill 13-001. The representative provided a fact sheet (Attachment H) and explained that the trigger is dependent upon the implementation of the Marketplace Fairness Act or similar legislation which has not yet occurred. She said that the premise would be to remove that trigger so that families can begin claiming that tax credit. Senator Hudak explained that the second bill suggestion is to expand the number of Colorado Preschool Program (CPP) slots by 3,000, and that the group's third suggestion is to remove the requirement that preschool through second grade teachers be evaluated by student growth scores from assessments.

03:27 PM

Senator Marble told the commission that her breakout group which focused on child welfare did not have any suggestions for legislation to bring forward. Senator Marble answered questions from the committee.

03:34 PM

Emily Bustos, Executive Director of Denver's Early Childhood Council, presented the ideas from the group that focused on family, friend, and neighbor (FFN) care. She told the commission that the group discussed changing the definition of exempt providers to see if it can be expanded to better serve the FFN population. She said that it is possible that this may be able to be done by a rule change and therefore the group is not recommending legislation. She said the next idea the group discussed was about staff qualifications, but they decided they needed to do more research about this topic before recommending legislation. Ms. Bustos told the commission that the only piece of legislation the group recommends pertains to the expansion of the cliff effect pilot program and the need to have a realignment to get the appropriate number of participating counties in order to gather enough data.

03:40 PM

Chaer Robert, representing the Colorado Center on Law and Policy (CCLP), came to the table to present a bill suggestion from CCLP. She distributed a handout (Attachment I), and explained that the bill would create a task force to evaluate the best way for state agencies to coordinate to address the child care needs of low-income parents of young children who wish to advance their education. Ms. Robert explained the components and mission of the task force in further detail and answered questions from the committee.

03:54 PM -- Discussion about process and requests for bill drafts

Julie Pelegrin, Office of Legislative Legal Services, came to the table to explain the next steps in the process to request bill drafts. She said that the commission can recommend up to five bills to Legislative Council, and that the bills put forth must fall under the commission's charge. She told the commission that the bill drafts must be finalized to be released by October 15, 2015, and that after a bill is released there will not be any changes made until the meeting at which the commission votes on the bills. She explained that at this meeting, which will be on October 26, 2015, each bill that is approved must be assigned a sponsor and co-sponsor, whether it will start in the House or the Senate, and whether it needs a safety or petition clause. Ms. Pelegrin answered questions from the committee.

04:00 PM

Rachel Kurtz-Phelan, Legislative Council Staff, reviewed each bill idea that was discussed by the commission members and break out groups. A hand vote of the commission members was taken on each bill draft request. The following bills were approved to be drafted:

- remove a trigger from the state Child Tax Credit;
- add 3,000 slots to the Colorado Preschool Program;
- remove the requirement that student growth scores be included in evaluations for preschool through second grade teachers;
- expand the number of counties able to participate in the cliff effect pilot program; and
- develop a task force charged with evaluation the best way for state agencies to coordinate to address the child care needs of low-income parents who wish to advance their education.

04:14 PM

The commission adjourned.



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Child and Family Development

The Challenge

Human brain development research shows that a child's first five years are the most important for healthy development, and what happens in those years can have a profound impact on later academic success and life. The most significant factor in a child's well-being is a family's economic security.

The Impact We Seek

To give children the emotional, social and educational readiness to succeed in school and life through:

- High-quality and accessible child care and early childhood education
- Helping individuals obtain the skills and resources they need to provide for their families
- Educating and influencing policymakers

Child and Family Development Grantmaking

To address these needs in child and family development, we fund programs and projects in these areas:

- Early childhood development, especially parent education programs and high-quality early childhood education
- Family self-sufficiency, including employment training and family support services
- Efforts to plan, create, implement and evaluate public policy that has a positive impact on early childhood education and development, and family self-sufficiency

Learn more about Child and Family Development [grant guidelines](#), [submitting a grant application](#), [recent grants](#) and the members of our [Child and Family Development Committee](#).

Collaborations and Leadership in Child and Family Development

In addition to inviting grant applications for these grant priorities, the Child and Family Development program area takes leadership by creating and participating in initiatives to change the community. Here are a few examples:

- **Race to the Top funding** – We were instrumental in helping Colorado secure a \$29.9 million federal Race to the Top – Early Learning Challenge grant in 2012 which will help increase access to high-quality early learning opportunities for all Colorado children. [Learn more](#) about Race to the Top – Early Learning Challenge.
- **The Alliance for Early Success** – We are advancing Colorado policies that lead to improved health, learning and economic outcomes for young children in collaboration with several funding partners, including the Bill & Melinda Gates Foundation and the W.K. Kellogg Foundation. Visit the Alliance for Early Success' [website](#).
- **Early Childhood Mental Health Study** – In partnership with [Caring for Colorado Foundation](#) and our [Health](#) program area, we completed an [environmental scan](#) (PDF) of Colorado's early childhood mental health systems, which identified many gaps, as well as steps for addressing systemic challenges.

A variety of resources inform our work in Child and Family Development. View our [studies and reports](#).

Donor Engagement

We invite you to join us as we connect people, resources and innovative ideas to strengthen the community. Please contact the [Child and Family Development program officer](#) if you are interested in joining us in this work.

More grantmaking you might like to read about

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SENIOR PROGRAM OFFICER - CHILD AND FAMILY DEVELOPMENT



Questions? Contact:

Elsa I. Holguin

[Biography](#)

p: 303.398.7414

e: eholguin@rcfdenver.org

STORIES OF IMPACT



Child and Family Development

9to5 Colorado (Denver): \$10,000 for leadership development and civic engagement of low-income women and their families.

Accion New Mexico · Arizona · Colorado (Albuquerque, NM): \$10,000 to support a small business lending and financial education program in the Metro Denver area.

Bal Swan Children's Center (Broomfield): \$10,000 to support teacher training and quality improvement activities to help maintain 4-star Qualistar rating.

Bayaud Enterprises (Denver): \$50,000 to train individuals as employees in a technology support call center service utilized by federal agencies.

The Bell Policy Center (Denver): \$40,000 toward a \$120,000 grant to support general operating support for research and analysis, public education, collaboration, outreach, and advocacy. The grant was jointly funded by the Foundation's Education and Health program areas.

Bright Beginnings (Denver): \$50,000 to expand and enhance the Denver Talks Back program, which aims to improve language engagement between caregivers and children aged 9 months to 3 years.

Children First of the Rockies (Longmont): \$10,000 for a program which educates parents to prevent neglect and abuse and encourages nurturing parenting to promote healthy child development.

Children's Haven Child Care Center (Lakewood): \$11,620 to support quality improvements and staff development for an early education center in Southwest Denver.

Children's Outreach Project (Denver): \$20,000 for professional development and quality improvement of their high quality early childhood educational programming which serves at-risk families.

Clayton Early Learning (Denver):

\$7,500 to bring the Birth to Five Policy Alliance, a national organization that provides support and funding for early childhood policy work, to Colorado.

\$8,000 to support the state-level early childhood advocacy efforts by helping with the local match for the Alliance for Early Success grant.

Colorado Center on Law and Policy (Denver): \$25,000 toward a grant totaling \$50,000 for the Family Economic Security Program, which provides research, education, advocacy and litigation on behalf of low-income Coloradans. This grant was jointly funded by the Foundation's Health program area.

Colorado Participation Project (Denver): \$15,000 for guidance, training, and supporting human service organizations in their nonpartisan advocacy and civic engagement efforts. Colorado Nonprofit Development Center serves as fiscal sponsor.

Colorado Succeeds (Denver): \$5,000 toward a \$10,000 grant to partially fund a study on the quality and consistency of READ Act implementation in schools across the state. The grant was jointly funded by the Foundation's Education program area.

Community Action Development Corporation (Boulder): \$10,000 to support the implementation of the Boulder County Circle Campaign, which focuses on three critical indicators: positive changes in family assets, amount of social services benefits received and monthly income.

Denver Asset Building Coalition (Denver): \$20,000 to provide free tax preparation, financial education, and financial services to the low-income people in Denver and Aurora.

Early Childhood Council of Boulder County (Lafayette): \$25,000 to support the efforts to ensure that all young children from birth to five in Boulder County are ready to succeed in school and in life.

Early Childhood Funder's Collaborative (Boston, MA): \$3,000 for the Early Childhood Funders' Collaborative. Third Sector New England serves as fiscal sponsor.

El Centro Humanitario (Denver): \$25,000 to support intensive trainings and increased access to employment opportunities for domestic workers.

Emily Griffith Foundation (Denver): \$30,000 to support the Parents as Students program which gives financial support and resources to parents attending Emily Griffith Technical College.

Family Resource Center Association (Denver): \$255,000 to strengthen the statewide network of 23 family resource centers which helps families become more self-reliant.

Florence Crittenton Services of Colorado (Denver): \$40,000 to support a program to help teen parents raise healthy families.

Friends of the Haven (Denver): \$10,000 to support professional training and materials to maintain high quality early childhood programs at The Baby Haven.

Grantmakers for Children, Youth, and Families (Silver Spring, MD): \$2,500 to engage funders across all sectors to continually improve their grantmaking on behalf of children, youth and families.

Growing Home (Westminster): \$20,000 for capacity building, family self-sufficiency and early childhood intervention programs.

Hope Center (Denver): \$20,000 to provide professional development and quality improvements for a center that provides high quality early childhood education services to low-income children in Northeast Denver.

Invest in Kids (Denver): \$75,000 for The Incredible Years program which promotes positive parent, teacher and child relationships to increase a child's success at school.

Jeffco Public Schools (Golden): \$30,000 to partner with the Home Instruction for Parents of Preschool Youngsters (HIPPY) Program to deliver home-based, parent involved early learning to help children in Jefferson County begin school ready to learn.

Jefferson Center for Mental Health (Wheat Ridge): \$15,000 for early intervention services that provide children ages 0-5 and their families with therapy and education services.

Mary Wickersham Consulting, Inc. (Longmont): \$7,000 for consulting services to assist Rose Community Foundation and other early childhood funders to participate in the development of Pay for Success financing structures.

Mercy Housing Inc. (Denver): \$20,000 to provide educational and constructive activities to adults and youth.

Metropolitan State University of Denver Foundation (Denver): \$10,000 for the Family Literacy Program which is designed to give at-risk children and their caregivers the life skills and educational tools to be successful.

Mi Casa Resource Center (Denver): \$30,000 to advance economic success for Latino families.

Mile High Montessori Early Learning Centers (Denver): \$15,000 for a birth-to-age-three parent education program for low income families.

Mpowered (Denver): \$15,000 to support comprehensive financial coaching to low-income families.

Policy Matters (Wheat Ridge): \$8,333 towards a \$25,000 grant for one year of state-level legislative monitoring services. The grant was jointly funded by the Foundation's Education and Health program areas.

Qualistar Colorado (Denver): \$75,000 to improve the school readiness of Colorado's children through the implementation of a Quality Rating and Improvement System which measures and improves the quality of early learning settings and helps parents find and choose high quality care.

Reach Out and Read Colorado (Denver): \$15,000 to train pediatricians to educate parents about the importance of their involvement in their child's early development and provide developmentally appropriate books at well-child visits.

Rocky Mountain Parents as Teachers (Denver): \$10,000 to provide parents with parenting education and support to financially disadvantaged families and those at risk of child abuse or neglect.

Rose Community Foundation (Denver):

\$3,000 for consulting services to document the history of the early childhood movement in Denver, and write a concept paper for the next phase of work for the Office of Early Childhood.

\$2,500 toward a grant totaling \$5,000 for consulting support for facilitation of the early childhood mental health funders collaborative. This grant was jointly funded by the Foundation's Child and Family Development and Education program areas.

\$50,000 for a new organization, the Colorado Early Childhood Foundation, which will work collaboratively with the Office of Early Childhood and others to continue building an infrastructure to advance results-driven early childhood service delivery.

\$4,000 to the Colorado Department of Education to hire a consultant to coordinate and write a grant for the Preschool Development Grants competition which would support efforts to build, develop, and expand voluntary, high-quality preschool programs.

\$75,000 toward a \$150,000 grant to support the Opportunity Youth Initiative over three years. This grant was jointly funded by the Foundation's Child and Family Development and Education program areas.

\$7,500 for consulting services to assist Rose Community Foundation and other early childhood funders to participate in the development of Pay for Success financing structures.

TLC Learning Center (Longmont): \$15,000 for professional development training for staff at an early learning center.

Tools of the Mind (Denver): \$25,000 to support a locally developed early childhood curriculum, in its transformation from start-up to national model. Third Sector New England serves as fiscal sponsor.

