



# **Commission on Equitable Early Childhood Education and Care Funding**

Commission Meeting #10

September 15, 2020

# Meeting reminders



- Add your name to your Zoom (click on the 3 dots)
- Consider being on video to help with overall engagement
- Mute self when not speaking
- Use Raise Hand function or Chat for questions (send to everyone)
- Technical issues can happen to anyone – chat privately to Bethany or Carrie for any needs
- If you are experiencing an unstable connection - switch to phone call or close other applications
- Members of the public will have an opportunity to speak at the end of the meeting

# Today's Goals

- Take account of **draft recommendations** for the centralized system of funding and governance
- Determine **what must still be addressed** to fulfill the Commission's charge
- Determine **path forward** to resolve remaining questions



# Today's Agenda

Agenda Item	Time
Roll Call, Agenda, and Opening	12:00-12:15
Voices from the Field and Synthesis of Ongoing Stakeholder Engagement	12:15-12:45
Responding to the Governor's Charge with our Recommendations	12:45-1:45
Path Forward and Next Steps	1:45-1:55
Public Comment	1:55-2:00

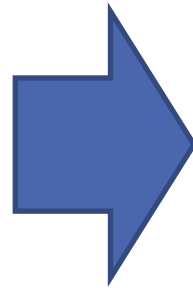
# Addressing the Commission's Charge to make recommendations for funding and implementation

"The Commission shall study and **make recommendations** to establish **funding goals and funding mechanisms** to provide equitable access to high-quality early childhood education and care services for all children birth to age five and **advise the Governor in planning and implementing** these recommendations."



# The Commission's Report, in response to the charge, will inform legislation

"The Commission shall study and **make recommendations** to establish **funding goals and funding mechanisms** to provide equitable access to high-quality early childhood education and care services for all children birth to age five and **advise the Governor in planning and implementing** these recommendations."



1. Funding Goals: How much **increased investment** is required to reach **funding adequacy** across the state for early childhood education and care
2. Funding Mechanism: How the **system of funding** should be redesigned to promote the Commission's Guiding Principles
3. Implementation: How **management & oversight** should be structured to implement the new system of funding

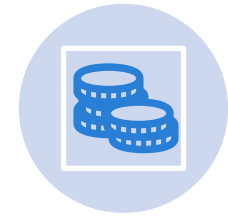
# Through our recommendations, the Commission seeks to address critical challenges in today's ECEC system



**INEQUITABLE ACCESS** TO HIGH QUALITY SERVICES, ESPECIALLY RACE, ETHNICITY, GEOGRAPHY, & AGE



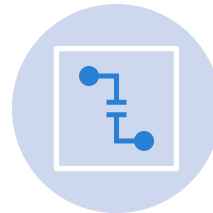
**CHALLENGES FOR FAMILIES** TO NAVIGATE THE SYSTEM



**INSTABILITY OF FUNDING** FOR PROVIDERS



**INSUFFICIENT DATA** TO INFORM EQUITABLE DECISION MAKING AND FUNDING



DISAGGREGATED **ACCOUNTABILITY AND DECISION MAKING**



**INADEQUATE FUNDING,** INCLUDING WORKFORCE COMPENSATION



# The Commission's deliberations and draft recommendations have been consistently informed by our Guiding Principles

These Guiding Principles reflect the Commission's values and beliefs, guide how it operates, and lay a foundation for decision-making.

## High Quality ECEC is a Public Priority

- It should be invested in as such as this is critical to our State's workforce, economy, and welfare of its residents.

## Ensure Equity

- We will endorse a system that ensures equitable outcomes for children, with intentional focus on race, ethnicity, culture, language, income, children's individual needs, and geography.

## Embrace Bold System-Level Changes

- Everything is on the table, including how funding flows, how funding decisions are made, and who makes them, to better serve all children and families.

