For young children, every environment is a learning environment, regardless of where they are. Despite the significant influence of child care experiences on development and learning, and the millions of children in Home-Based Child Care (HBCC), experts agree that the quality of these small programs varies greatly, but is, on average, of mediocre quality. HBCC quality is constrained by the extraordinarily small scale of its business model. Yet, we hold HBCC in high regard for many factors, including the intimacy and family style approach to early learning. A solution to this conundrum is to help child care centers overcome the challenges associated with delivering high-quality services and ensure these programs realize their full potential in promoting early learning and child development.

Early Learning Ventures (ELV) is dedicated to this mission, and has created a unique technology centered model of shared services that provides a comprehensive suite of business management services to significantly reduce the administrative and regulatory burdens on child care providers so they can focus on program quality. This comprehensive model offers the most proven, robust, and flexible technology solution for child care shared services, making it completely unique and ideal for growth. ELV is positioned to leverage its technology, intellectual capital, staffing infrastructure, and industry expertise to scale outside of Colorado.

Founded by the David and Laura Merage Foundation in 2009, ELV is a 501(c)(3) non-profit organization located in Denver, Colorado. Currently, ELV works with a network of more than 600 independent center-based and HBCC providers across the state and impacts more than 35,000 children.

ELV Model Components: Breadth of Services

High-quality programming can only be built on a strong business foundation, yet the administrative burdens of operating a stable, sustainable child care business often stand in the way of quality programming. The goal of the ELV model is to return a portion of the time, energy, and expense that providers invest in back office functions and meeting regulatory requirements and allow them to invest those resources in the children they serve. The model is centered on keeping child care programs small and intimate where it matters—cultural relevancy, neighborhood proximity, child-family-staff relationships—and making them big where it counts—revenue diversification, fee collection, professional development, and purchasing. To this end, ELV offers a range of services designed to support their network members, and delivers its model through a combination of proprietary technology (*Alliance CORE*) and vendor powered technology (Salesforce and CCA for Social Good).

ELV's network of members have access to *Alliance CORE*, a comprehensive, cloud-based child management system. *Alliance CORE* automates essential program management functions including enrollment, registration and waitlist, staff demographics, certification and training, child attendance, billing, child development tracking, and a number other management functions. *CORE* monitors regulatory compliance and the dashboard provides real-time reports on key compliance and business metrics. Report functionality includes the generation of regulatory compliance reports to meet the requirements of different federal and state early childhood programs.

The ELV Resource Center is the operational backbone of the model. The Center is staffed with Sales Specialists, who recruit providers to join the ELV network, and Client Support Specialists, who provide direct customer support, remote training, technology troubleshooting, retention outreach, and other services. This engagement with providers during the on-boarding phase is intensive, which is critical for the efficacy of the model.

Additionally, to further support child care providers' performance and quality of care, ELV is able to secure a variety of services, including:

- **Training and professional development** opportunities that count toward the state's mandated staff, curriculum, and assessment training requirements.
- **Intensive programming** such as Healthy Options for Preschoolers and Parents(HOPP), which supports child care providers in serving healthy snacks.
- **Liaison services to state agencies** so providers are better prepared for licensing visits, as well as meeting the requirements of federal and state programs like the Child and Adult Care Food Program (CACFP).

Levels of Service

Though ELV offers a robust suite of services to child care providers, some providers may not have the capacity, need, or willingness to immediately utilize the entire suite. Accordingly, ELV has developed a multi-tiered system that gives providers the flexibility to decide what level of service they need and can afford.

Tier 1

An introductory level of ECE shared resources, powered by CCA for Social Good.

Tier 2

Adds on *Alliance CORE*, with the optional addition of a billing services module.

Early Head Start-Child Care Partnerships

Adds on a comprehensive suite of child development and family services, intensive coaching, and tuition supplements. Made possible by a federal Early Head Start–Child Care Partnership grant.

Evidence of Effectiveness

The ELV model has been evaluated to measure the cost savings of the business efficiencies created by the model and its impact on child care quality. To determine the impact of the ELV shared services model on business efficiencies, ELV contracted for a Return on Investment study[1]. The study found that providers participating in ELV experienced significant cost savings, particularly increases in administrative efficiency and staff time savings. The study revealed both direct and indirect cost saving benefits. Findings indicated that providers saved an average of $22 per child and $678 per program annually in direct dollar savings by utilizing ELV services such as bulk buying discounts, credit card fee discounts, staff trainings, and payroll and human resource services. In addition, providers also achieved substantial indirect savings in terms of staff time saved. Providers saved, on average, approximately 11 hours of time per child and 551 hours per program annually.

These savings came from the use of templates for various administrative documents (such as handbooks, parent communications, job descriptions, performance reviews), more efficient data management systems, and data entry and organization systems that streamline providers' abilities to meet state licensing and compliance requirements. Overall, the direct and indirect cost savings resulted in an $11 return for every dollar spent on ELV services.

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[1]Tonking, M., Shen, Y., & DeCesare, D. (2017). Early Learning Ventures cost savings to early childcare and education providers. Denver, CO: APA Consulting.

ELV has also been able to track improvement in the Quality Rating Improvement System (Colorado Shines). Data in 2016 showed that child care programs that began using Tier 1 services started with an average Colorado Shines rating of 1.3, those that moved up to Tier 2 services then had an average rating of 2.5, and after utilizing Alliance CORE on Tier 2 for one year, had moved to a 2.8 average rating. Child care programs participating in the EHS-CC Partnership model had an average rating of 3.1.

Leveraging the ELV Infrastructure for National Expansion

ELV's comprehensive model offers the most proven, robust, and flexible technology solution for ECE shared services, making it completely unique, and ideal for growth. ELV is positioned to leverage its technology, intellectual capital, staffing infrastructure, and industry expertise to scale outside of Colorado. The optimal expansion scenario will be for ELV to link arms with a regional operating partner and together work with the respective child care regulatory authority to customize the model for local conditions.

The regional partner's total expenses, which include cost sharing for ELV's Resource Center; technology customizations; and staff training, are projected to be approximately $160K in Year 1. Expenses are expected to decrease slightly in Year 2 because there will be no program setup or technology customizations, but expenses will increase to $180K by Year 5 due to the size of the affiliate network. The total funding requirements are projected to be $650K-$750K in Years 1-5.

If you have any questions or are interested in learning about the direct costs and revenue growth opportunities related to delivering ELV's model in your state, please contact **Judy Williams, Executive Director of ELV, at jwilliams@earlylearningventures.org or 303-789-2664 x225**.