University of Colorado Foundation (Broomfield): \$70,000 over two years for the Pregnancy and Parenting Partners to provide accessible and affordable prenatal, postnatal, and infant care to low-income women and their children.

Warren Village (Denver): \$40,000 to provide comprehensive services to low-income, single-parent families working to move beyond the cycle of poverty and homelessness.

Work Options for Women (Denver): \$25,000 for a program that helps impoverished women gain the skills and confidence they need to work their way out of poverty and become gainfully and permanently employed in the food service industry.

Worklife Partnership (Denver): \$25,000 to support employers' ability to retain valuable employees by leveraging community resources. Colorado Nonprofit Development Center serves as the fiscal sponsor.



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Innovate for Good winners announced

“**W**hat new and innovative idea would you bring to life to make the Greater Denver community a better place to live?” This was the question that framed a new venture for Rose Community Foundation, called Innovate for Good.

At our 20th Anniversary celebration on June 18, Jennifer Atler Fischer, former chair of the Board of Trustees and champion for Innovate for Good announced the project’s nine winners. Innovate for Good is a new project to find and fund new, innovative projects to make the greater Denver community a better place to live.

A multi-tiered review process that engaged 130 community members resulted in nine winning projects from nearly 400 entries. Altogether, those projects were awarded \$230,000. You can see the full list of winners on page 4.

The winning projects shared three primary characteristics, as explained by Atler Fischer as she announced the winners:

- 1. They are innovative.** These are new ventures. They represent creative approaches to addressing community issues and they are all early-stage – currently in the planning or pilot phase.
- 2. They stand to make a real difference over the next year.** Each one has a plan to address a need in the community and to deliver a measurable and positive outcome.
- 3. They are positioned for success.** The leadership who will carry out these projects have the skills, networks, resources and partners to deliver results.

Continued on page 4.

Cover photo: Representatives from the nine Innovate for Good winners with Jennifer Atler Fischer, Jerry Glick and Sheila Bugdanowitz.

Our Mission

Rose Community Foundation works to enhance the quality of life of the Greater Denver community through its leadership, resources, traditions and values.

Our Vision

The Foundation uses leadership, grantmaking and donor engagement to invest in strategic and innovative solutions to enduring problems and emerging issues.



Values and innovation for a better Denver

As we celebrated our 20th Anniversary in June, we spoke with many of the community members and leaders who have been engaged with our work as a foundation. Two of the words that came up over and over again are *values* and *innovation*. Jewish – and ultimately, widely shared – values inform all of what we do at Rose Community Foundation. Values of philanthropy, justice and non-discrimination form the basis of our work, and people who are close to us feel those values.

Those same people experience innovation as an important driver of our work in the community. That innovation takes many forms – the Foundation's willingness to support innovative work to create systemic change, innovation in who we bring to the table to find solutions to complex problems, and innovation in the way we encourage nonprofits to think about their work in the community.

When you set out, as the Foundation has, to improve community systems, you have to be willing to look at those systems from different perspectives, to try approaches that are unproven, or that might not have immediate results and to bring new voices to the conversation. These are the ways we have sought to work with our community partners over the past 20 years to encourage and support innovation that will bring about real change.

As a community foundation, we can also encourage innovation by offering initial support and sponsorship for new foundations, nonprofits and initiatives that are approaching issues in our community in new ways, or reaching out to new populations. By providing organizations and initiatives like the Colorado Technology Foundation and Early Milestones time and resources to define and build their work in the community, we know we are extending our reach and our impact in the Greater Denver community.

And, this year through our Innovate for Good program, we challenged the whole community to find new and different approaches that will make Denver better. We also reached out to other community members to evaluate ideas and help us see them through different eyes. This project created a great deal of renewed energy and excitement, both within the Foundation and out in the community. You could feel that energy and excitement when we announced the winners in June.

Innovation will always be important to finding new ways to solve long-standing problems, and in creating different ways to be a vibrant and thriving community. But the innovation that will truly make our community a better place to live for all people is based on the values that guide our work every day.

Sheila Bugdanowitz
President and CEO
Rose Community Foundation

Early Milestones Colorado seeks innovative collaboration

Early in the life of Colorado's Office of Early Childhood, which was formed in 2012, a need for a particular kind of partner organization emerged. "We realized pretty early on that we needed a partner who was more nimble, and who operated at a bit of a distance from the state government," says Elsa Holguín, Rose Community Foundation senior program officer for Child & Family Development, and member of the state's Early Childhood Leadership Commission.

Enter Early Milestones Colorado, a new nonprofit intermediary group, which exists as a resource and partner to foundations, state and local agencies, nonprofits and the business community for work that benefits young children and their families.

Holguín and many of her foundation partners have worked for months to establish the infrastructure for this new nonprofit. They hope it will become a trusted resource for all those interested in early childhood, as well as an engine for innovation. "Ultimately, Early Milestones will make Colorado a key state and leader in early childhood," Holguín says. She feels the organization will bring more resources here from national funders, businesses and even the federal government.

One of Early Milestones' initial projects – LAUNCH (Linking Actions for Unmet Needs in Children's Health) Together – is a great example of how the organization can function to meet a clear need in the early childhood landscape. Many foundations and early childhood groups have identified early childhood mental health as a need in our community, and have talked together about how best to address that need. Project LAUNCH is a federally funded project that helps to integrate mental health care for young children into primary care environments. The group of funders who created LAUNCH Together selected Early Milestones to implement the project. This will bring federal resources into Colorado through Project

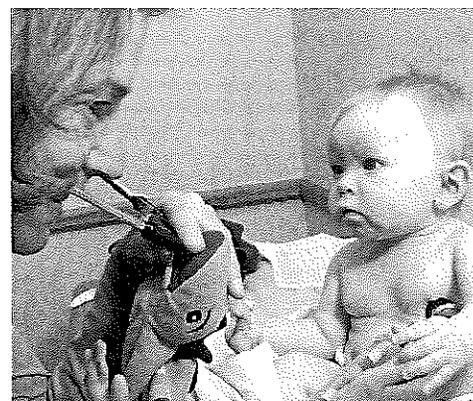
LAUNCH, and very high level experts in the field. Early Milestones is best positioned to make this project a reality in the way that makes the most sense here in Colorado.

Holguín says that Early Milestones is quite unique and while there are just a few models for an intermediary group like this on the national level, there is nothing directly comparable on a state level. As part of the planning for this new organization, she says the founding board members met with key early childhood organizations in Colorado. Not only did the leaders of these organizations support the concept, they immediately suggested several projects that Early Milestones should take on.

Currently, the organization is working on three major projects: updating the state's Early Childhood Framework; LAUNCH Together; and a collaborative communications strategy for parent awareness and engagement in Colorado.

Several foundations who support early childhood work are working together to fund this new organization. They include the Ben and Lucy Ana Walton Fund of the Walton Family Foundation, Chambers Family Fund, The Denver Foundation, the Cydney and Tom Marisco Family Foundation, Rose Community Foundation and the Temple Hoyne Buell Foundation. They have all invested some money in the start-up, but more importantly, they have all contributed leadership and expertise to its formation.

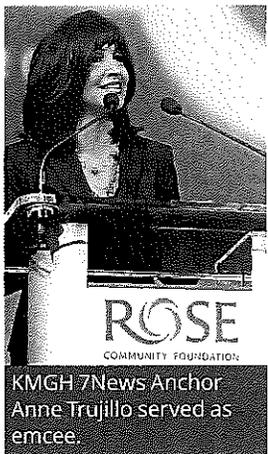
Learn more:
earlymilestones.org



Early Milestones Colorado will be an intermediary for organizations and agencies finding innovative ways to improve the lives of young children and their families. (Photo from Rose Community Foundation archives.)

continued from front page

Innovate for Good winners announced



KMGH 7News Anchor Anne Trujillo served as emcee.

At the 20th Anniversary event, three of these winners made a live pitch about how they could expand the impact of their project with an additional \$20,000. Those in attendance voted by text message, and awarded the additional money to Be the Gift's Workshop on Wheels project, which helps single mothers with home improvement projects. It will use the additional money to expand its fleet of workshops on wheels to be able to serve more families.

"There was wonderful energy during the Innovate for Good awards, pitches and the text vote," said Foundation president and CEO Sheila Bugdanowitz. "Many of the friends who joined us that evening were impressed and moved by the winning projects."

While the initial proposals came from individuals, businesses and nonprofit organizations, all of the finalist proposals came from nonprofits. The submitting organizations are of all shapes and sizes, from the well-established and well-known



Trustee Jennifer Atler Fischer awards Amber Hayes of Be the Gift an additional \$20,000 after the audience voted for her project.

community organizations to grassroots, neighborhood-based organizations. The projects also all fall in areas that are outside of Rose Community Foundation's traditional grantmaking focus areas of Aging, Child and Family Development, Education, Health and Jewish Life.

Learn more, and see videos of winning projects: rcfdenver.org/innovateforgood

Innovate for Good Winners

Bright by Text

Submitted by: Bright by Three (formerly Bright Beginnings)

An educational text-messaging system that sends parents evidence-based tips to support the development of very young children and will expand to also provide parents with localized community resources and information.

Clean River Design Challenge

Submitted by: The Greenway Foundation

A design competition for students attending Metro State University of Denver to create a mechanism to remove trash from the South Platte River.

Creative Youth Take Flight – La Alma Connection

Submitted by: Arts Street

Underserved youth will learn about urban design, creative placemaking and economic development by producing a

master art plan and public art series to encourage pedestrian use of the light rail and 10th Avenue in the La Alma neighborhood.

Fresh Food Connect

Submitted by: Groundwork Denver

The Fresh Food Connect application (app) will feed families, reduce waste and provide income to low-income youth by allowing home gardeners to donate extra produce for distribution at food banks and through affordable sale. The app will connect gardeners to youth who will be employed to pick up and deliver donated produce using bikes and trailers.

Race, Policing and Community Justice Advocates

Submitted by: Shorter Community AME Church

This program will forge a partnership with other

community stakeholders to engage high school kids in becoming peer presenters in the areas of racial equality, community awareness based policing and justice advocacy work.

Shakespeare in the Parking Lot

Submitted by: Denver Center for the Performing Arts

This "food truck for the arts" will provide affordable, high quality theatrical performances to high school students in school parking lots followed by actor-led workshops to support classroom teaching and learning.

The Stompin' Ground Games

Submitted by: Warm Cookies of the Revolution

The Stompin' Ground Games is a monthly, year-long Olympics-style competition between Denver neighborhoods neighborhood where arts,

culture and history are combined in the name of civic pride and engagement.

Veterans in Food Deserts

Submitted by: Denver Botanic Gardens

Military veterans will help grow and sell fresh produce and share knowledge about planting, harvesting and nutrition through farm stands in neighborhoods with limited access to healthy foods.

Workshop on Wheels

Submitted by: Be the Gift

A workshop on wheels truck will be outfitted with all of the tools and materials Be the Gift volunteers need to complete home repair projects for single mom families.

Celebrating 20 years and looking forward

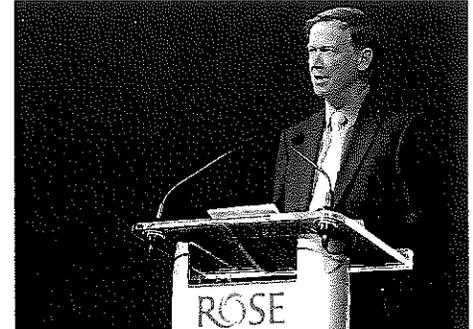
On June 18 at the Seawell Ballroom in downtown Denver, Rose Community Foundation celebrated 20 years of serving the Greater Denver community. Joined by friends, donors and grantees, Foundation leaders looked back on the work the Foundation has done in Denver.

Those gathered to celebrate heard from Governor John Hickenlooper, who spoke at length about Rose Community Foundation's leadership on issues like Denver's Road Home while he served as mayor of Denver. Rose Community Foundation president and CEO Sheila Bugdanowitz spoke about the story of Rose Community Foundation, and its leadership role in the Jewish community, and in its other grantmaking focus areas. Chair



Jerrold L. Glick, Chair of the Board of Trustees, Sheila Bugdanowitz, President and CEO, and Richard Robinson, Founding Trustee and past Board Chair.

of the Board of Trustees Jerry Glick spoke about the Foundation's current impact in the community, and Jennifer Adler Fischer, immediate past Chair of the Board, announced the winners of Innovate for Good (see facing page).



Colorado Governor John Hickenlooper commends Rose Community Foundation's leadership and service.

We've included some quotes from the evening along with photos of the celebration and the Foundation's work over 20 years in the Greater Denver community.

