

REPORT OF PRIORITY
RECOMMENDATIONS FOR
EARLY CHILDHOOD
INVESTMENTS IN MAINE

Governor Baldacci's
Business Roundtable on Early
Childhood Investment

December 2008

Recommendations for Early Childhood Investments in Maine

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Recommendations for Early Childhood Investments in Maine

EXECUTIVE SUMMARY

For several years, community and state leaders have been redirecting their focus on early childhood—using the logic that investing early in Maine’s young children can result in long-term economic and social health for our state. Among the most recent steps to smarter public policy, Governor Baldacci created his Business Roundtable on Early Childhood Investment.

The Roundtable was originally formed as an Advisory Group for the Governor’s 2007 Economic Summit on Early Childhood. After hearing firsthand how issues relating to young children and their families affect Maine’s business community, and recognizing the value of applied business perspectives on the early childhood system, the Governor tasked Commissioner John Richardson, Department of Economic and Community Development (DECD), with convening a roundtable focused on early childhood policy and programs.

Created to provide leadership on the issue of early childhood, the Roundtable was also charged to offer recommendations to the Maine Children’s Growth Council and to the Governor’s Office for sound policy direction. Through a series of meetings, the Roundtable developed a three-part vision for early childhood and then identified three priorities for investment from among the more than 20 goals of *Invest Early in Maine: A State Plan for Humane Early Childhood Systems*.

The Vision of the Maine Business Roundtable on Early Childhood

All Maine young children and their families will be viewed in society with the highest esteem for the significant window of opportunity early childhood provides.

- *Public and private resources will be garnered to support the important needs of pregnant women, infants, toddlers, preschoolers, and the families in which they live. Maine communities will offer a positive environment in which families with young children can work, grow, and succeed.*
- *Maine will have a fully financed comprehensive, effective early childhood system that is responsive to the developmental needs of Maine children birth to five and their families, and that supports school readiness, especially among Maine’s most vulnerable children.*
- *Maine’s Early Childhood Programs will have dedicated fully trained and educated personnel whose role is valued and respected by society and who are paid commensurate with their important responsibilities for the care, nurturing, and education of young children and the support of their families.*

Mindful of its vision, the Business Roundtable members assessed the current early childhood environment in Maine. They studied documented and anecdotal evidence to support changes in existing policies and investments for Maine’s young children. They discussed implications for Maine businesses, employees, and the state economy. They learned that:

- Nearly 90% of a child’s core brain structure is formed by age three but less than 4% of public investments on education and development have occurred by that time.
- On a per child basis, public investments in education and development are more than seven times greater during the school-aged years (\$5,410 per child) than during the early learning years (\$740 per child).

Recommendations for Early Childhood Investments in Maine

- For every dollar society invests in the education and development of a school-aged child, society invests only 13.7 cents in that child during the earliest learning years—a major investment gap.
- The under-investment in young children also appears to be greatest for the very earliest and most formative years of life (the infant and toddler years-0-2).
- State investments in education and development in the earliest learning years constitute a very small percentage of overall public expenditures, in many states less than 1%.

Faced with these facts (Bruner, Stein, and Schaefer, 2004), the Business Roundtable members came to a common sense conclusion:

Mainers need to focus more of our collective attention and resources on early childhood right now because a) it is the morally right thing to do; b) it is sound public policy (there is a return on social investment); and c) it is sound business policy (it will improve the workforce and our competitive edge).

The Business Roundtable fully understands that we may not realize many of the benefits of redirecting our investments to early childhood right away. It may be three to five years, it may be 20 years. But unless we take the first step now, we will continue to spend recklessly on remediation services for Maine’s children and families.

By consensus, the Business Roundtable has three priorities for immediate action:

I. Public Private Partnerships: *a) Develop a network of public, private, and non-profit partnerships to create and sustain Maine’s comprehensive, early childhood system; and b) Establish a non-profit state-level entity that accepts public and private funding, conducts ongoing resource development, provides grant making and service purchase activities, maintains a consistent bipartisan focus, and holds accountable the myriad levels of Maine’s emergent early childhood system.*

II. Public Education and Parent Education: *Develop a statewide “Invest Early” campaign about Maine’s moral and fiscal responsibility and the value of investing in young children; and encourage public and private investments that support Maine parents and primary caregivers in learning and practicing healthy, effective child development.*

III. Early Childhood Workforce Development: *Promote public and private investments that will increase the number of qualified early childhood professionals; and that improve the training, education and quality of Maine’s early childhood professionals.*

This report outlines the Roundtable’s work in creating the criteria for selection of priorities and provides sound reasoning for the implementation of these policy directions.