## Build Upon the Solid Foundation

- We will build upon the successes of Illinois' past and current system, its commitment to a prenatal to five system, the lessons from other states, and the expertise and research in the field.

## Prioritize Family Perspectives, Needs, and Choices

- We will prioritize families' perspectives, needs, and choices as we make recommendations to improve the system.

## Design for Stability and Sustainability

- We recognize our system must provide funding stability for providers, educators, and staff across mixed delivery settings to better serve families. System must embrace flexibility to respond to changing circumstances and family needs and must possess the human and technical capacity to do so.

## Require System Transparency, Efficiency, and Accountability

- We see these as necessary conditions for all stakeholders, funding distributors, and funding recipients for any future ECEC funding structure.

## Recognize Implementation Realities

- We will plan for meaningful change over a multi-year time horizon. We will respond to disruptions in the system to meet the reality of changing needs.



# Scope of our Final Report

## What it is

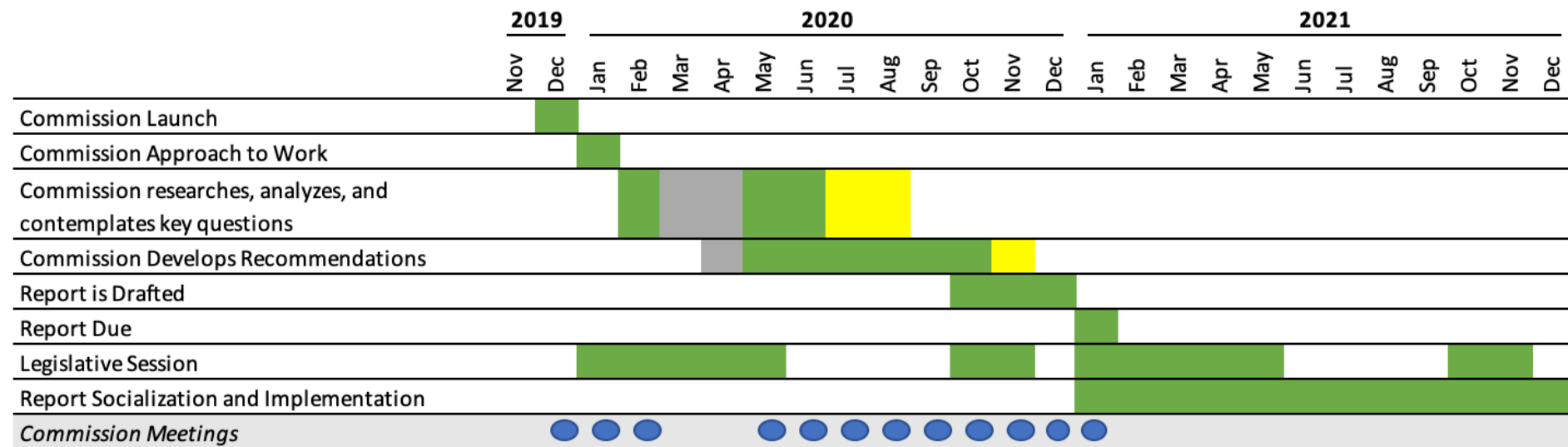
- ✓ Strategic blueprint for the future system
- ✓ Detailed enough to inform a legislative package
- ✓ Thoughtful on major implementation issues
- ✓ Directional understanding of future system costs

## What it is not

- ✗ Detailed implementation plan for future system
- ✗ Bill language
- ✗ Detailed enough to inform administrative code
- ✗ Summation of unique individual provider costs

# Commission Timeline

The Commission will deliver its report by January 2021 with consideration to the Governor's budget address and legislative session timing.