"Much of the work we do is really long-term. We're looking at long-term, systemic change. How can we leverage our dollars to create positive change?" - **Sheila Bugdanowitz**, President and CEO

"When I come ... to the Rose Community Foundation, we start from a mindset of, not how am I going to solve that problem, but how are we going to solve that problem." - **Michele Lueck**, Colorado Health Institute (Grantee)

[Rose Community Foundation] does an incredible job of keeping up with the pulse of the community... of highlighting the areas where the community is facing issues and then convening different groups to figure out how to address them.

- **Luis Colon**, member of the Child and Family Development Committee, Founder and Advisory Board Member of the Latino Community Foundation of Colorado

"I think the values that [Rose Community Foundation] represents are obviously out of the Jewish tradition, but to me, they're just the best human values. They're about caring about other people and acting when you see someone in need."

- **Barbara O'Brien**, Former Lieutenant Governor, At-Large Member of Denver Public Schools School Board

Overall, the Foundation has continued its long-term commitment to help address the challenges facing our community. That community has grown and changed over the past two decades, and today we believe that growth and change will only accelerate in the next twenty years, and beyond. This is an exciting moment for Greater Denver, and for the Rose Community Foundation.

- **Jerry Glick**, Chair, Board of Trustees

Over the last 20 years, Rose Community Foundation:

Made nearly **16,000 grants** to more than 2,000 nonprofits

Made grants to organizations totaling more than **\$227 million**

Thanks to Rose Community Foundation, many nonprofits are ensuring their own sustainability and stability through endowments.

36 nonprofit organizations have endowment funds at Rose Community Foundation

Those endowment funds are valued at **\$39.7 million**, and have distributed more than **\$25 million** to support the mission and work of these organizations

Colorado Technology Foundation seeks systemic change in tech education

The Colorado Technology Association (CTA) and its membership has seen first-hand many of the skills gaps that Colorado high school and college graduates bring to the expanding high-tech workforce here. The association heard from its membership about the patchwork of programs designed to fill those gaps and the concern that no one was seeing the whole landscape. And, while the association had at different times worked to address these issues, it didn't have a way to both launch these efforts and sustain them.

So last year, with a push from members and donors, CTA decided to create the Colorado Technology Foundation (CTF), a new 501(c)3 organization. CTF will lead the effort to ensure that Colorado's supply of highly skilled workers for the new economy meets employer demands. Setting up the new nonprofit provides a sustainable way for the association to engage its membership and bring employers together around science, technology, engineering and math (STEM) education and workforce development programs. Rose Community Foundation is the fiscal sponsor of the new foundation during its startup phase, and will provide fiduciary oversight, financial management and other administrative support.

As a nonprofit entity, CTF can work in a way that its parent association could not. "Having the 501(c)3 allows us to engage with companies from a new perspective," says Alexandra West, director of the Colorado Technology Foundation.

Through its Talent Center, CTF is working on multiple fronts to bring high school, college students and entry-level workers into companies and connect them with leaders in technology. The Career Connections program brings groups of high school students interested in a career in technology to companies to learn about the company, the industry, participate in experiential activities with employee mentors and have a fun experience. CTF is currently partnered



Denver Public Schools students who visited technology companies as part of Colorado Technology Foundation's Career Connections program.

with Denver Public Schools on the Career Connections program and looking to expand geographically later in 2015. CTF is also launching a pilot internship program for college juniors and seniors as well as entry-level workers from nontraditional schools this summer. The program will pair interns and mentors through project-based work. Interns participate in professional development training through the program.

Through its initiatives, CTF is laying the groundwork for systemic change across the technology education ecosystem. Early this year CTF announced that it is partnering with The Colorado Education Initiative (CEI) and Change the Equation (CTEq) to launch the Colorado STEMworks pilot to identify and promote effective STEM education programs. Colorado will be the third state to participate in this initiative. CTF is also partnering in the community on several other initiatives, and you can read more about each of them on their website.

Rose Community Foundation was a natural fit for CTF. "The reputation and vision of the staff is completely in parallel with where we want to be," says West.

Learn more:
coloradotechnology.org

In its 20th year, Foundation celebrates Legacy Circle members

Eighty-five individuals and families have chosen leave a bequest – a gift specified in their wills– or other type of planned gift to Rose Community Foundation as part of their future and estate planning. In its 20th anniversary year, the Foundation celebrates these generous donors, and their inclusion in the unique *Living Legacy Tapestry*.

Visitors to Rose Community Foundation are familiar with the *Tapestry* which is on display in our lobby. Composed by artists Leah Sobsey and Lynn Bregman Blass of **VisualHistoryCollaborative.com**, the *Tapestry* honors legacy donors with personal memories, images and other artifacts. “We have included so many rich stories and images from our legacy donors as part of the tapestry,” says Vicki Dansky, the Foundation’s senior gift planning officer. “It has become an artistic archive of these generous

individuals’ values and their wish to make a difference even beyond their lifetime. We have always planned to include the first 100 legacy donors in the *Tapestry* project and we would love to be able to complete it during our 20th anniversary year.”

Those who have made legacy gifts do so for many different reasons, and with clear intentions for their philanthropy. Some choose to make an unrestricted gift to Rose Community Foundation, which the Foundation will direct towards the community’s most pressing needs in the future. Others fund a donor-advised fund which their loved ones may direct after they are gone. Donors with very specific intentions can designate funds held at Rose Community Foundation to benefit a specific area of community need or nonprofit organization(s).



Artists Leah Sobsey and Lynn Bregman Blass with the *Living Legacy Tapestry* at the 20th Anniversary Celebration.

“A legacy gift to the Foundation can take many different forms. These individuals are entrusting us with this part of their philanthropic legacy. We take that responsibility seriously and recognize the importance of honoring their intent,” Dansky explains.

If you would like to make a legacy gift, please contact Vicki Dansky at vdansky@rcfdenver.org, or 303.398.7422.

More information is online at rcfdenver.org/livinglegacy.

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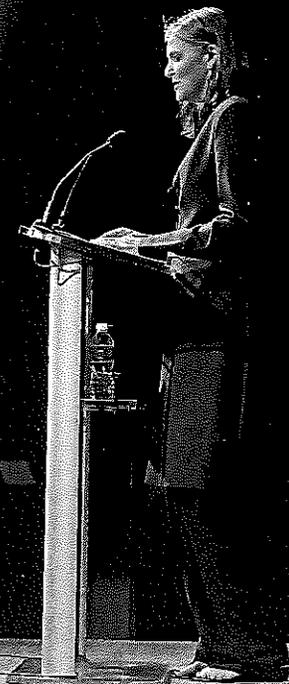
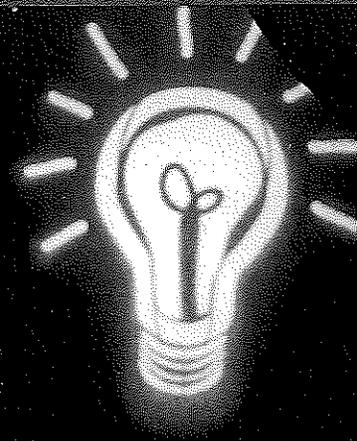
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Imagine...

A foundation that has created and funded innovation for 20 years.
Happy Anniversary, Rose Community Foundation!

Photo: Jennifer Atler Fischer announces Innovate for Good winners.

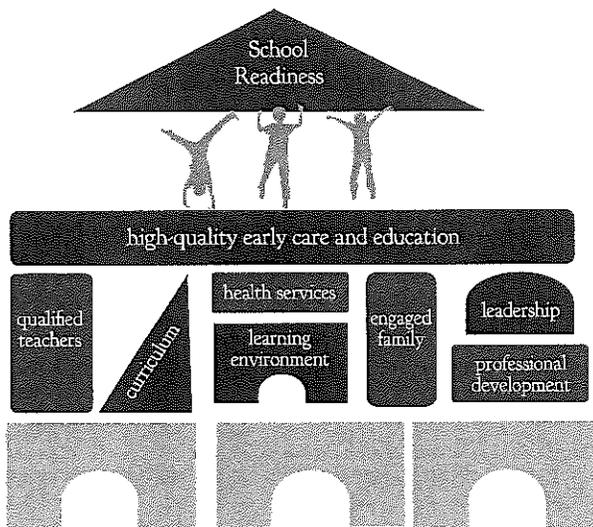


Investing in Early Learning Ventures: A Shared Services Solution

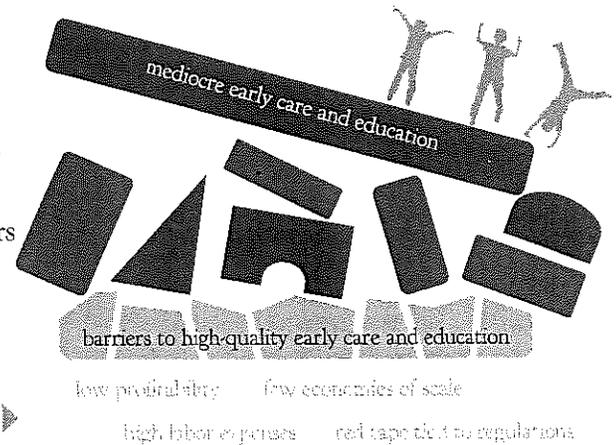
Attachment C

* **The Possibility:**
high-quality early childhood education can produce significant savings for society

* **The Challenge:**
delivering high-quality early care and education requires a solid business framework



The Reality:
child care is typically of mediocre quality because most providers lack the necessary Business Framework



* **THE INNOVATION:** Early Learning Ventures (ELV) is a non-regulatory shared services model designed to mitigate the effects of child care market imperfections and improve child care quality. ELV combines the power of technology with the ingenuity of community partners to build strong business frameworks supporting the delivery of high-quality early care and education.

Critical Economies of Scale
Purchasing • Human resources
Marketing • Procurement

Efficient Business Systems
Registration & enrollment
Full back office Financial
Services solution

Program & Staff Development
Curriculum resources
Child development tracking
Staff professional development



STRONGER
Together

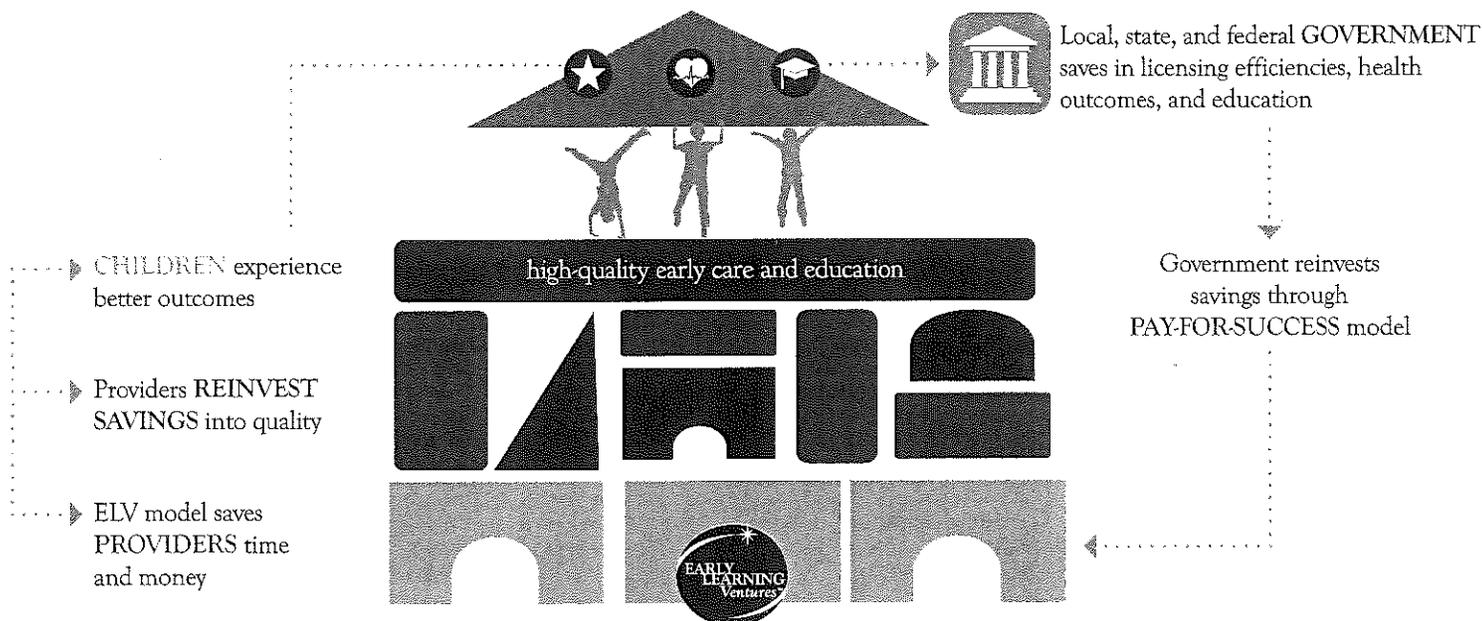
* How the Model Works



- * ELV creates operational efficiencies and economies of scale that allow child care providers to offer higher quality care at a lower cost
- * As affiliates save time and money through the ELV model, they are able to reinvest some of their savings into participating at a higher tier, which includes all services at lower levels
- * The Alliance CORE technology platform provides a comprehensive, fully integrated bridge between small, market-based child care providers and the often siloed child care regulatory, quality improvement, and subsidy systems.
- * ELV's virtual financial services offerings provide an elite team of experts to deliver back office financial services solutions directly to child care providers