Most importantly, this report to the Governor is a call to action. It cements the commitment of the members of the Business Roundtable to use its expertise and resources to help actualize these priorities with the newly legislated Maine Children’s Growth Council as well as state and community leaders.

THE IMPETUS FOR A BUSINESS ROUNDTABLE ON EARLY CHILDHOOD INVESTMENTS IN MAINE

The creation of a Business Roundtable on Early Childhood Investment is a natural step in Maine's progress toward a comprehensive, humane early childhood system. Since 2004, Maine has been capitalizing on the federal Maternal and Child Health Bureau State Early Childhood Comprehensive Systems Grant (ECCS), to focus the work of the Governor's Children's Cabinet and its Task Force on Early Childhood into actionable systems change. These groups and their partners developed and are implementing a plan to change how Maine supports its youngest children and their families—*Invest Early in Maine*. Using *Invest Early* as an organic guide for systems change, Maine has written and received two additional grant awards from the National Governor's Association—one for hosting an Early Childhood Summit and another to propel its work establishing an Early Learning Advisory Council.

Governor Baldacci hosted Maine's Economic Summit on Early Childhood in November 2007. In planning for the Summit, the Governor created an Advisory Council of business leaders not only to engage new partners in the early childhood systems efforts, but to understand how business can benefit from public and private investments in young children and their families. The business leaders provided compelling anecdotes about employee productivity, concerns for the workforce of tomorrow, and a desire to reduce the remedial expenses that put a drain on the state's budget. The leaders underscored the need to have a focused workforce confident in their children's care during the workday and to have children who started life with learning opportunities that nourished social and cognitive skills necessary for a competitive economy. Most importantly, the business leaders wanted to have the opportunity to shape public policy that was sound, based on evidence, and yielded long-term returns on investments.

The Summit itself garnered public and private support and engaged new partners through the United Ways of Maine and Fight Crime: Invest in Kids, Maine Chapter. *Invest Early in Maine—A State Plan for Humane Early Childhood Systems* was used throughout the summit to provide clarity about Maine's vision for early care and education. The Summit organizers, through a Portland-based consultant firm, Hornby Zeller Associates, conducted a pre- and post-Summit evaluation of the participants' change in knowledge about early childhood, child poverty, and the economic benefits of early childhood education as well as attitudinal change in child health, home visiting, poverty, early childhood advocacy, and more. Key findings included:

- 90.9% of ***Business and Municipal leaders*** reported that they were very likely to advocate for public policies supporting early childhood (75.0% reported similarly on the PRE-survey).
- 55.6% of ***the Legislature and Municipal Leader Group*** reported that they were very likely to raise funds to benefit early childhood initiatives (compared with 23.1% pre-survey).

There were also statistically significant positive changes in understanding the cost benefit of early investments, the scope of Maine children in poverty, and the high cost of quality child care.

Recommendations for Early Childhood Investments in Maine

Concurrently, a legislative Commission to Develop a Strategic Priorities Plan for Maine's Young Children had finished its series of meetings and created a consensus report to the 2nd regular session of the 123rd Legislature. The report recommended many of the same quality improvements and parent supports for early childhood as were initially brought forth by a plethora of bills. However, the Commission provided little guidance for the funding of these recommendations and ultimately, no funding or program improvements were passed by the Legislature out of the Commission report, other than the creation of the Maine Children's Growth Council.

The qualitative responses from the Advisory Council meeting, the quantitative results from the Summit, and the increased public awareness generated by the Summit and the Commission led the Governor to take action for early childhood in Maine. As promised in his 2008 State of the State address, the Governor supported the transition of the Task Force on Early Childhood into a newly created legislative entity, the Maine Children's Growth Council. In addition, the Governor tasked Commissioner John Richardson, Maine Department of Economic and Community Development, to convene the Business Roundtable on Early Childhood Investment.

Appointed by Governor Baldacci, members of the Business Roundtable represent diverse types and sizes of Maine businesses, higher education, and policy expertise. Coming from all over the state, the Roundtable members include parents and grandparents—all were concerned employers. The group was asked to meet four times throughout the year, provide leadership on the issue of early childhood and help advise the Governor's office on policy decisions. Specifically, they were charged to:

- Identify fundable and realistic priorities for investment in early childhood;
- Determine a variety of public-private partnerships to finance the development and management of early childhood systems, at the state and local levels; and
- Provide recommendations to the Maine Children's Growth Council and the Governor's Office for sound policy direction.