# Objectives for Remaining Commission Meetings

September  
2020

- Discuss the Commission's collective set of draft recommendations
- Identify areas of question, concern, and need for more information

October  
2020

- Review finalized funding adequacy outcomes
- Engage with national expert panel on draft recommendations
- Identify additional areas for inquiry on draft recommendations

November  
2020

- Receive recommendations from Racial Equity Working Group
- Discuss areas for revision of draft recommendations

December  
2020

- Receive recommendations from Technical Working Group
- Review finalized outline of Commission recommendations
- Formal Commissioner sign-on to recommendations

January  
2021

- Consensus on the Commission's Final Report and follow-on needs
- Send recommendations to the Governor

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## *Perspectives on today's ECEC system*

# Perspectives from ECEC providers

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**Jeanine Woltman**

Coordinator, Glenbard Early Childhood Collaborative

**Brenda Crisp**

Executive Director, Uni-Pres Kindercottage

*Questions?* Email Bethany Patten at  
[Bethany.Patten@illinois.gov](mailto:Bethany.Patten@illinois.gov)

# Commission Website Survey Findings

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## Survey Questions

- How can the State ensure better access to high-quality ECE and child care services in your community?
- What are the things that make it difficult for you to find child care and early education programs in your community?
- What should the Commission consider when thinking about how to improve access to child care and early education programs for all children birth to age five?
- What else do you want the Commission to know or think about?

## Findings

- ECEC services are not affordable for all who need them
- ECEC services are not available for all who need them
- Compensation for early childhood professionals is inadequate and does not match professional requirements and expectations in the field

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*Draft Recommendation:*  
*Establish **funding mechanisms** to provide equitable access to high-quality ECEC services for all children birth to age five*



# Draft Recommendation

Charge: Establish **funding mechanisms** to provide equitable access to high-quality ECEC services for all children birth to age five



## **Centralize funding allocation and disbursement**

Streamline how funding is distributed from the state to providers in order to promote the Commission's Guiding Principles.

