

# Illinois Early Childhood Funding Commission Meeting (Virtual)

## *Meeting Minutes*

*October 13, 2020*

### **Introductions and Agenda (11:05 – 11:15 AM)**

To begin the meeting, Bethany Patten took roll call and reviewed housekeeping items.

Senator Manar thanked Commissioners for joining the meeting virtually. He shared the goals and agenda for the meeting. Goals included the following: review draft recommendations for funding goals and inclusion; hear an assessment of the Commission's draft recommendations from a national panel of experts; and recap the work that lies ahead within the Commission's scope. Agenda items included the following: a discussion the draft recommendations related to the "funding goals" portion of our charge; a discussion of how to weave supports for children with special needs throughout the Commission's recommendations; an opportunity to hear from a national panel of experts; an update on the racial equity and technical working groups; and a discussion of next steps.

Senator Manar reminded the Commissioners of the Commission's charge and reminded Commissioners that the drafted recommendations are designed to directly address different components of the charge. Senator Manar emphasized the Guiding Principles of embracing bold, system-level changes and recognizing implementation realities and urged Commissioners to keep these in mind during the meeting's discussions.

### **Recommendations for Funding Goals (11:15 – 11:40 AM)**

Leader Currie introduced the next component of the agenda, which was a discussion on the draft recommendation for establishing funding goals to provide equitable access to high-quality ECEC services.

Leader Currie said that despite the current budgetary challenges and skepticism regarding the affordability of an adequately funded ECEC system, it is critical to quantify adequate funding for ECEC for two reasons. First, the articulated funding adequacy number provides an understanding of where we are with investment in our children compared to where we need to be. Second, the articulated funding adequacy number can guide policy and investment decisions in line with a long-term vision of equity and quality.

Leader Currie said that the adequacy model intentionally oversimplifies how education and care is provided so that it can quantify average costs. The model is not meant to create a funding method for distribution of funds, nor is it meant to consider individual provider circumstances and nuances. It does not consider current funding levels, and it is not meant to create unfunded mandates. Rather, this is about knowing how much investment is needed in a future world where we are fully investing in equitable access to high-quality ECEC services in the state.

Leader Currie said that since the July presentation of the initial adequacy model, there has been further exploration and validation of a few remaining components of the model. This includes home visiting, Early Intervention, Early Childhood Special Education, supports for dual language learners, and infrastructure costs. This has led to a new estimate for the adequacy model, which now shows that the annual cost of a fully formed system that provides equitable access to high quality early childhood services in Illinois is estimated to be \$13.6 billion, of which \$11.7 billion is estimated to require public funding. This number provides an understanding of where we need to be in the long run for investment in our children. It is not where we are today or where we can feasibly be today.

Leader Currie said that the working group created recommended guardrails to support the state's progress toward achieving its investment goals, which are as follows:

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1. The funding adequacy model should be used to inform stakeholder engagement, policy, and funding priorities and policies
2. The model should be updated at minimum every four years in alignment with the Commission's Guiding Principles and values, and an annual update should be conducted for inflationary factors and any material changes
3. An advisory body should be created to support the periodic re-evaluation of funding adequacy
4. A study should be conducted to assess current local funding and identify options and incentives for longer-term local contributions

Leader Currie asked Commissioners to focus their discussion on responding to two questions:

- What remaining questions or issues must be addressed to fulfill our charge regarding funding adequacy?
- What more information do you need or what would need to change to support these draft funding adequacy recommendations?

The Commission then spent time in discussion around the recommendations. Members discussed several topics, including the following:

- Questions around the methodology for estimating administrative costs and infrastructure
- Questions around reviewing the methodology for estimating the adequate cost of family, friend, and neighbor care
- The need for diverse representation within a funding adequacy advisory body, to include teachers
- The need for a reference in the Commission's final report to a plan for the state to increase investments toward adequate funding for early childhood services

### **Recommendations for Early Intervention and Early Childhood Special Education (11:40 – 12:00 PM)**

Co-Chair Davis introduced the next component of the agenda, which was a discussion on the draft recommendations for Early Intervention and Early Childhood Special Education across the various components of the Commission's charge.

Mr. Davis said that the focus of this working group's recommendations were on ensuring that the recommendations stemming from the other three working groups were fully informed about the important and unique needs of the children receiving Early Intervention and Early Childhood Special Education services. The recommendations should not be seen as separate from the others on funding goals, funding mechanisms, or implementation; instead, they are essential components of the Commission's full response to the Governor's charge.

Mr. Davis said that with regards to the funding goals portion of the Commission's charge, the Inclusion Working Group focused on determining the cost of providing adequate Early Intervention and Early Childhood Special Education services. Unlike other aspects of the funding adequacy cost model, this work had not been completed prior to the Commission. The Working Group developed directional placeholders for the adequacy cost, and recommends a study to refine those costs. Further, the calculation of Early Childhood Special Education funding within the Evidence Based Funding formula must be revisited.