* Results of an ROI study indicated up to *8.08 return per dollar and up to *\$114,400 for five-year return for providers

* ELV as a Pay-For-Success Opportunity



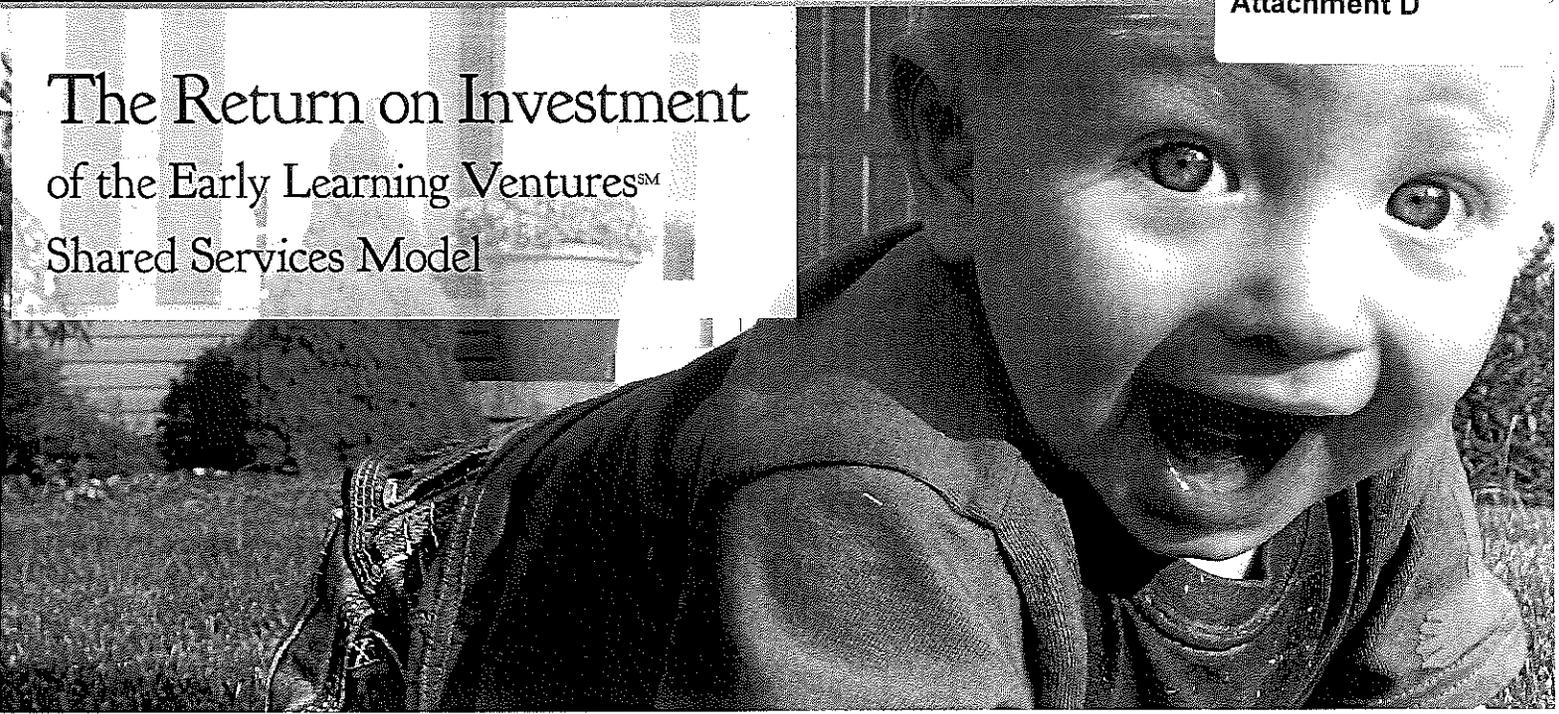
Contact us.
18 Inverness Place East
Englewood, CO 80112

info@earlylearningventures.org
844.293.2820
www.EarlyLearningVentures.org

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The Return on Investment of the Early Learning VenturesSM Shared Services Model



Summary

This brief outlines the methodology and key findings of a Return on Investment (ROI) study conducted on the Early Learning Ventures (ELV) Shared Services model. The results indicate that the ELV model produces significant returns for almost all participating child care providers, with the strongest returns for center-based providers. The full report can be accessed at: www.earlylearningventures.org/ROI

* The Problem: Inefficiencies in the Child Care Market Impact the Quality of Care and, Ultimately, School Readiness

Each day, millions of children ranging in age from six weeks to 14 years old are placed in some form of child care arrangement while parents work. While many children are cared for by relatives, a majority are placed in paid child care arrangements that range from for-profit and nonprofit center-

Market imperfections are a primary reason for the low quality of care in the child care market.

based arrangements to care that is offered out of a provider's home (also known as "family child care"). The quality of such "market-based" child care varies widely, but has been found to be, on average, of mediocre quality. Moreover, researchers have found that higher-income families access significantly higher quality care than their lower-income peers. Among low-income families, including those who receive federal child care subsidies, the quality of the market-based care that they access is quite low—considerably lower than that of the federal Head Start program, for example. It is for this reason that even while a majority of children in the United States are cared for in paid child care arrangements, market-based care is still considered the "weak link" of the country's early care and education system.

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Together



Market imperfections are a primary reason for the low quality of care

in the child care market. Inefficiencies derive in part from the fact that most parents either do not have a good understanding of what quality child care is, or have difficulty recognizing quality characteristics when they are present. Because of this "lack of information," parents cannot accurately value different child care options, and often fail to choose the "optimal" child care arrangement based on their specific preferences related to quality and cost. Therefore, it is not surprising that research has found that parents significantly overestimate the quality of the care that their children receive. This issue, coupled with the fact that working parents often prioritize convenience and affordability over quality when choosing care, negatively affect the overall quality of care in the market, which undoubtedly has an impact on the school readiness of children who are placed in these settings prior to entering kindergarten.

Federal and state governments have responded to these market inefficiencies by creating a regulatory structure that consists of both mandatory and voluntary regulations. States, for example, have mandatory health and safety standards for licensed child care that outline the minimum levels of quality that must be provided to the child care consumer. In addition, a number of states offer voluntary participation in a Tiered Quality Rating and Improvement System (TQRIS). In theory, a TQRIS makes a child care market more efficient by providing parents with simple, readily available ratings of the quality of child care programs. These ratings allow parents to more easily weigh the cost and quality dimensions of different child care options in order to make a more informed decision about care. In addition, child care providers are often rewarded with higher subsidy reimbursement rates by the state as they achieve higher quality ratings. The Obama Administration considers TQRIS so valuable to improving the child care market that these systems were the centerpiece of the federal Race To the Top—Early Learning Challenge competition.

For regulatory and TQRIS structures to be considered successful, however, the benefits of regulation must exceed the costs. In the case of child care regulations, while there is a consensus that the benefits of providing at least some health and safety-related assurances for children clearly outweigh the costs created by these regulations, there is less agreement about regulations that support higher quality care. Smaller teacher to child ratios, more qualified educators, improved professional development, and educational supplies all increase a provider's per child cost of care. Given the market imperfections, there is not enough demand to support this level of quality as parents are unwilling or unable to pay the rates that providers must charge to offer higher quality care.

“Given the market imperfections, there is not enough demand to support this level of quality as parents are unwilling or unable to pay the rates that providers must charge to offer higher quality care.”



* The Innovation: The Early Learning VenturesSM Shared Services Model

The Early Learning Ventures (ELV) Shared Services model is a non-regulatory innovation designed to mitigate the effects of child care market imperfections and improve child care quality. Strong nonprofit organizations are selected to start ELV Alliances which then act as streamlined, central hubs to provide business support for the child care industry. The ELV Alliance in turn brings technology and business practices to networks of center-based and family child care providers known as Affiliates. For a fee, the Affiliates share business services and take advantage of bulk purchasing agreements available only through the network. The goal of the model is to create greater operational efficiencies among smaller providers to allow them to provide care at a lower cost, thus making quality enhancements more economically feasible.

... operational efficiencies and economies of scale created by the Alliance network allow child care providers the opportunity to offer higher quality care at a lower cost.

This brief summarizes the major findings from a return on investment study of the Early Learning Ventures Shared Services model. The fundamental assumption of the ELV model is that the operational efficiencies and economies of scale created by the Alliance network allow child care providers the opportunity to offer higher quality care at a lower cost. The first step in testing this assumption is to analyze the extent to which the money invested in the model produces

a return that is greater than the original investment. To do this, Development Research Partners conducted a return on investment (ROI) study using data from Alliance networks currently operating in Colorado. The research team analyzed the value of the efficiencies created by participation in the networks against the costs of participation and generated findings for different types of providers and different levels of service offered by the Alliances.

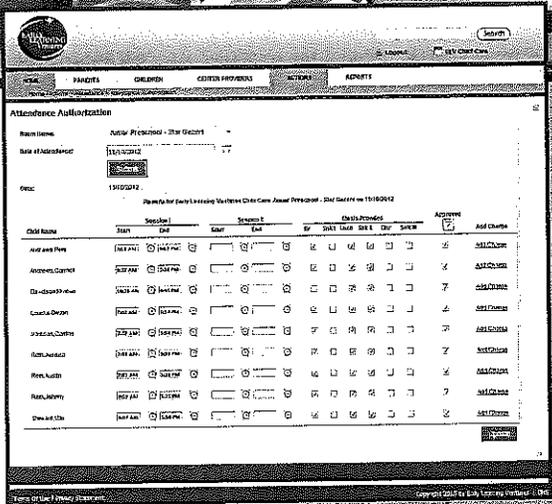
* ELV Shared Services Model Components

The monetary returns from participation in the ELV Shared Services model derive from services that Alliances offer Affiliates that create efficiencies and generate additional revenue. These services include:

Access to the ELV Platform: The platform provides a virtual child care business infrastructure that includes curriculum templates, employee and parent handbooks, human resources policies and procedures, marketing tools and mailing templates, and online training modules. Affiliates can also use the platform to buy commonly used materials at discounted bulk purchase rates.

Technical Assistance (TA), Training Opportunities, and Quality Improvement Services: Alliances offer TA, host regular training sessions, and provide access to professional development opportunities for Affiliates. These offerings are designed to promote quality and assist with the implementation of the model, and include trainings that count towards state-mandated staff training for providers.





Alliance CORE™ Access: Alliance CORE is a comprehensive, web-based child management system. Affiliates use CORE to handle program management functions including enrollment, registration and waiting lists, staff demographics, certification and training, child attendance, billing and other functions.

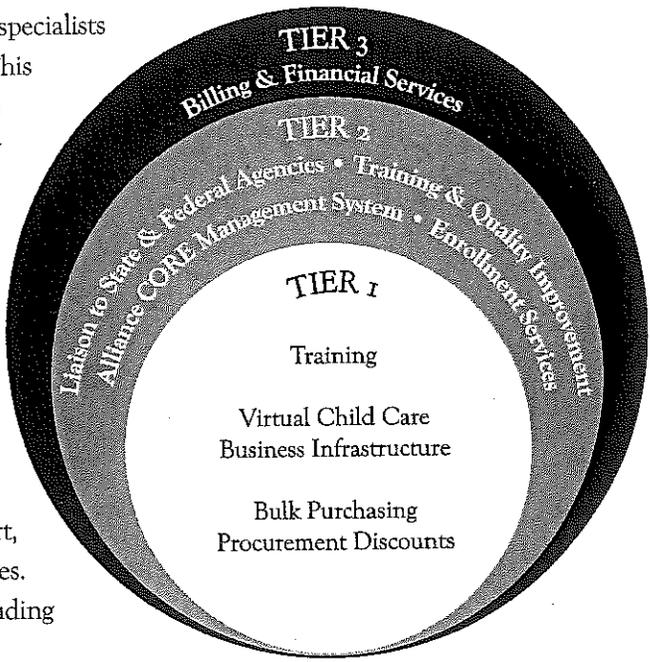
Liaison Services: Alliances help facilitate compliance with state regulations and the provider's access to federal and state funding and programs. Alliance staff, using the ELV technology, help prepare and organize child care providers for licensing visits, and

assist providers in applying for and meeting the requirements of other programs like the Child and Adult Care Food Program (CACFP).