# Centralized ECEC funding allocation and disbursal would include these **funding sources** and **programs**

## Funding Sources

**State General Revenue**  
Early Childhood Block Grant

**State General Revenue**  
Child Care Assistance Program

**Federal Child Care Development Fund**  
Child Care Assistance Program

**Federal TANF (a portion)**  
Child Care Assistance Program

**State General Revenue**  
Healthy Families Illinois & Parents Too Soon

**Federal MIECHV**  
MIECHV

**State General Revenue**  
Early Intervention

**Federal IDEA Part C**  
Early Intervention

**Evidence Based Funding (a portion)**  
Early Childhood Special Education

**Federal IDEA Part B Sec 619**  
Early Childhood Special Education

**Federal Child Care Development Fund**  
Licensing

**Federal Child Care Development Fund**  
Head Start State Collaboration Office

## Programs

**Early Childhood Block Grant**

**Child Care Assistance Program**

**Home Visiting**

**Head Start State Collaboration Office**

**Early Intervention**

**Early Childhood Special Education**

**Licensing**

Currently  
ISBE

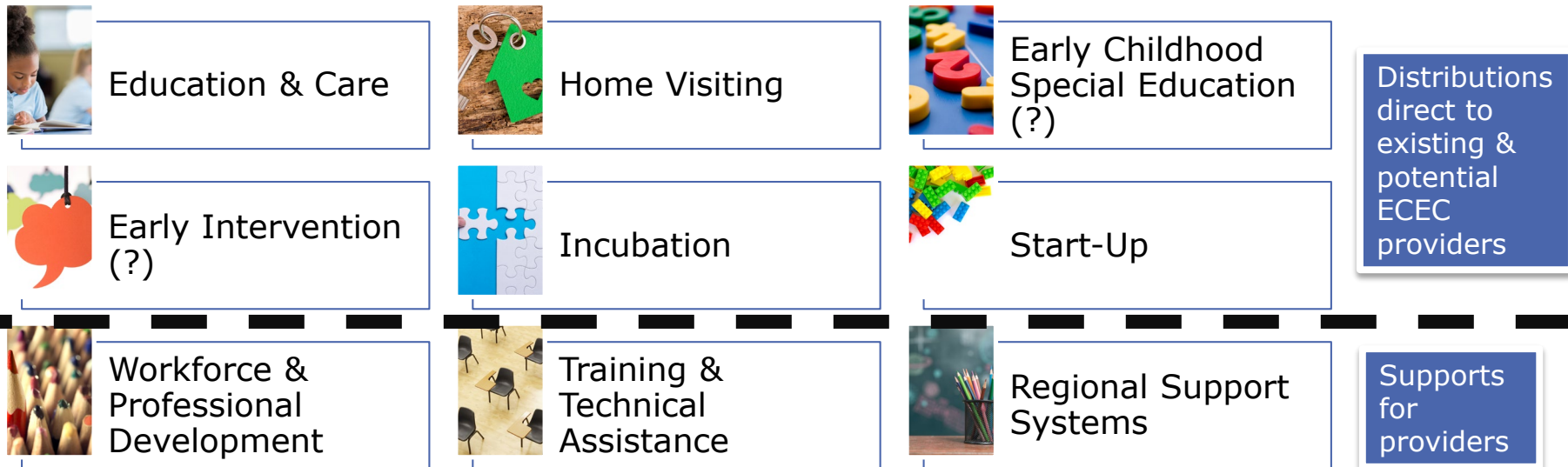
Currently  
IDHS

Currently  
DCFS

Recommendation  
Forthcoming

# Centralized ECEC funding would be **distributed** to support these **services**

Services above the line could be part of the ECEC agency's centralized funding distribution process to existing & potential ECEC providers



Supports below the line are envisioned as part of the agency's budget to conduct all management & oversight capacities

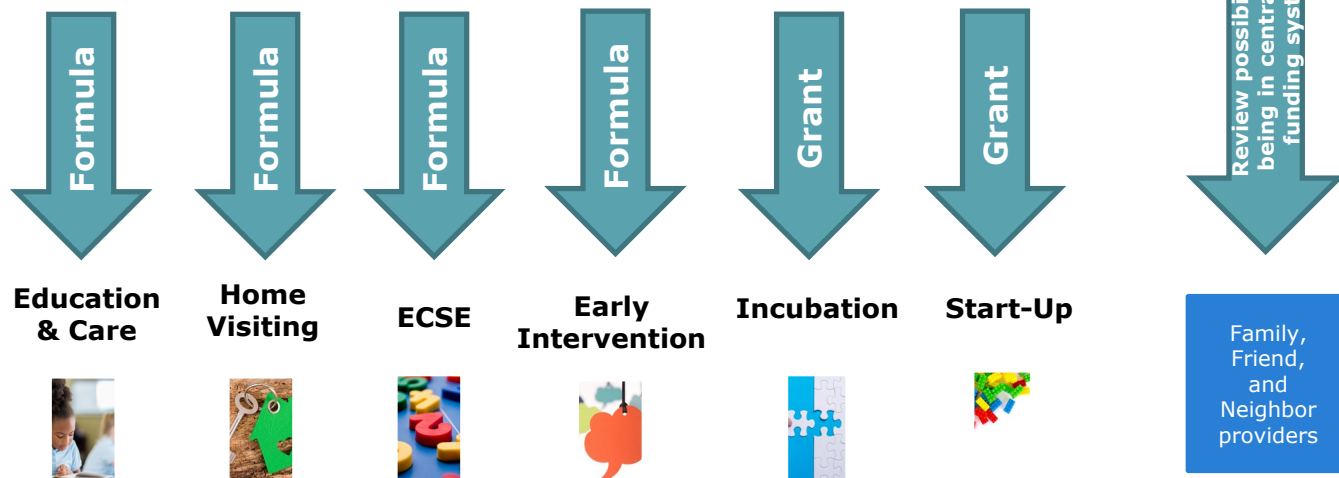
# Centralized ECEC funding would be **distributed** to support these **services**