Mr. Davis said that with regards to funding mechanisms, the group recommends that state appropriations for Early Childhood Special Education remain in the Evidence Based Funding formula. Further study is needed regarding funding

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mechanism parameters for Early Childhood Special Education funding allocation and disbursement and an Early Intervention system of payments. And with regards to implementing management and oversight of these funding mechanisms, the group believes that in the long term, inclusion services should be centralized into a new early childhood state agency. In the shorter term, however, Early Intervention should migrate into the newly created state agency, while Early Childhood Special Education may be best to remain within ISBE until further study is completed.

Mr. Davis asked Commissioners to focus their discussion on responding to two questions:

- What remaining questions or issues must be addressed to fulfill our charge regarding funding adequacy?
- What more information do you need or what would need to change to support these draft funding adequacy recommendations?

The Commission then spent brief time in discussion around the recommendations.

### **National Panel of Experts (12:00 – 12:45 PM)**

Deputy Governor Ruiz introduced the next component of our agenda, which involved hearing from a national panel of experts on the Commission's forthcoming recommendations. The Deputy Governor said that the national experts were engaged for two reasons: 1) to provide feedback and suggestions to the Commission on the draft recommendations, and 2) to respond to Commissioners' questions about the draft recommendations. The national panel has reviewed the Commission's draft recommendations and engaged with a series of questions to guide their analysis.

The Deputy Governor reminded the Commission of the full set of draft recommendations and introduced the panelists, including Harriet Dichter, Sherri Killins Stewart, and Linda Smith. The Deputy Governor said that Miriam Calderon had a last-minute scheduling conflict in her Governor's Office and was unable to join. The Deputy Governor then invited the panelists to share their opening remarks based on their review of the draft recommendations.

Harriet Dichter began by saying that it was exciting to see the recognition that the current system places a burden on providers and families. A solution should respect that families have a choice in services and should ensure that providers can operate with stability. She said that there is no one size solution for state-level early childhood systems, and that creating the new structure is the start of the work, not the end point. This is an opportunity to move toward centralization, but it can't happen without a big intentional effort. The transition could take a long time, and it could require a lot of people and deliberation.

Harriet Dichter said that in Pennsylvania, the first big part of the structure was created in a few months and involved consolidating programs in the human services department, subordinated under different programs. This required no legislative involvement. The next phase took longer to plan and execute, about a year in total. This consolidated pre-k, IDEA Part B Sec. 619, home visiting, and human services. This transfer was completed three months earlier than anticipated. Harriet said that now she is supporting work on New Mexico's creation of a new state early childhood agency. The leader was selected and installed a year prior to the creation of the new agency so that she could help with the transition. This reinforces the idea that once a state makes the decision to change, it is important to move forward and maintain focus on the purpose of the transformation – this will help avoid making people anxious about when the change is going to happen.

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Sherri Killins began by saying that the BUILD Initiative has been working in Illinois for a while as a partner to help advance the work. The focus of the Commission on early education and care is right – families live in communities, and so we must think about broader connections to other parts of the state’s system. It is possible to get the early childhood part of the equation right and still leave families without resources. To this end, focus groups with families can create an ongoing feedback loop. Families should be included in design, implementation, monitoring, and regulations development. Equity is important to keep in mind, but hurry is the enemy of equity. Leading with equity can impact every component of your system. It’s also important to build culture in an early childhood department, and this takes time.

Sherri Killins said that the Commission mentions access a lot; in Georgia, they considered access to be more than equal opportunity, but rather about accessibility, accommodation, and awareness among families. Sherri said that she would encourage a broader definition of access in Illinois. Regarding centralization, the basic recommendation makes sense, but Illinois will also need to think about infrastructure across programs. A single early childhood agency creates a single back office, which can be used to standardize alignment across policies and procedures. There is not much information in the Commission’s recommendations regarding family navigation of the system; the Commission should consider aligning regulations across the different programs and investing in places that have seen disinvestment. It’s important to emphasize infants and toddlers intentionally, with a focus on whole families, and to develop an internal structure of coordination across comprehensive early development and an external structure that brings in partners.

Sherri Killins said that as far as what is missing in the recommendations: it is notable that Head Start isn’t mentioned; there should be more attention paid to the transition between programs; equity as a value should be pulled into the front and carried through implementation; it is important to monitor investments and implementation to include those who have been previously excluded.

Linda Smith began by saying that Illinois’ work has been a model for many around the country. However, Illinois has an access and a quality issue, and Illinois needs to focus on those and define those issues in more detail. The work cannot be done without significant and sustained parental input into the process. Too often, it is assumed what parents want, and the Commission does not mention how parent engagement and parent choice will be built into the early childhood system. There is a national perspective that there are inefficiencies in state early childhood systems, but the truth is that there is a gap between what high quality early childhood services cost and what parents can afford to pay. The Bipartisan Policy Center did a report on state governance that evaluated states on the extent to which they combine funding streams, and Illinois ranked 35<sup>th</sup> in the country. The Governor has nearly complete autonomy for how he structures these programs in a state, with the exception of IDEA Part B Section 619, which cannot be moved out of the Department of Education. Our recommendations were to look at states’ largest funding streams and figure out how to align them in a way that makes sense to families, and to align the standards.