Enrollment Services: To help providers stay fully enrolled, Alliances offer marketing tools and market research, and can also act as a hub for child care references and information for families seeking a child care provider.

Billing Services: Alliances employ one or more billing specialists to provide billing and collection services for providers. This dedicated specialist supports the timely collection of fees from families, and helps to significantly minimize late or defaulted payments.

Affiliates have three service options. Providers with Tier I services receive access to training on the ELV platform, which includes the materials comprising the virtual child care business infrastructure as well as the bulk purchasing procurement discounts. Tier II services include access to the Alliance CORE management system, enrollment services, liaison services to state agencies and for federal program support, as well as training and quality improvement opportunities. Tier III includes all services offered by the Alliance including the billing and financial services.



* Data and Methods

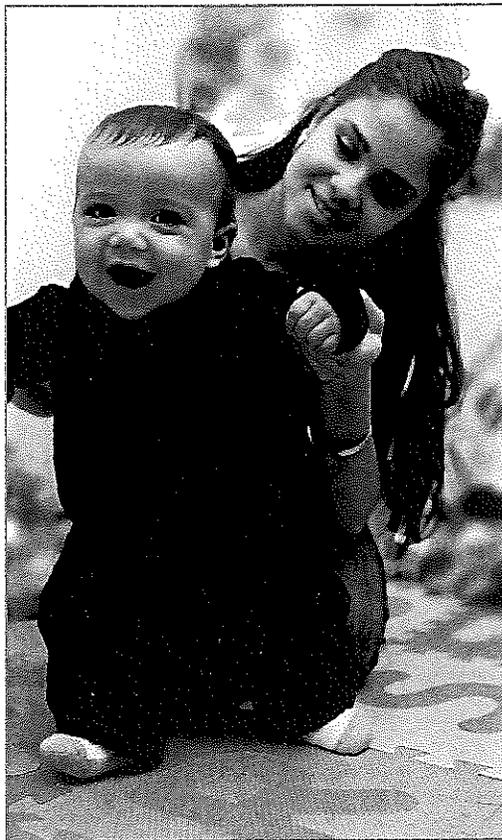
The data and assumptions used for the ROI study derive from the real-world implementation of four Alliance networks and their Affiliates in Colorado. While each Alliance has a different number of Affiliates in its network and its own unique relationship with each Affiliate, the ROI modeling uses a uniform set of assumptions based on “typical” Alliance, Affiliate, and network characteristics. However, the modeling is run separately by provider type (child care center and family child care provider) and the level of service received by an Affiliate (i.e. Tier I, II or III) to capture the differences in the returns based on these characteristics.

Return on investment (ROI) is defined as the net benefit of an investment divided by the cost of the investment and is derived using the following formula:

$$\text{Return on Investment} = \frac{(\text{Benefit from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

The different costs and returns used in the formula are outlined below.

* ELV Shared Services Model Costs



Training: Initial implementation of the model requires that Affiliates receive training in the various platforms and services. Training for Tier I services is minimal but the training burden increases for Tiers II and III. This burden is monetized for family child care and center-based providers and included in the model.

Tiered Quality Rating Improvement System: Membership in an ELV Alliance requires the Tier II and III Affiliates to participate in the state’s Tiered Quality Rating and Improvement System. Obtaining a quality rating can be expensive—up to \$1,000 for a family child care home and \$1,000 per classroom for a child care center. These costs are included in the model.

Affiliate Fees: Affiliates pay a monthly fee for participation in an Alliance network. The fee ranges based on a number of factors and can be \$50 per month for a family child care home receiving Tier I services to \$250 for larger center-based providers receiving Tier II services. Tier III is the most expensive with Affiliates paying based on the cost of billed items.

* ELV Shared Services Model Benefits

There are both direct and indirect benefits from the model that are discussed below.

* DIRECT

Discount Purchases: The ELV Platform offers direct benefits through the discounted materials and lower service costs. The largest benefits are through the discount school supply platform that offers a 20 percent discount on purchases. Other direct cost savings are through the office supplies, janitorial and kitchen supplies, and sanitary gloves, among other things.

Benefits from Tier II services: For a family child care provider, Tier II services include the hardware (computer, etc.) used to manage child records and to log children in and out each day. Center-based providers are also provided with this hardware and can also utilize the vended meal service program at discounted rates which can save \$0.25 per child per day.

Billing Services: Billing services provided by the ELV Alliance result in direct benefits to the Affiliate through a reduction in internal billing costs.



* INDIRECT

Productivity and Time Savings: The services offered by the Alliance provide indirect benefits through increased productivity and time savings. The ELV Platform provides a one-stop resource for business materials and services. Time savings through the ELV Platform result from the efficiencies gained by not having to create business forms and materials. The CORE child management system brings additional time savings to the Affiliate through improved records management, improved bookkeeping, and improved parent-provider interactions. Billing services provided through an ELV Alliance reduce the time spent collecting bills, managing bad debt, and sending invoices.

Value of ELV Alliance Services: Indirect benefits also include the value of services that are provided by the ELV Alliance that further benefit the provider. This includes the value of the ELV Alliance's technical assistance, training opportunities, quality improvements and TQRIS assistance, and billing services that add value to the family child care home without having to be internalized by the provider.

Indirect Cost Savings: This includes the savings on products and services supplied through the model that would have had to be purchased if not for the Alliance. For example, the ELV Platform includes 12 credit hours of training that satisfy most of the 15 credit hours of continuing education required by the state. The value of this training is the market value of similar training that would be received elsewhere if it was not available through the platform.

* Findings

The return on investment results are calculated both as a per dollar return and as the total return to the Affiliate over a 5-year period. The findings are calculated separately for center-based child care providers and family child care homes for each level of service offered by the Alliance network. Figure 1 presents the findings for center-based providers. For these providers, the costs of participating in the model—fees, training, participation in a Tiered Quality Rating Improvement System (TQRIS), and other costs—are more than offset by the direct and indirect benefits produced by the services. The direct and indirect return on the investment is \$8.08 for a child care center receiving Tier I services, \$6.17 for a center receiving Tier II services, and \$0.61 for a center receiving Tier III services. This means that providers receiving Tier I, II or III services receive an additional \$8.08, \$6.17 and \$0.61 in value for every dollar they invest in the ELV Alliance model, respectively. After five years in network, a child care center receiving Tier I services will have received \$83,800 more in direct and indirect benefits than their participation costs. A Tier II child care center will have received \$114,400 more and a Tier III child care center will have received \$99,100.

Figure 2 reports the findings for family child care homes. Given that this provider type serves fewer children, on average, than center-based providers, it is not surprising that the returns are smaller. The findings for the model are most compelling for family child care homes receiving Tier I services with a per dollar return of \$0.35 and a total five-year return of \$1,270. The returns are also positive, albeit smaller, for family child care homes receiving Tier II services (per dollar return of \$0.04 and five-year return of \$270). A family child care home receiving Tier III services, which includes the more expensive billing services, does not realize a benefit large enough to cover the costs and fees of these services. Both the per dollar and five-year returns are negative.

* Conclusion

The results of the ROI study indicate that the ELV Shared Services model produces significant returns for almost all participating providers. These returns are strongest among center-based providers and are significant, albeit smaller, for Tier I and Tier II family child care home providers. As such, participation in the model does provide the operational efficiencies to allow providers to offer care at a lower cost to them. This indicates that the ELV Shared Services model makes the operation of a small child care business more efficient and sustainable and provides the opportunity for providers to offer higher quality care. The results also indicate that more can be done to improve the operational efficiencies of family child care providers and the findings presented here are currently being used to improve the model. It is also important to note these findings provide a point-in-time snapshot of an evolving and constantly innovating shared services model. New innovations have already been put in place to improve the model and the developers expect that the ROI results will continue to improve for both center-based and family child care providers over time.



Figure 1: Return on investment of the ELV Shared Services model for child care centers

Level of Service	Per Dollar Return	Total 5-Year Return
Tier I	\$8.08	\$83,800
Tier 2	\$6.17	\$114,400
Tier 3	\$0.61	\$99,100



Figure 2: Return on investment of the ELV Shared Services model for family child care homes

Level of Service	Per Dollar Return	Total 5-Year Return
Tier I	\$0.35	\$1,270
Tier 2	\$0.04	\$270
Tier 3	-\$0.10	-\$1,660



ELV Leadership Team

Shirley Keenan

Executive Director

Marianne Finkbeiner

Executive Director

John Williams

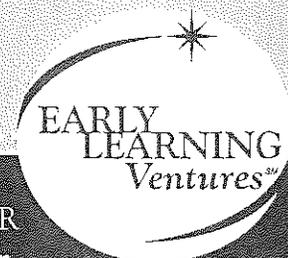
Program Director

BY

www.earlylearningventures.org



Since 1996, the ELV Board of Directors and staff have been the primary support of the David H. Lane Family Foundation and several other children's service organizations, including the Colorado State Department of Health, the Colorado State Department of Education, and the Colorado State Department of Social Services.



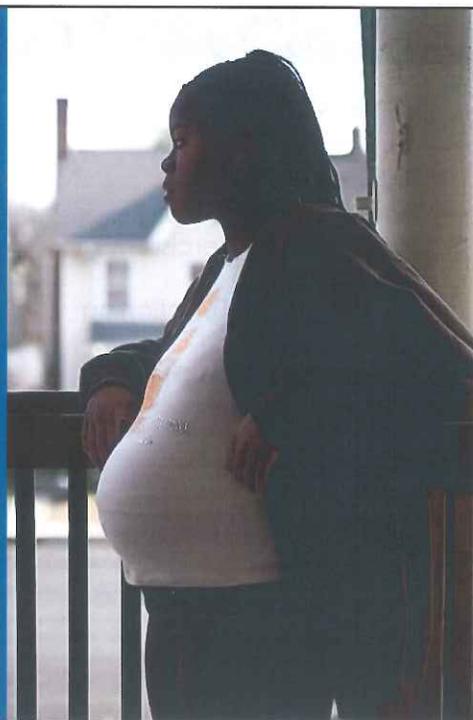


Working Together to Ensure Healthier Families

Nurse-Family Partnership Overview

Nurse-Family Partnership is...

- An evidence-based, community health nursing program
- Transforms lives of vulnerable first-time mothers living in poverty





Program Goals

- Improve pregnancy outcomes
- Improve child health and development
- Improve parents' economic self-sufficiency

Key Program Components

- First-time, at-risk mothers
- Registered nurses
- Intensive services (intensity, duration)
- Focus on behavior
- Program fidelity (performance management system)

Why Nurses?

- Knowledge, judgment and skills
- High level of trust, low stigma
- Credibility and perceived authority
- Nursing theory and practice at core of original model



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Home Visit Overview

Personal Health

Health Maintenance Practices
 Nutrition and Exercise
 Substance Use
 Mental Health Functioning

Maternal Role

Mothering Role
 Physical Care
 Behavioral and Emotional Care

Environmental Health

Home
 Work, School, and Neighborhood

Family and Friends

Personal network
 Relationships
 Assistance with Childcare

Life Course Development

Family Planning
 Education and Livelihood

Health and Human Services

Service Utilization



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Trials of the Program

Dr. Olds' research & development of NFP continues today...