## Funding Sources



## ECEC Agency Centralized System of Funding

## Contract designates...



## Funding Distributions

# Centralized **allocation and disbursal mechanisms** will promote equity, transparency, efficiency, and stability



## **Funding allocation: formula-based grants**

**Goal: minimize reimbursement-based and delayed funding**

**ECEC and Home Visiting:** grants based on equity-informed per-child or per-classroom formulas

**Capacity building, start-up, and incubation:** targeted, equity-informed grants



## **Funding disbursal: multi-year contracts**

**Goal: increase consistency and stability**

**New Providers:** targeted, equity-informed RFP process

**Returning Providers:** multi-year contracts, with reauthorization based on uniform accountability standards

# Centralizing funding sources within one agency will require changes

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These include:

- Changing the **use designation of state general revenue and certain federal funds** for some or all of ECBG, CCAP, PTS, HFI, EI
- Providing those state general revenue and federal dollars to the ECEC agency to **distribute in a new, centralized system**

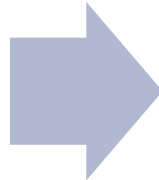
# An example ...

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## TODAY

Provider may receive:

- 1) CCAP
- 2) Preschool for All
- 3) Prevention Initiative for center-based care



## NEW SYSTEM

Provider may receive:

Formula-based disbursement for education & care services\*

\*could be weighted for age of children, level of service, need designation, region, etc.



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*Draft Recommendation:*  
*Advise the Governor in **planning and implementing** these recommendations*

# Draft Recommendation

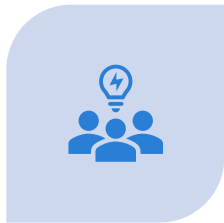
To implement centralized ECEC funding allocation and disbursal...



**Centralize ECEC services in a new state agency**

Centralize ECEC state agency programs and capacities from three agencies to one new agency to implement the new system of funding.

# To implement centralized ECEC funding, the State should centralize ECEC into one agency



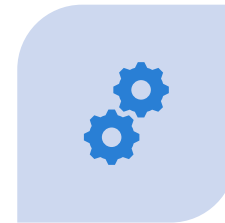
## **POLICY LEADERSHIP**

ONE ECEC VISION  
ONE SET OF ECEC  
QUALITY STANDARDS  
ONE AUTHORITY FOR  
PROVIDERS  
ONE ECEC VOICE OF  
COLLABORATION WITH  
THE EARLY  
CHILDHOOD ECO-  
SYSTEM



## **FUNDING & OVERSIGHT**

SIMPLIFIED,  
STREAMLINED  
FUNDING ALLOCATION  
AND DISTRIBUTION



## **INFRASTRUCTURE**

SYSTEMWIDE DATA  
UNIFIED PROFESSIONAL &  
WORKFORCE  
DEVELOPMENT  
UNIFIED QUALITY  
IMPROVEMENT



## **COMMUNICATIONS**

CLEAR, UNIFIED  
LISTENING AND  
ENGAGEMENT

# Working groups believe **creation of a new agency** can best meet the Commission's charge and principles

1



Create new ECEC Agency

2



Centralize within ISBE

3



Centralize within IDHS

*Alternative:* Remain in the status quo (coordination)

# Creation of a New State Agency:

The advantages are significant, and there are known complexities



## PROS

- + Exclusive ECEC mission focus
- + Elevates ECEC policy matters
- + Creates clear lines of authority on ECEC matters
- + Creates one accountable entity for racial equity and other work
- + Creates statewide ECEC leadership and a cabinet level voice for ECEC
- + Has led to increased profile of and demand for high-quality ECEC services
- + May be easier to find exceptional talent to lead and manage a new agency
- + Requires and allows for outlining of leadership capacities at each level of bureaucracy