Linda Smith said that she would recommend looking at how Head Start fits into your recommendations, specifically the Head Start State Collaboration Office. In addition, to build a new system there must be consideration for accountability and oversight. There is more work to be done to determine how programs are monitored and held accountable, and this should not be an afterthought. In Illinois there is accountability for health and safety standards, but there should be accountability for quality as well. This should be considered alongside licensing and governance. There is also more alignment needed across IDEA Part B Section 619 and Part C. Infrastructure should be more clearly defined, and there should be thought given to how infrastructure will be resourced. Affordability should be more clearly defined, as the 7% affordability standard was designed specifically for families paying a co-pay for a subsidy, rather than a standard for all families. Community engagement should be more thoughtfully considered, as families should be able to see themselves

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in this plan, and all parts of the state should be addressed. Finally, the focus should remain on the child when the recommendations are drafted.

Sherri Killins said that she would also add a strengths-based narrative for families, that the work is being done because of an obligation and a responsibility to families.

Deputy Governor Ruiz asked how early childhood should interact with the comprehensive early development system, such as maternal and child health, and with the K-12 system when early childhood is centralized, and how this might help or hurt the state's ability to better serve its most underserved children.

Sherri Killins said that this is why it is so important to center the child, family, and community. A large portion of Title V funds are distributed to the local level, and so it is important to have community infrastructure that sees the child and family and makes resources available. Similarly, in K-12, that coordination must happen.

Harriet Dichter said that constructing something new at the state level requires thinking about how partnerships are built. Illinois is not known for its community-based approach to early childhood structures; there is not a lot of formalization around community coherence and leadership.

Linda Smith said that it's important to think about how to best transition children between systems. There is not much coordination between community-based organizations and schools, and building infrastructure here can help.

Harriet Dichter said that the funding adequacy model has made certain assumptions about the current structures, such as child care remaining separate from pre-k. Those transitions are important.

Sherri Killins said that the competition for funding that has been set up in communities makes it difficult to collaborate. We might need to think about grantmaking in a cohesive way at the state level, and to align reporting and requirements. We might also want to pay to support families' and providers' ability to share their voice and attend meetings. We have to pay for things we say are important.

Linda Smith said that it is unbelievably challenging for parents to maneuver the current early childhood system, especially if the child has a special need. There is an assumption in the early childhood community that all parents want early childhood centers. To Illinois' credit, you've done some work to address this. Illinois should look at what parents want. Parents, especially parents of young children, change their views on what they want for their children. We can find ourselves in danger of building something that won't serve parents unless we ask them. This is equally true for Family, Friend, and Neighbor care, as families want different things when their children are with family compared to when they are with friends or neighbors.

Co-Chair Davis said that he has been a part of many efforts to braid and blend funds, and that this often results in working at cross-purposes with the system that is supposed to be supporting providers and families. Mr. Davis asked how to maintain a focus on early childhood without losing the comprehensive nature of the work.

Harriet Dichter said that it's important to develop a sense of the role of localism, partnership, and comprehensive services that will work for families and that is funded and sustainable for the network of providers and adults.

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Kristin Bernhard suggested that there should be a section in the final report that documents issues raised by the panel that are not in the Commission's timeline, and that synthesized information from the panel should be shared with the Racial Equity and Technical Working Groups.

### **Racial Equity Impact & Technical Working Group - & Next Steps (12:45 – 12:55 PM)**

Senator Manar thanked the panelists for their engagement before moving on to the section of the agenda focused on the Racial Equity and Technical Working Groups.

Senator Manar said that with regards to the Racial Equity Working Group, the Commission has engaged Chicago United for Equity to provide external support to the Commission by conducting due diligence on the recommendations from a racial equity lens. This work is being philanthropically supported. Chicago United for Equity, or CUE, is a Chicago-based non-profit with experience in supporting governments in conducting racial equity analyses. CUE will facilitate expert analyses of the recommendations and stakeholder focus groups around accountability for the recommendations. Their work will focus on implementation and accountability for the Commission's recommendations. Senator Manar said that any interested Commission members should contact Bethany Patten.

Senator Manar said that with regards to the Technical Working Group, an internal team of state agency staff has formed to begin answering due diligence questions to vet the recommendations. Senator Manar expressed his gratitude to Superintendent Ayala and Secretary Hou and their teams for engaging in this work. The priority project is to estimate the cost of administration and infrastructure for the state's current early childhood system as well as projected costs for a centralized early childhood system in a new agency.

Senator Manar reviewed the Commission's timeline, month-by-month objectives, opportunities for engagement, review, and pressure-testing of the recommendations, and immediate next steps.

### **Public Comment (12:55 – 1:00)**

Three members of the public made comment: Brigadier General Stephen Curda, Rebecca Vonderlack-Navarro, and Kimberly Bianchini.