1977

Elmira, NY

Participants: **400**

Population: **Low-income whites**

Studied: **Semi-rural area**



1988

Memphis, TN

Participants: **1,139**

Population: **Low-income blacks**

Studied: **Urban area**



1994

Denver, CO

Participants: **735**

Population: **Large portion of Hispanics**

Studied: **Nurse and paraprofessionals**

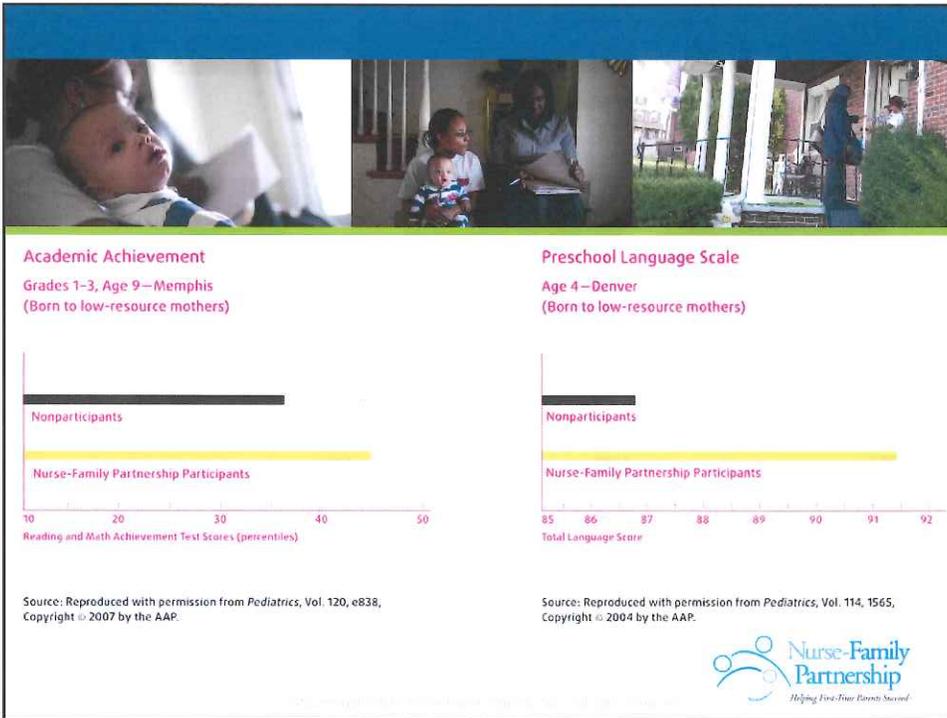
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Nurse-Family Partnership Trial Outcomes

- 48% reduction in Child Abuse and Neglect
- 56% reduction in ER visits for accidents and poisonings
- 59% reduction in arrest of children age 15
- 67% reduction in behavioral and intellectual problems in children age 6
- 72% fewer conviction of mothers when children are age 15



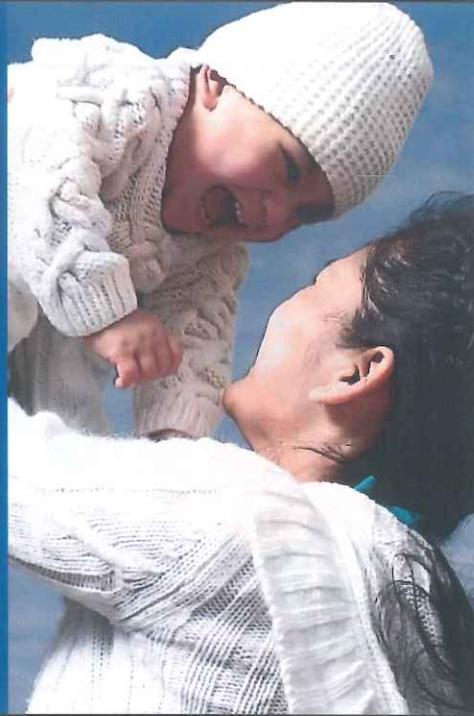


Colorado Implementation: Public/Private Partnership

- **Colorado Department of Human Services, Office of Early Childhood:** Fiscal Agent
- **Invest in Kids**
- **NFP National Service Office**
- **University of Colorado Health Sciences Center:** Contract Manager

Colorado NFP Results

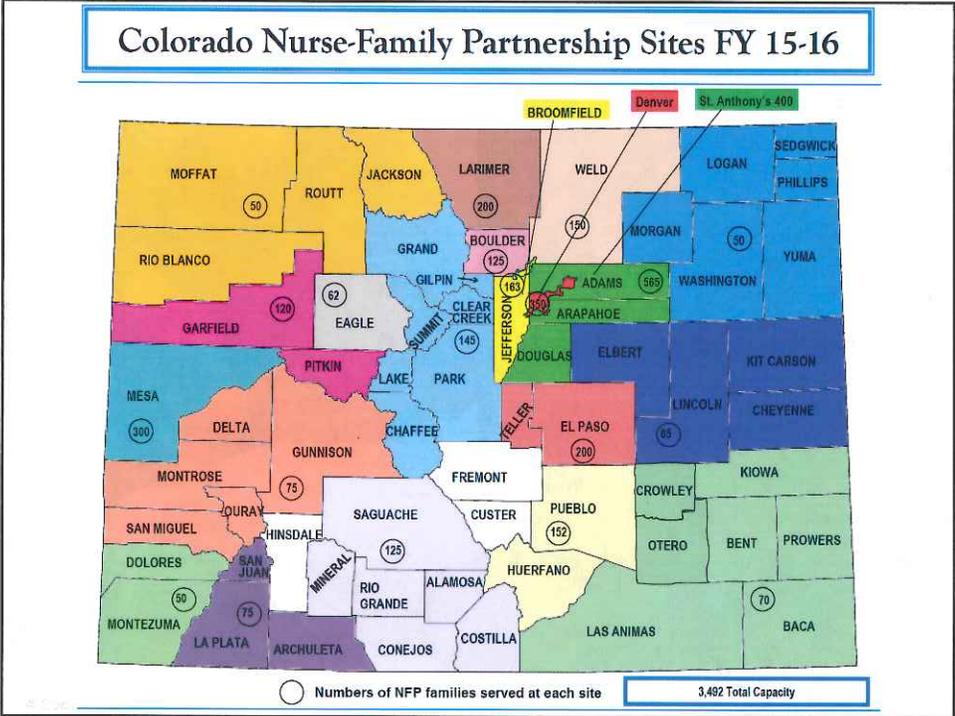
- **20,649** families served in Colorado since the program began
- **91%** of babies were born full term and 90% were born at a healthy weight- at or above (5.5 lbs.)
- **92%** breast feeding rate at birth
- **91%** of children received all recommended immunizations by 24 months (vs. 78% CO average)
- **21%** reduction in smoking during pregnancy
- **30%** reduction in alcohol use during pregnancy



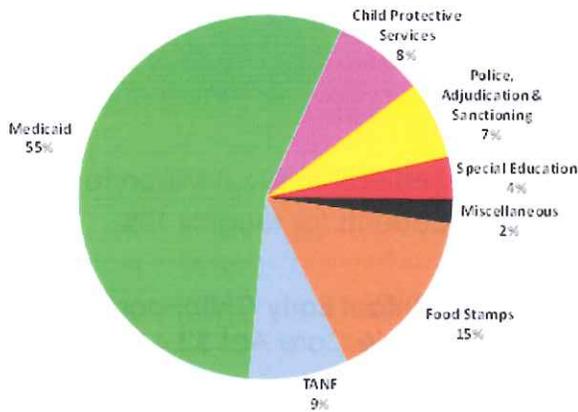
Funding

- **Master Tobacco Settlement** \$15.8 Million for 2,792 clients
 - **Medicaid** accounts for roughly 10%
- **MIECHV: Maternal Infant Early Childhood Home Visitation** through the Affordable Care Act \$3.4 Million for 700 clients

Colorado Nurse-Family Partnership Sites FY 15-16



Government Cost Savings per Family Served by NFP in Colorado Total \$22,516 (Present Value at a 3% Discount Rate)



When Nurse-Family Partnership (NFP) serves a family in Colorado, state, local, and Federal governments all benefit.

Nurse-Family Partnership is Endorsed as a Model Program by

Coalition for Evidence-Based Policy
A Project Sponsored by *Evidence*
IN GOVERNMENT



Washington State
Institute for
Public Policy

World Health
Organization



Promising
Practices
Network
on Children, Families
and Communities



Office of Juvenile
Justice & Delinquency
Prevention



PARTNERSHIP FOR AMERICA'S
ECONOMIC SUCCESS



National Institute on
Early Education
Research

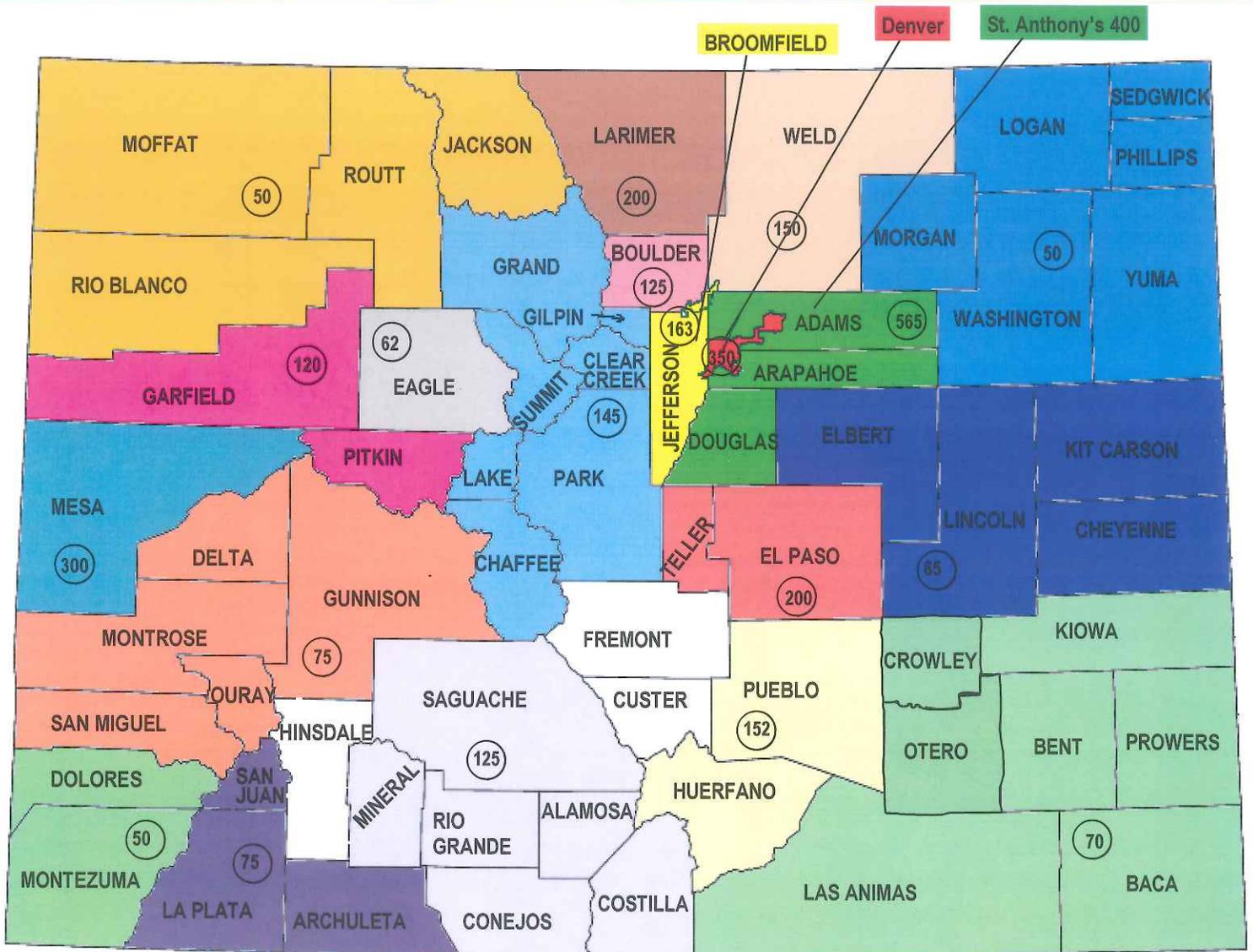
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For More Information

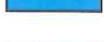
Lisa Hill
Executive Director, Invest in Kids
303.839.1808 x 103
lhill@iik.org
Invest in Kids
<http://www.iik.org>
1775 Sherman Street, Suite 2075
Denver, CO 80203
F. 303.839.1695

Colorado Nurse-Family Partnership Sites FY 15-16



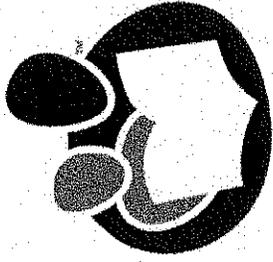
○ Numbers of NFP families served at each site

3,492 Total Capacity

- | | | |
|---|--|--|
|  San Juan NFP
(San Juan Basin Health Department through Healthy Kids) |  Larimer County NFP
(Larimer County Department of Public Health and Environment) |  Pueblo/Huerfano Counties NFP
(Pueblo Community Health Center) |
|  Mesa County NFP
(Mesa County Department of Public Health and Environment) |  Boulder County NFP
(Boulder County Health Dept.) |  El Paso County NFP
(El Paso County Department of Public Health and Environment) |
|  Region 10 NFP
(Montrose County Dept. of Health and Human Services) |  Jefferson/Broomfield Counties NFP
(Jefferson County Health Dept. through Partners for Healthy Families) |  Southeast Colorado NFP
(Prowers County Nursing Service) |
|  Northwest NFP
(Northwest Colorado Visiting Nurse Association) |  Adams NFP (Tri-County Health and St. Anthony's)
Arapahoe/Douglas NFP (Tri-County) |  Family Visitor NFP
(only Basalt/Ei Jebel area of Eagle County is served) |
|  San Luis Valley NFP
(Valley-Wide Health Services, Inc.) |  Denver County NFP
(Denver Health) |  Eagle County NFP (Eagle County Health and Human Services) |
|  Intermountain NFP
(Summit County Nursing Service) |  Weld County NFP
(Weld County Department of Public Health and Environment) |  Northeast NFP
(Regional Home Visitation Program and Baby Bear Hugs) |
|  Montelores NFP
(Montezuma County Health Dept.) |  Kit Carson NFP
(Kit Carson Health and Human Services) |  Non-funded |

Child Care In Colorado: The Provider Perspective

September 2015



**Early Childhood Education
Association of Colorado**

*The Voice for Child Care Providers
& the Children They Educate*

Presented By:

Noel Nelson

CEO & President

Early Childhood Education Association of Colorado

Professional trade association which focuses on the needs of early child care education programs. Celebrating 30 years of service in 2015.