THE WORK OF THE BUSINESS ROUNDTABLE

The Governor's Business Roundtable on Early Childhood Investment (Roundtable) is chaired by Commissioner John Richardson of the Department of Economic and Community Development. The Roundtable has professional staff support from the Maine Early Childhood Initiative, the federally funded Maternal and Child Health Bureau Early Childhood Comprehensive Systems (ECCS) grant in conjunction with the National Governor's Association award. The Roundtable met four times during 2008: May 14, June 25, October 31 and December 1.

The first meeting of the Roundtable on May 14 outlined the charge of the group, provided context for the current early childhood systems efforts in Maine and gave the members the opportunity to weigh in on their understanding of the issue as business leaders. Roundtable members were presented with a resource notebook that included *Invest Early in Maine*, issue briefs from the Economic Summit on Early Childhood Investment, and national articles.

JUNE 25 REVIEW OF INVEST EARLY CRITICAL ELEMENTS

- √ AWARENESS: understanding the scope; assessment
- √ ACTION: What do we do?
- √ COST OF INACTION
- √ ACCOUNTABILITY: how to make sure it works; data

The second meeting was held on June 25 and included a review of the *Invest Early in Maine* plan being implemented by the Task Force on Early Childhood. Containing more than 20 goals for systems change, the plan was comprehensive in scope, but lacked the necessary filter to focus precious social and financial capital effectively. After much deliberation and recognition of the work of the Task Force and the Commission, a handful of Business Roundtable members volunteered to meet as a subcommittee during the summer to create a solid methodology for prioritizing the goals into strategies for investment and policy development. These subcommittee members included Wayne Davis, Mike Halle, Cheryl Rust, Skip Bates, and Steve Musica.

Between the second and third meetings of the Business Roundtable, the subcommittee members met individually with staff and as a group to develop the criteria for selecting priorities. The members agreed that all of the goals of *Invest Early in Maine* are important and should eventually be acted upon, but felt strongly that the priorities should be limited to two or three, not twenty. The group also believed that Maine needed to address root problems rather than tackle the systems change haphazardly. For instance, if the quality of early childhood environments needs to improve in order to a) reduce employee concern for the care of their children during the workday and to b) increase the school readiness of children entering kindergarten, we must first raise the caliber of the professionals working with young children.

Additionally, if we are going to seek increased financial investments in early childhood, then we need to provide the public with the same documentation and evidence that compelled us to action. The methodology developed by the subcommittee had two primary steps— an initial screening to develop a short list of issues, followed by criteria for prioritizing the list. Using the following outline as a guide, the Business Roundtable staff were asked to review the *Invest Early* goals against this criteria and provide supporting data for the top strategies for the group to review.

METHODOLOGY APPLIED TO SELECT PRIORITY INVESTMENTS IN EARLY CHILDHOOD

Step I: Screen Problems

A. Problem is Important

- The issues are fundamental to the development of an early childhood system

B. Problem Well Understood

- We have the current data and background on the issues *here in Maine*.
- We have a clear vision of the “end goal” or “desired state.”

C. Problem is Solvable

- Options for solutions are supported by credible research
- There is strong evidence of success either in Maine or other states.
- There are models, experience, and data from other states.

Step II: Set Priorities among the Various Problems

Which problems do we address in which order? How do we choose among all possible solutions? The following questions were intended to help structure the discussion around choosing which problems to give early priority.

A. Capacity to Implement

- How much existing capacity/ how much “stretch” will be required to implement the range of possible solutions?

B. Cost to Implement

- What are the current investment requirements?
- What is the return on investment?
- Is it a big impact with minimal funding?
- How quickly can results be measured?
- Can we envision a way to get this funded?
- Do we have the capacity to receive funding for this?

C. Political Power

- Does it sell politically?
- Does it resonate?

- Does it build momentum to solve the harder problems?
- Is there a pragmatic way to be revolutionary?

D. Sequencing and Relationships

- Is it interdependent, part of a sequence, does it impact other parts of the system?
- Is it a necessary precondition to addressing later part of the problem or to address other priorities?

E. Timing/Opportunity

- Is it the timing “right” now or in the immediate future?
- Are there political, financial, or public sentiment opportunities?
- Are there opportunities today to work on this problem that might not be available at another time?