## CONS

- Complex: likely requires 2-3 years to fully accomplish
- Requires large investment in change management and culture change to achieve desired results
- Implementation may serve as a distraction from external ECEC work
- Separates ECBG-funded ECEC programs from K-12
- Could require determining a way to split TANF funds into ECEC and non-ECEC portion and send ECEC portion to new agency to administer

## Other Notes

- An incremental approach to agency creation can make the transition more manageable, but ultimately can cause problems with culture and cohesion

# Our last Commission meeting focused on a potential centralized system

- ✓ Commissioners expressed **general support for a centralized system of funding**
- ✓ Commissioners' **concerns and open questions** included:

## Implementation

- Provide enough flexibility in recommendations for implementation to be effective
- Ensure the mixed delivery system and support for infants and toddlers is protected
- Ensure quality supports for incubation and scaling
- Keep what works well
- Define the regional/local role, including funding flow and stakeholder engagement
- Consider regional and local capacity building needed

## Centralizing the Funding System

- Vet the potential for funds to be centralized and still meet federal requirements (esp. TANF)
- Enact a structure that protects the mixed delivery system
- Vet the potential impact on providers to rely on a centralized funding system rather than multiple agencies
- Determine whether being part of the centralized system of funding will work for small providers, such as FFN
- Determine implications for the City of Chicago

# In your breakout groups, answer these two questions:

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1. Does this package of draft recommendations **sufficiently fulfill our charge** regarding funding mechanisms and its implementation?
  - If not, what remaining questions or issues **must be addressed** to fulfill our charge?
2. What **more information do you need or what would need to change** to support these recommendations?



# Reminder of the Commission's Charge

"The Commission shall study and **make recommendations** to establish **funding goals and funding mechanisms** to provide equitable access to high-quality early childhood education and care services for all children birth to age five and **advise the Governor in planning and implementing** these recommendations."



Note: we will revisit our recommendations for funding adequacy (goals) in our next Commission meeting.

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*Path forward and next steps*

# Priorities through year-end

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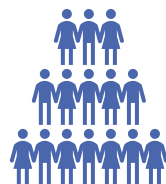
As we shift from research and analysis into decision-making, our **priorities for the last few months** of the Commission's work are to **hear and incorporate feedback from:**



Racial equity impact assessment



Technical working group



Stakeholders for feedback

# Ongoing and upcoming opportunities for feedback

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Racial Equity Working Group

Technical Working Group

Stakeholder Engagement  
Forums

National Panel of Experts

*Each of these can  
be used to  
address gaps,  
answer questions,  
and respond to  
concerns*

# Sample topics the Technical Working Group can address



What is required to move a **bargaining unit** from one agency to another?



What would be the impact on various **types of labor** with a move from one agency to another?



What **laws, rules, and policies would need to be changed** to move various early childhood functions from one agency to another?



Is it possible to **move each source of funding** in the way our recommended centralized system of funding envisions?



Which agency capacities and/or provider service areas might require a **regional structure** to be successful?



What is required from **advisory groups** to support a successful new system?



What is the **one-time and recurring cost impact** associated with creating or consolidating into one agency?



What is the **cost of inaction** for the various alternatives proposed in the recommendations?



What is the **plan for implementing** the Commission's recommendations?

# Stakeholder Engagement Activities

*August - December 2020*

August  
2020

September  
2020

October  
2020

November  
2020

December  
2020

January  
2021

Coalition-led  
provider and  
family focus  
groups

Commission  
members  
engage their  
respective  
stakeholders

Virtual  
Town  
Halls

Consensus  
building w/  
Commission  
members  
and key  
stakeholders

Formal  
publication

# National Panel of Experts

*October 2020*

- Attendees
  - Harriet Dichter: Consulting Director, Early Childhood Education, ICF
  - Sherri Killins Stewart: Director of Systems Alignment and Integration, BUILD Initiative
  - Linda Smith: Director, Early Childhood Initiative, Bipartisan Policy Center
- Purpose
  - Panelists provide feedback and suggestions on the draft recommendations
  - Panelists respond to your questions about the recommendations

**What would you like to learn from the panelists?**

# Stakeholder Engagement Call for Feedback and Recommendations

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Commission members or members of the public who would like to provide written feedback on the Working Groups' initial conclusions or any other materials presented or discussed at the Commission are invited to do so.