Membership consisting of licensed centers serving more than 55,000 children daily.

Dedicated to providing support and guidance in the management, administration, and awareness of private child care centers.

Established in 1985, ECEA is the second-largest state association in the U.S.

Governed by a board of directors consisting of dedicated volunteers who own and operate an early child care center or community professionals supporting ECE.

Continue to be a positive, collaborative partner with ECE stakeholders at local, county, state and federal levels.

Active partners with the national Early Care and Education Consortium .

INTRODUCTION THE ECEA



Early Childhood Education
Association of Colorado
The Voice for Child Care Providers
so the Children They Educate

In 1996, ECEA was asked by the Colorado Department of Education to survey our membership in support of the original Colorado Preschool Program (CPP) implementation. The focus of the survey was to identify the top five concerns of the private provider community:

Department of Human Services (DHS) Rules & Regulations

Staff Credentialing

Professional Development

Quality Improvement Efforts (Universal Pre-K)

DHS Reimbursement Rates

TAKING A LOOK BACK: 1996



Early Childhood Education
Association of Colorado

The Voice for Child Care Providers
& the Children They Educate

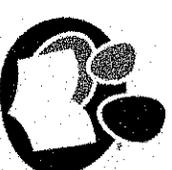
From 2012 to 2014, the number of centers operating statewide has seen a dramatic decrease:

2012: 2,888 Operating Centers = 213,000 slots

2014: 2,000 Operating Centers = 148,000 slots
888 Center Loss = 65,000 Slots Lost

2015: Closures are continuing to outpace new center openings statewide.

FAST FORWARD: 2015-16



Early Childhood Education
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The Voice for Child Care Providers
to the Children They Educate

Based on this data, ECEA surveyed the ECE provider community in July 2015 to identify the factors driving this statewide decline:

Inadequate CCAP reimbursement rates.
(Statewide county average is +/- 55% of current private pay rates).

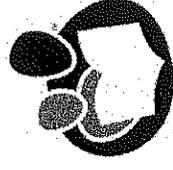
New public school based programs utilizing tax dollars to directly compete against the private sector.

Inability to recruit qualified, high quality staff - shallow talent pool.

Decrease in private pay customers / increase in CCAP customers.

Escalating regulatory & administrative burden.

FAST FORWARD: 2015-16



Early Childhood Education
Association of Colorado

The Voice for Child Care Providers
& the Children They Educate

Provider Concerns Spanning 30 Years

1996

Department of Human Services Rules & Regulations

New Staff Credentialing Requirements Negatively Impacting Available Talent Pool

Professional Development Requirements Negatively Impacting Current Employee Retention

Systematic Quality Improvement Efforts Destroying Program Diversity & Parent Choice (Universal Pre-K)

Inadequate County Reimbursement Rates

2015-16

Escalating Administrative & Regulatory Burden

Lack of Qualified Staff Applicants (Shallow Talent Pool)

Decrease in Private Pay Customers / increase in CCAP Customers Due to Challenging Economic Conditions

Public School Programs in Direct Competition With the Private Sector

Inadequate CCAP Reimbursement Rates

FAST FORWARD: 2015-16



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Colorado Ranks 2nd In The Nation For Center-Based Infant Care:

Average Annual Cost For Center Based Infant Care:	\$13,143
State Median Income For Single Mother Family:	\$27,491
Cost of Care / Percentage of Median / Single Mother:	56%
State Median Income for a Married Couple:	\$85,961
Cost of Care / Percentage of Median / Single Mother:	15.3%

* Child Care Aware America: 2015 Parents & The High Cost of Child Care

Cost Of Child Care: Infant



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Colorado Ranks 6th In The Nation For Center-Based 4 Year Old Care:

Average Annual Cost For Center Based Infant Care:	\$9,871
State Median Income For Single Mother Family:	\$27,491
Cost of Care / Percentage of Median / Single Mother:	35.9%
State Median Income for a Married Couple:	\$85,96
Cost of Care / Percentage of Median / Single Mother:	11.5%

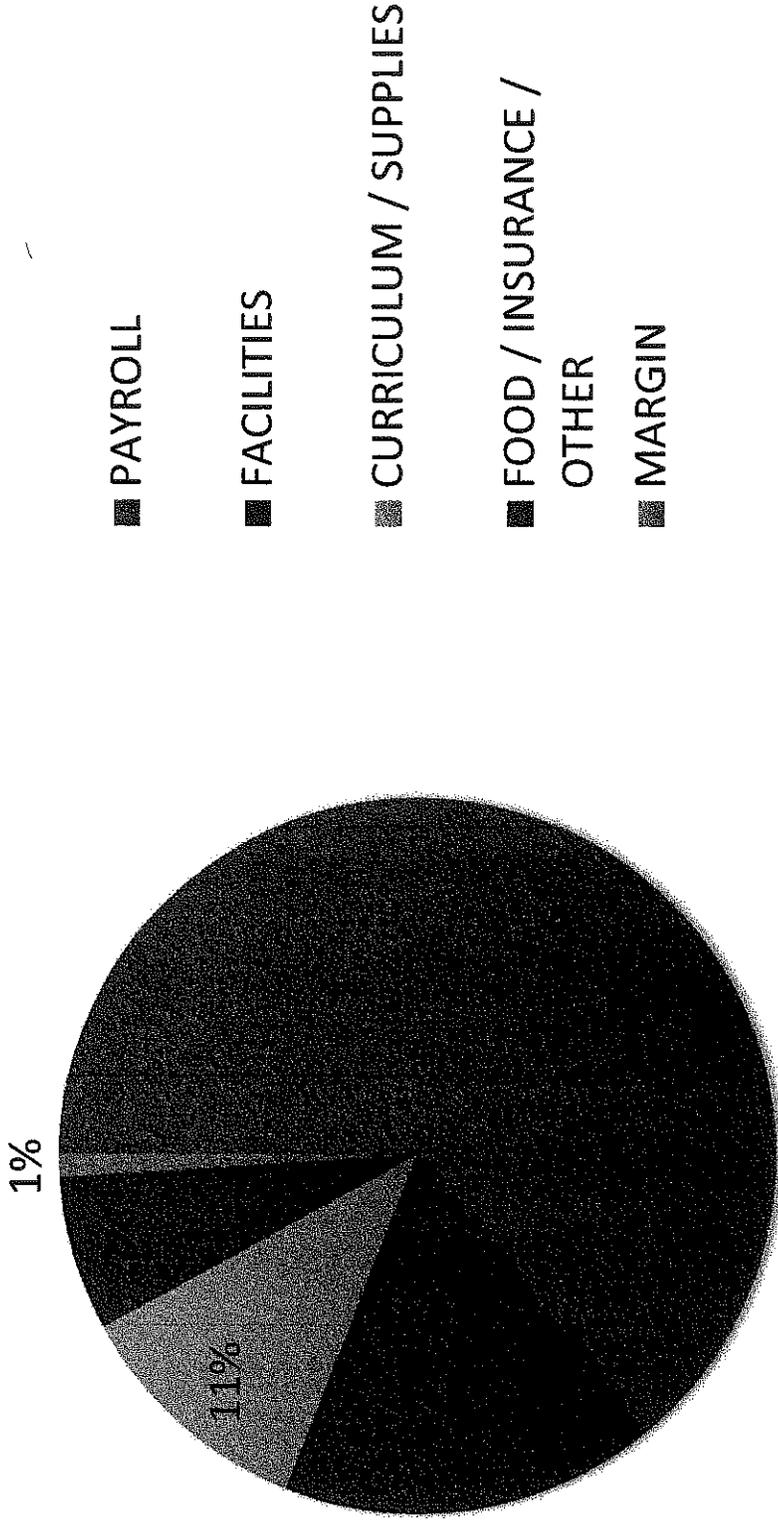
* Child Care Aware America: 2015 Parents & The High Cost of Child Care

Cost Of Child Care: 4 Year Old



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AVERAGE PROVIDER PROGRAM IMPLEMENTATION EXPENSES



Cost Of Child Care: Providers



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22,501 proprietors and wage / salary employees working in the child care sector are estimated to support about **11,800** jobs in other industry sectors through indirect and induced effects.

\$353.7 million in employee compensation and proprietors' earnings generated directly within the child care industry is estimated to support approximately **\$350** million in additional indirect and induced earnings across the state.

*Committee For Economic Development: 2015 Child Care in State Economies

Economic Impact of Child Care



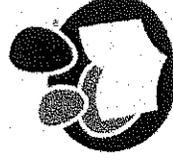
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There are 10,281 child care establishments with revenue of **\$639.7 million**. This includes 9,187 sole proprietors (family child care home operators) and 1,094 child care centers employing 13,314 individuals.

\$639.7 million in direct output generated within the organized child care industry is estimated to support about **\$720 million** in additional indirect and induced output in other industry sectors, for an estimated combined total of approximately **\$1.4 billion** in output in Colorado's economy.

* Committee For Economic Development: 2015 Child Care in State Economies

Economic Impact of Child Care



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The child care industry employs **22,501** individual supporting an additional **11,800** jobs in other industry sectors across Colorado.

It is anticipated that the child care industry employee demand will increase by over **18%** from 2015 to 2020.

Total federal and state child care assistance (both direct subsidies and tax credits) represents **28.3%** of child care industry revenue.

* Committee For Economic Development: 2015 Child Care in State Economies

Child Care Employment Impact



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Access to the organized child care market can increase labor force participation and support state and regional economic growth.

Increased subsidy payments trigger state level responses in wage rates, the mix of low- and high-skilled labor used in the state, prices of goods and services, and trade flows.

* Committee For Economic Development: 2015 Child Care in State Economies

Child Care's Economic Contribution



Early Childhood Education
Association of Colorado

The Voice for Child Care Providers
& the Children They Educate

Affordability of child care is central to all discussions, but it is wrongly framed. The real issue isn't what child care costs; but how families are supported and how those costs are to be met by working families.

Policy discussions impacting Early Childhood Education must consider the following areas of impact equally:

- Health, Safety & Welfare of Children
- Honoring Parent Choice & Program Diversity
- Educational Impact For Children
- Small Business Creation & Sustainability
- Workforce Development & Support
- Leveraging Public Dollars To Support Private Industry Instead of Competing Directly Against It

Child Care Policy Considerations



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Internet Resources:

- <http://childcareaware.org/>
- <https://www.ced.org/>
- <http://www.acf.hhs.gov/programs/occ>
- <http://www.zerotothree.org/public-policy/federal-policy/tracking-federal-child-care.html>
- <https://www.opm.gov/policy-data-oversight/worklife/reference-materials/child-care-resources-handbook/>

For More Information...



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THANK YOU!



Early Childhood Education
Association of Colorado

*The Voice for Child Care Providers
& the Children They Educate*

Contact Information:

Noel Nelson

CEO & President

Early Childhood Education Association of Colorado

1245 East Colfax Avenue / Suite #205

Denver, CO 80218

Phone: 301-860-7174

Cell: 719-424-0675

nnelson@coloradoecea.org



September 25, 2015

Dear Senator Martinez Humenik and members of the Early Childhood School Readiness Legislative Commission,

The Early Childhood Leadership Commission (ECLC) was reauthorized by legislation in 2013 as the entity charged to be the trusted and proactive champion for quality, outcome-focused early childhood programs and services for pregnant women and children birth to age eight in Colorado. This high-level, interagency, cross-sector, public-private commission accelerates and sustains Colorado's commitment to improve outcomes for young children by promoting a shared vision and strategic direction for an aligned system of services and supports.