The Business Roundtable subcommittee identified three priorities from this exercise, which were presented for discussion at the third meeting on October 31. The first two priorities (Public Awareness and Workforce Development) were unanimously accepted, and the third (Public Private Partnerships) required more research, which was presented at the fourth meeting on December 1.

The priority recommendations for early childhood investments in Maine are structured to reflect the methodology employed by the Business Roundtable. Each priority begins with the vision (desired state), highlights the specific recommendation, provides compelling data to support its inclusion as a priority (Problem Understood), and is summarized by Work to Do.

PRIORITY I. PUBLIC-PRIVATE PARTNERSHIP

- A. We recommend the development of public private partnerships to create and sustain Maine's comprehensive, early childhood system.
- B. We recommend the establishment of a nonprofit, tax exempt, state-level entity that (a) enables partnerships to accept public and private funding, (b) conducts ongoing resource development, (c) provides grant making activities, (c) maintains a consistent bipartisan focus and (d) holds accountable the myriad levels of Maine's emergent early childhood system.

Long Term Vision: *A fully financed comprehensive, effective early childhood system that is responsive to the developmental needs of Maine children birth to five and their families, and that supports school readiness, especially among Maine's most vulnerable children.*

PROBLEM UNDERSTOOD

A complete and effective early childhood system includes access to affordable, comprehensive health services and medical homes, public education and services to support the social-emotional development and mental health of young children, high quality early care and education programs, and parenting education and family support services.

Building and integrating this system in Maine is a challenging public policy issue that traverses the public sector to some of the most private aspects of family life. It will require needed changes within federal and state government, institutions of higher education, public schools, health care and medical programs, private and public early care and education programs, community services, and most importantly, families, themselves.

Tackling the problem of systems in a meaningful way is beyond the capacity of government alone---and most would agree it is not and should not be the responsibility of just government. System change is further complicated by the lack of public outcry and consideration that this is a priority for our economic future.

While Maine government has a long history of public-private partnerships in other areas, no such partnership exists dedicated to cross-systems change benefiting early childhood. Maine lacks a structure dedicated to the development of these public-private partnerships that offers tax exempt status, fundraising and grant making capacity and/or non-partisan focus.

For example, following the Governor's Economic Summit on Early Childhood in November 2007, First Lady Karen Baldacci initiated a partnership with the Doris Buffet Sunshine Lady Foundation. Ms. Buffet and her Foundation offered a challenge grant for the development of Educare centers in Maine accepted by Maine's own philanthropists, Bill and Joan Alford. They joined the Buffet Foundation challenge to raise approximately \$10 million to construct an Educare program in Waterville. Government funding and local support will round out the effort to provide services to more than 150 children in Waterville by 2010.

Foundation and private donations for the Waterville Educare program will go directly to the Waterville agency establishing Educare. However, no existing public-private structure has

been identified to build on the foundational work in Maine's Educare in order to benefit the broader early childhood system. Opportunities for other business/philanthropic partnerships will be lost unless a focused, organized effort, outside of government, continues to expand Educare centers and to invest in additional improvements in Maine's early childhood system.

THE SOLUTION

Public-private partnerships and a nonprofit infrastructure to support the partnerships have the best chance of success in building and maintaining an early childhood system.

The problem is solvable. Strong evidence of success with public-private partnerships and support organizations can be found among eleven states reviewed in a recent report by the National Governors' Association, Center for Best Practices: Alaska, Arizona, Connecticut, Michigan, Nebraska, North Carolina, Oklahoma, South Carolina, Vermont, Virginia, and Washington . The following describes key findings of this report (Daily, 2008).

In these states, public-private partnerships have been used as an effective strategy for promoting coordinated investments in early childhood. This model of collaboration has afforded perspectives, resources, and expertise from multiple sectors to achieve positive outcomes for young children that sets the work apart from advocacy. Public, private and philanthropic communities have recognized that establishing formal partnerships maximizes their impact on young children, prevents duplication of efforts and ensures the efficient use of resources.

Governors have been instrumental in ensuring the public sector is fully represented in a public-private partnership. In Connecticut, the governor established a state-level partnership through an executive order. North Carolina's governor appointed cabinet-level, public-sector leaders to serve on their private, nonprofit Smart Start board. The Governors of South Carolina and Washington chair their public-private partnership board themselves. In Alaska, the Governor included funding in the operating budget of their partnership while the Oklahoma governor supported specific legislation to appropriate funds to theirs.

