



Developing and Strengthening Fiscal Relationships: Lessons from One Early Head Start-Child Care Partnership Grantee

The Early Head Start-Child Care Partnerships

In March 2015, the Administration for Children and Families at the U.S. Department of Health and Human Services awarded 275 Early Head Start-Child Care (EHS-CC) Partnership and EHS expansion grants. In the years since 2015, Congress has approved additional funding which has resulted in additional partnerships and expansion grants. As of December 2017, the EHS-CC Partnership and Expansion Grants had preliminarily reported partnerships with 1,600+ child care centers and 1,070+ family child care homes. In 2018, Congress approved additional funding (\$115 million) for new partnership and expansion grants.

The EHS-CC Partnership grants support partnerships between EHS programs and local child care centers and family child care providers serving infants and toddlers from families with low incomes. The partnerships support working families by providing expanded access to full-day, full-year child care and comprehensive services to children and families.

A key goal of the Early Head Start-Child Care (EHS-CC) Partnerships is to increase the supply of high-quality early learning environments for infants and toddlers. EHS-CC Partnership grantees can leverage multiple funding sources to maximize resources and provide quality improvement opportunities for all children and child care providers. Many grantees fund the EHS-CC Partnerships by layering EHS funds with Child Care and Development Funds (CCDF), which provide families with child care subsidies. Implementing sound accounting and fiscal monitoring practices is critical to ensure accountability and proper oversight. To track the layers of funding that support the program, many grantees and their child care partners established or revised fiscal policies and procedures and refined or developed tools to manage spending.

This implementation story provides the perspective of the grantee director with the Drake University Early Head Start program located in Des Moines, Iowa. She shared insights on how grantee staff and child care partners can work together to strengthen fiscal relationships.

Relationship building is essential for strong fiscal management

The director offered three pieces of advice about building relationships between grantee staff and child care partners to foster effective fiscal management:

- 1. Learn the child care partners' business models**
Grantee staff should take time at the beginning of the partnership to learn from child care partners. Drake University EHS staff took the time to learn from their child care partners before suggesting fiscal system changes. According to the director, "We made the time to go out and actually partner with them in the sense of learning about their business—you know, 'How does the business work? What do you actually do?' We made time to learn about what business practices they were doing. We asked, 'What do you do for a payroll system? What do you do for an accounting system?'"





2. Acknowledge differences in the fiscal management systems among child care partners

The director noted that each child care partner had its own fiscal management system, tailored to its unique needs and preferences. Although grantee staff must maintain strong fiscal policies and procedures, they should note the different ways child care partners maintain effective internal fiscal management. The grantee director found it important that her staff recognized those differences and understood that one center's experience is not representative of any others' as they developed relationships with child care partners.

3. Be transparent and “walk the walk”

Child care partners might feel burdened by the number of requirements in the Head Start Program Performance Standards, which include meeting fiscal requirements and managing federal dollars. The director emphasized the value of working collaboratively with the child care partners and communicating that the relationship would be a long-standing one in which the grantee and partner would support each other. She noted, “We went out and we really made sure to sit with them and be very transparent that ‘We’re here to learn about your process.’ And so in the beginning when we were setting up agreements, we felt a lot of it was, ‘We’re talking the talk.’...We really wanted to make sure we got out and showed them that we’re going to walk the walk with them.”

“We’re not here to do it to you, but to do it *with* you.”

Grantee director from Drake University Early Head Start

Using templates and automating practices can support efficient fiscal management

In addition to her advice about relationship building, she offered three broad insights on using templates and automating practices to support efficient fiscal management:

1. Develop tools, train relevant staff, and share with leadership

The director described the ways in which she worked with child care partners to develop tracking tools to analyze their finances:

- Tracking tools for subsidies. The child care partners needed a tool to track the subsidy funding associated with each child because layering funds can be difficult to coordinate given that CCDF subsidies vary by child. The grantee director worked with the child care partners to develop a tracking sheet. The sheet identified the child, described when the child's subsidy expired, included notes from the family engagement specialist on his or her interactions with the family, and outlined the steps the family took to renew its subsidy on time. The grantee staff could look at those notes, review trends on a monthly or real-time basis, and anticipate when partner funding might become unstable. This analysis enabled grantee staff to proactively work with partner staff and their families to address any fiscal challenges related to CCDF subsidies.
- Tracking absences. The grantee director and her partners developed a tracking system in Excel that automatically calculated absences





and child care subsidy reimbursement. Attendance is important to fulfilling EHS's mission. Programs must implement strategies to support families and promote regular attendance. When the monthly average daily attendance for a center-based program falls below 85 percent, the program must then work to determine the causes of absenteeism and develop next steps to avoid absenteeism. Therefore, it is important that child care partners can accurately account for absences. The grantee developed a system in Excel that tracks each child's name, the child's subsidy rate, and the number of absences per child. This information was shared with the family engagement specialists who input attendance information into a database.

2. Develop templates to use across child care partners to improve efficiencies

The grantee developed standardized templates or forms for all of its partners to use. Although acknowledging differences between child care

partners is important, the grantee found that in some cases, developing a template or form for use across partners made sense. According to the director "We looked at all eight centers and then we made sure we went back to the fiscal person. She actually came up with one form so that it made it very succinct."

3. Systemize and automate practices

The grantee director sent directors of child care partners automated reminders about child care subsidies and associated renewal dates on their calendars. She worried that these reminders would bother staff, but the opposite was true. The child care partners and grantee staff found the reminders useful. The director reflected, "At first I thought, 'Well, I'm probably bugging them with doing all these calendar reminders.' That has not been the case." She noted that these little nudges were an important and effective tool in their work to support families' navigation of the subsidy system.

Implementation Stories. This brief is one in a series that highlights the ways in which specific grantees implement EHS-CC Partnerships. By highlighting the work of partnership programs through the voices of grantees, child care partners, T/TA staff, and families, the briefs aim to share stories of implementation with others in the field.

For more information, please contact Drake University EHS at (515) 271-1854; or <https://www.drakeheadstart.org/about-drake-university-head-start/early-head-start/>.

Photos courtesy of the Partnership Center.



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