Pursuant to C.R.S. 26-6.5-203 (2)(b), the Early Childhood School Readiness Legislative Commission (ECSRLC) is required to consult with the ECLC on matters related to early childhood and school readiness policy. This statute compliments the ECLC's priority, pursuant to C.R.S. 26-6.2-104, to identify opportunities for, and barriers to, the alignment of standards, rules, policies and procedures across programs and agencies that support young children. Out of a commitment to promote robust policy, a special meeting between the ECLC Executive Committee and Senator Martinez Humenik took place on Tuesday, September 27.

The ECLC Executive Committee requested a meeting with the chair and vice chair of the ECSRLC to provide input on potential early childhood legislative ideas. Senator Martinez Humenik, chair of the ECSRLC, was able to attend the meeting and provide an overview of ideas that have surfaced during recent ECSRLC meetings. The group discussed the following potential early childhood legislative ideas and the ECLC executive committee provided the following input in response to the ideas presented by ECSRLC:

1. **Expansion of the 10 county limit on the CCCAP Cliff Effect Pilot Program:** The ECLC supports this idea to encourage more participation in the pilot program because it is important to support families on the road to self-sufficiency and reduce the number of families concerned that a pay increase may lead to denial of services.
2. **Early Learning Challenge Grant/Race to the Top sustainability:** The ECLC feels strongly that there is no need for legislation to support sustainability because policy work is currently underway within the Office of Early Childhood. Should policy change emerge as a need, the ECLC looks forward to working with partners on a shared plan to move it forward.
3. **Support to help parents and caregivers (FFN) better understand child development:** The ECLC has established a steering committee to coordinate child development messages and connect parents and caregivers to



- community resources. It does not appear that this effort requires policy change.
4. **Support to address child care deserts:** The Office of Early Childhood is rolling out a new grant and loan program to support family, friend and neighbor (FFN) care on the path to licensing; no legislation is necessary.
 5. **CCCAP access for teen parents required to work with child support enforcement:** This policy change requires careful discussion and input from partners, including stakeholders from counties, advocacy groups, and affected populations themselves and should be undertaken only after those discussions have proceeded. The ECLC suggests that the ECSRLC should not pursue this as an interim commission bill so that interested parties can work through the nuances of this policy change.
 6. **Expansion of community-based Colorado Preschool Program providers:** The ECLC believes further discussion is needed and that a legislative solution is not necessary at this time.
 7. **Portability of CCCAP across county lines:** The ECLC suggests postponing action to allow time for further discussion; a legislative solution is not necessary at this time.
 8. **Modifying SB 10-191:** The ECLC does not support exempting Prek-K through 2nd grade teachers from educator evaluations and/or the student growth component. Early year educators contribute significantly to students' academic growth and good work is underway in communities around the state about how to best measure that growth that such a policy change could hinder. As we work to elevate educators in the early years, exempting them from quality evaluations or sending a signal that they do not contribute directly to individual students' growth could undermine this work.

The ECLC applauds the ECSRLC' approach to identifying 1-2 draft bill ideas that are bi-partisan and have a high potential for success. On behalf of the Early Childhood Leadership Commission, we look forward to future work together.

Sincerely,

A handwritten signature in black ink that reads "Anna Jo Haynes".

Anna Jo Haynes
Co-Chair

A handwritten signature in black ink that reads "Barbara Grogan".

Barbara Grogan
Co-Chair



CFI Factsheet: The State Child Tax Credit Means a Brighter Future for Colorado Families

The Child Tax Credit (CTC) is the largest federal tax code provision benefiting working families with children. It is critical in the fight to end childhood poverty and in building a road toward the economy we want in the future. Due to a flaw in Colorado's state Child Tax Credit, nearly 200,000 Colorado families do not have access to the state credit. Legislators must address this flaw in Colorado's CTC because working families need help now.

Colorado and the Federal Child Tax Credit

In 2013, Colorado passed a state CTC via Senate Bill 13-001 that provides a refundable tax credit between 5 percent and 30 percent of the federal credit to working families with children age 5 and under (Table 1). The credit is targeted to families with young children because that is the time that child care and other expenses are at their highest, and small investments have the greatest return (Table 1). However, the Colorado CTC does not go into effect unless Congress passes the Marketplace Fairness Act, or other similar legislation. Congress has failed to pass the Marketplace Fairness Act, and families have gone without this vital support.

Table 1 State Child Tax Credit Refund Tiers Based on SB13-001

Household Income	Filing Type	Refund
Below \$25,001	Single	30% of federal credit claimed
\$25,001-\$50,000	Single	15% of federal credit claimed
\$50,001-\$75,000	Single	5% of federal credit claimed
Below \$35,001	Joint	30% of federal credit claimed
\$35,001-\$60,000	Joint	15% of federal credit claimed
\$60,001-\$85,000	Joint	5% of federal credit claimed

Families do have access to a tax credit at the federal level of \$1,000 per qualifying child age 16 or under. The credit is phased out for families with an adjusted gross income that is more than \$75,000 for a single filer or \$110,000 for joint filers. An additional child tax credit is available for taxpayers who get less than the full amount of the child tax credit. The additional credit allows a portion of the federal Child Tax Credit to be refundable for the poorest families.

Many Colorado families make use of the federal tax credit and would benefit from the state credit. In 2013, 28.3 percent of filers in Colorado claimed the federal Child Tax Credit and the additional child tax credit. Legislative Council estimates that if Colorado's state child tax credit were in effect, 181,875 individuals would have benefited in 2014, with a revenue impact of \$22.3 million (Table 2).

Table 2 Estimated Returns and Revenue Impact of the Colorado Child Tax Credit

	2014	2015	2016	2017
Number of Returns	181,875	184,785	187,742	190,746
Revenue Impact	\$22,343,790	\$22,701,291	\$23,064,512	\$23,433,544

Why Support a State Child Tax Credit?

A recent study from the Colorado Fiscal Institute found that 26.2 percent of workers in Colorado work in jobs that are classified as low-wage.¹ This means that more than one-fourth of the workers in Colorado make less than \$12 an hour and often live in poverty. Earning such low wages presents many challenges, especially for families with young children. When combined with the Earned Income Tax Credit, a state Child Tax Credit puts millions back into local economies and provides better outcomes for children in low- and moderate-income families.

Studies find that increasing the budget of a family living in poverty can have long-lasting and far-reaching educational and economic benefits. A study from Stanford University found that, when all other factors are held constant, there is a strong relationship between early childhood poverty and long-term outcomes. Compared with children from wealthier families, poor children completed two fewer years of schooling, earned less money, worked 451 fewer hours per year, received \$826 per year more in food stamps and were three times more likely to report poor overall health. In addition, men who lived in poverty at a young age were two times more likely to be arrested and women were five times more likely to have unplanned pregnancies prior to age 21.²

Researchers from Columbia University also found that there is a strong relationship between family income and the size of a child's brain and cognitive ability. Neuroscientists found that as a family's income declines, so do test scores and brain functions associated with language, decision-making skills, reading and memory.³

These studies find that directly increasing the size of a family's budget, through credits like the CTC, improves immediate and lifelong outcomes for the children in these families. Increasing a poor family's household income by \$3,000 a year is associated with a 17 percent increase in adult earnings and 135 additional work hours per year after 25. In addition, children in these households are healthier and experience greater achievement in the classroom due to improved motor development and cognitive skills.

A refundable state Child Tax Credit is an investment in our families and children that encourages and rewards work, provides better educational and economic outcomes over a lifetime and offsets negative trends in wages.

Thamanna Vasan, Economic Policy Analyst, 720-379-3019 ext. 227, vasan@coloradofiscal.org

¹ Stiffler, C. (2015). Low-Wage Jobs in Colorado are Growing and Putting More Pressure on Taxpayers. Colorado Fiscal Institute

² Duncan, G., & Magnuson, K. (2011). The Long Reach of Early Childhood Poverty. Pathways, (Winter 2011)

³ Noble, K. et. al (2015). Family income, parental education, and brain structure in children and adolescents. Nature Neuroscience, 18(5)



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Education and Training for Low Income Parents Designing an Approach that Works

What are proven predictors of early success in school for young children?

- In a review of large scale (500+), longitudinal studies looking at early childhood predictors of early school success, the **strongest predictors of success** were: maternal education, gender, income and low birth rate.ⁱ
- **Parental education and income directly impacts child success in school.** Young children whose parents' education and income level is low are more likely to fall behind in school themselves. If Colorado wants successful kids, we need to address the educational needs of their parents.

Dr. Donald Hernandez of City University of New York compared children of mothers who did not complete high school, with children of mothers who had a bachelor's degree. As expected, the children of mothers who did not finish high school had a much higher poverty rate—53 percent compared to 4 percent. Quite startling is the comparison of eighth grade reading and math skills between the two sets of children. Of those whose mothers had not finished high school, 16 percent reached grade level reading proficiency compared to 49 percent of children whose mothers had a bachelor's degree. In math, grade level proficiency was 16 percent for children of parents who did not finish high school, versus 52 percent for children of college graduates. *Mother's Education, Child Well-Being, and Key Components of Dual Generation Program Strategies*. Annie E Casey Foundation, 2014.

What barriers do parents face in getting education and training they need?

A lack of available and affordable child care can limit a parent's progress toward educational goals and consequently impair their efforts to escape poverty and improve the family income. Approximately 52 percent of single mothers in Colorado without a high school diploma live in poverty. Yet for single mothers with a B.A., the poverty rate falls to 18 percent. Delays in the parent's education progress result in delays in the educational progress of the child.

What resources currently exist to help parents navigate education and parenting?

Colorado has some resources to support parents in achieving their educational goals but they are spread between four different state departments and can vary from college to college. It can be difficult to impossible for a low income parent to identify and coordinate the resources that could help them complete their education or training goals while caring for young children. Only one in 10 low income parents are enrolled in education or training programs nationally. Half of those also work, thus need child care for work, school and their commute.ⁱⁱ

Colleges: Only a few colleges have onsite childcare. Those that do may still require full payment of child care services, which challenges low income parents. Or they may serve different aged children, or may not provide child care during the hours when needed classes are offered. The federal Child Care Access Means Parents in School Program is design to help address the need, but falls far short in addressing the need for affordable child care.

We have heard anecdotally that some colleges include child care needs in determining financial aid. Still parents are attracted to schools which advertise more online classes, schools which may be more expensive or not suited to those with academic challenges. We have also heard that some parents increase student debt to cover child care bills.

Workforce Centers: While Workforce Centers may train or retrain workers, their services generally do not include the provision of child care. Clients with child care needs are often referred to Human Services. WIOA does allow funds to be used to provide support services, including child care, but funds are not sufficient to meet the need for child care along with the other necessary supportive services for the targeted population. **Under the new WIOA bill, workforce centers must prioritize service to those with barriers to employment, such as the need for child care.** Under the new WIOA, youth 18-24 who are out of school and out of work are prioritized for services under the youth program. Many of these youth are parents of young children. The State Workforce Development Council is currently in the process of writing Colorado's WIOA implementation plan. To effectively serve those with child care need in the workforce centers, coordination between state departments must be developed. Unlike other parts of Human Services, the Child Care Assistance Program is not a federally required partner.

Adult Education and Literacy: Some programs have a child care arrangement, but most do not. Thus parents may defer participation until their children are school aged, deferring as well their ability achieve economic stability by completing their high school equivalency diploma.

Human Services: Under HB14- 1317, the Child Care Assistance Program now must consider post-secondary education an eligible activity, but counties are free to prioritize employment related child care over education related child care. In times of limited child care dollars, with a majority of those eligible not being served, this can call into question whether dollars would be available. Child care must be provided to TANF recipients, but TANF is first and foremost an employment focused service. Educational services are subject to the discretion of the counties. Meanwhile, counties feel pressured to meet TANF Work Participation Rates, and educational opportunities are limited. It is uncertain whether low income parents, colleges and universities and community based organizations know they can now access child care dollars for education.

Bill Proposal

A time limited task force should be created, charged with evaluating the best way for state agencies to coordinate to address the child care needs of low-income parents of young children who wish to advance their education. The task force can be charged with streamlining processes administratively, or making recommendations for future legislative changes, if needed.

Members of the task force should include representatives from the Department of Labor, the Department of Higher Education, the Department of Education, and the Department of Human Services, as well as representatives of organizations that serve parents of young children in the employment and training arena, representatives of child care providers, and parents who have sought or completed education and training while parenting small children.

For more information, questions, or concerns, contact:

Chaer Robert, Manager
Family Economic Security Program
Colorado Center on Law and Policy
789 Sherman St #300
Denver, CO 80203
crobert@cclponline.org
303-573-5669 x307
www.cclponline.org

ⁱ ChildTrends Project Report by Susmita Pati, MD, MPH et al., 2009

ⁱⁱ The Workforce Innovation and Opportunity Act and Child Care for Low-Income Parents by Shayne Spaulding. Urban Insitute, 2015