Please submit your written feedback to the Commission by emailing it to [bethany.patten@Illinois.gov](mailto:bethany.patten@Illinois.gov).



# Next steps

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- **Racial Equity and Technical Working Groups** commence work
- October **Commission Meeting** will be held virtually on **Tuesday 10/13**
  - Review finalized funding adequacy outcomes
  - Engage with national expert panel on draft recommendations
  - Identify additional areas for inquiry on draft recommendations
- We will **continue to assess the public health crisis and its impact** on our work, our priorities, and our timeline

# *Reflections on today's discussions*

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# Public Comment

# Thank You



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# Supplemental Slides

# Points of influence in evaluating agency options

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Research papers and guidance from other states



Our drafted agency capacities and objectives



Commission guiding principles



Stakeholder engagement

# Consolidation into Illinois State Board of Education (ISBE)



## **PROS**

- + Alignment with K-12, infuses [education focus](#)
- + Alignment across [EI, ECSE, and other IDEA services](#) in K-12
- + Leverages [existing infrastructure](#) and economies of scale
- + Streamlines [funding disbursement to schools](#)

## **Other Notes**

- ISBE is a non-code, board-governed state agency
- Regional supports more likely to flow through ROEs, which are robust but independently governed

## **CONS**

- ECEC could be [deprioritized](#) and treated as an appendage to K-12
- ECEC [administrative needs could be deprioritized](#) (such as ECEC equity report, research, annual reporting, counsel, etc.)
- Potential for [mission and culture conflicts](#) – doesn't allow for creation of a new unified culture focused on high-quality ECEC
- Risk of [funding being intermixed and/or cut](#) within the existing agency
- Existing [infrastructure may not match](#) ECEC needs
- May be [harder to find exceptional talent](#) to lead within an existing agency
- School-based system [may not meet community-based provider needs](#)
- Experts recommend creating a [separate physical location](#) even if ECEC is being consolidated
- Could require determining a way to [split TANF funds](#) into ECEC and non-ECEC portion and send ECEC portion to ISBE to administer

# Consolidation into Illinois Department of Human Services (IDHS)



## **PROS**

- + Opportunity to [strengthen connection between ECEC and other human services programs](#) (however, this has not necessarily been the case historically)
- + Leverages [existing infrastructure](#) and economies of scale
- + If vision and implementation go off track, [restructuring may be easier than a standalone agency](#)

## **CONS**

- ECEC [administrative needs could be deprioritized](#) (such as ECEC equity report, research, annual reporting, counsel, etc.)
- Potential for [mission and culture conflicts](#) – doesn't allow for creation of a new unified culture focused on high-quality ECEC
- Risk of [funding being intermixed and/or cut](#) within the existing agency, deprioritizing ECEC
- Existing [infrastructure may not match ECEC needs](#)
- May be [harder to find exceptional talent to lead](#) within an existing agency
- ECEC might [get "lost" in such a large agency](#)
- Community-based system may not meet [school-based provider needs](#)
- ECBG-funded ECEC programs [separated from K-12](#)



# There is a fourth option: Status Quo (Coordination)

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## **Question:**

Why doesn't the status quo (coordination across agencies) fit with our objectives?

## **Answer:**

Multiple agencies would need to:

- Adopt and maintain one vision for both childcare and education
- Adopt and maintain one set of quality standards
- Act as one authority for providers
- Design, implement, and maintain a centralized funding allocation and distribution
- Jointly advocate for policy and funding
- Design, implement, and use one data system
- Conduct unified professional & workforce development and quality improvement
- Act as one stakeholder engagement authority