Most states pooled public, private, and/or philanthropic funds through a nonprofit state-level entity. The 501(c)(3) tax status enabled partnerships to accept public and private funding, obtain tax-exempt status, and protect the partnerships members and directors from personal liability. The structure ensures long-term sustainability and maintains a consistent bipartisan focus.

Most public-private partnership structures were established as independent 501(c)(3) charitable organizations, but others were created within an existing nonprofit organization. South Carolina, Virginia, and Washington established a new, autonomous nonprofit organization to house their partnership. Michigan's Early Childhood Investment Corporation is a public, nonprofit corporation housed independent of state government and operates simultaneously in the public and private sectors. In Nebraska, the state board of education selected the Nebraska Children and Families Foundation as the private administrator of the Nebraska Early Childhood Education Endowment through a competitive proposal process. Alaska's Best Beginnings is co-managed by two existing nonprofit agencies, the Alaska Humanities Forum and United Way of Anchorage.

Data shows that the primary goals of these partnerships are to stimulate, not supplant, public investment and to leverage private and public commitment through state level nonprofit pools of funding. These partnerships provided flexible funding for locally identified needs, such as improving early care and education programs, increasing access to health services, and providing professional development opportunities for early childhood practitioners and leadership.

Other states report that these partnership structures helped to promote best practices and bring promising models of high-quality programs to scale. They also promoted public awareness and engaged and educated parents about the importance of early childhood. And most importantly, partnerships built state and local infrastructure to coordinate an early childhood system across the states.

Business Roundtable members and Commissioner Richardson cited successful public private partnerships that were developed in Maine, particularly through the Maine Technology Institute and the Maine Development Foundation.

Where will we get the resources? The greatest resource need for the new structure and the partnership will be professional staffing and support. The federal Early Childhood Comprehensive Systems Initiative grant offers funding designated to support the development of a comprehensive early childhood system in all states and territories.

Maine's Early Childhood Initiative is funded by the federal Maternal and Child Health Bureau, Health Resources and Services Administration's (MCHB-HRSA) State Maternal and Child Health Early Childhood Comprehensive Systems (ECCS) grants. The primary purpose of the grants is to assist states in their efforts to build and implement comprehensive statewide systems of care that support family and community approaches to promote positive early development and early school success for young children.

These grants originated in 2003 with a MCHB-HRSA Strategic Plan for Early Childhood that called on State Title V MCH programs to use their leadership and convening powers to foster the development of cross-agency early childhood systems development planning, and ultimately, implementation of change strategies. During this time, Maine's Early Childhood Initiative has been a cross systems, cross department effort involving business leaders and other community leaders statewide. The Early Childhood Initiative is not part of "program" nor is it service delivery.

The funding, but equally the attention, from the federal Maternal and Child Health Bureau has given Maine the validity, credibility, authority and resources to effect visible systems change. Using resources established nationally through the ECCS effort to support this structure is entirely appropriate and vital to continued systems change work.

SUMMARY POINTS FOR SELECTING THIS PRIORITY (See Methodology)

1. The development of a statewide infrastructure in Maine to support public-private partnerships to finance early childhood will help create new investments in the early childhood system in Maine.

Recommendations for Early Childhood Investments in Maine

2. This recommendation is timely and builds on the development of public private partnerships and early childhood investment as evidenced by Educare.
3. Maine's experience with private donors as well as other state models, experience, and data can help determine Maine's structure.
4. Given the current economic crisis, identifying an existing nonprofit organization with a compatible mission and an organizational structure that allows both fund raising and grant making is the most practical and appropriate use of resources. Model structures in Maine include the Maine Development Foundation, the Maine Children's Trust Fund and the Maine Technology Institute.
5. This recommendation can be readily implemented once an existing structure can be identified. Staffing the structure will have nominal additional costs by utilizing the resources of the Early Childhood Comprehensive Systems Initiative (ECCS) currently available for professional support for the Governor's Business Roundtable on Early Childhood Investment (Roundtable) and the Maine Children's Growth Council (MCGC).
6. Both the Business Roundtable and the Children's Growth Council offer potential board members and support and guidance for the partnership.

WORK FOR THE BUSINESS ROUNDTABLE TO DO

- Finalize decision about nonprofit corporation status, e.g. (a) decide whether to be fully independent from the beginning, (b) identify an administrative home with a compatible nonprofit, or (c) identify an administrative home to act as incubator while establishing independent status.*
- Construct business plan for the development of nonprofit corporation.
- Identify and foster any other public private partnerships that can support the development of early childhood systems.

**The Roundtable has already begun this action step in its December 1, 2008 meeting. See Appendix F for more information about this discussion.*

ENDNOTES

Daily, Sarah. 2008. Partnering with the Private and Philanthropic Sectors: A Governor's Guide to Investing in Early Childhood, NGA Center for Best Practices.

PRIORITY II. PUBLIC EDUCATION AND PARENTING EDUCATION

- A. **We recommend the development of a comprehensive, statewide “Invest Early” communication and education campaign about Maine’s moral and fiscal responsibility and the value of investing in young children.**
- B. **We recommend public and private investments that support Maine parents (and other family members who provide primary care for children) in learning and practicing healthy, effective child development.**

Long Term Vision: Young children and their families are viewed in society with the highest esteem for the significant window of opportunity early childhood provides. Public and private resources are garnered to support the important needs of pregnant women, infants, toddlers, preschoolers, and the families in which they live. Maine communities offer a positive environment in which families with young children can work, grow, and succeed.

PROBLEM UNDERSTOOD

In times of economic uncertainty, disturbingly sharp declines in the investment markets and home values, volatile energy costs, and gradually accelerating unemployment rates, Mainers may be unsure of their future and financial security. Personal and public budgets alike may inevitably tighten, leaving few resources for new investments in early childhood. In fact, depending on national leadership, existing public resources for young children may dwindle.

It is clearly important to get the maximum return on the investment of public and private resources. One of the best ways to do this is to shift resources to early childhood and realign public policies to support parents and other caregivers in their valuable roles with children birth to five. Unfortunately, the opportunities for investment are not widely recognized or understood.

The economic and social turmoil is likely to affect more than financial resources. Parents will undoubtedly find their valuable and demanding role of parenting Maine’s youngest children under dire stress.

Evidence of lack of parenting education. In an ideal world, children born to competent, prepared, economically stable parents who practice healthy, effective child rearing would need few outside supports and services. But data on poverty, teen parenting, divorce, child abuse and neglect, school readiness, and child mental health prove Maine is far from an ideal world for all infants and toddlers. Nor is universal, comprehensive, readily available education and support for parents of infants and toddlers integrated into public policy or perceived as a public priority.

On the contrary, parenting has been considered a private role, with information and role modeling passed from one generation to another. Over time so much has changed within family dynamics and with the daily stresses of parenting that intergenerational learning is impracticable. In Maine currently, there does not exist a coordinated, comprehensive array of parenting information and resources about healthy, effective child development.

Evidence of lack of public awareness and outcry. Maine public policies and state budgets have not yet caught up with the emerging research about brain development or what we know about the financial return on early childhood investments. There has been insufficient funding for effective prevention and early intervention programs proven to promote successful early childhood experiences. Prevention programs are often the first to be cut during budget crises in order to “triage” the programs and spread resources to the most needy, despite their cost-effectiveness. Likewise, there has never been a comprehensive, public information campaign that has brought to light the impressive data and the compelling information gathered about the value of early childhood. What little communication that occurs about the social and economic benefits of early childhood investment has been piecemeal and haphazard.

The “AHA” moment in Maine. One recent example of effective public awareness about early childhood occurred November 2007, when in partnership with the National Governor’s Association, Governor Baldacci sponsored the first ever Economic Summit on Early Childhood which brought together business leaders, community leaders, and policymakers. The event has been touted as a success by the participants and observers, most particularly because it provided the context for a lasting impression about the importance of investing in early childhood. It raised public awareness and has been referenced numerous times throughout the development of the new Maine Children’s Growth Council as the premier source of early childhood information. For many attendees who were not previously informed about the neuroscience of brain development, child development research, or program evaluation data from the last 40 years, the Summit provided an “AHA!” moment that changed their personal and professional priorities. One such example was when the President of the Maine State Chamber of Commerce said that he had changed his mind about the most significant key to Maine’s future. In his Summit closing remarks, he said that investing in early childhood—not transportation as he had been convinced of before—was the most critical link to a prosperous Maine economy.

How we know early childhood is NOT a priority. Months earlier, during the winter of 2007, the lack of awareness about early childhood became clear in Maine’s 123rd legislative session, where several pieces of legislation to improve early care and education for Maine’s young children were heard but not passed. Many bills had been developed and coordinated by the “Invest in ME Now” Coalition and widely supported by the Early Childhood field, other child advocates, and the Task Force on Early Childhood chaired by First Lady Karen Baldacci. While legislators found many of the proposals for funding worthy of consideration, they were confused and frustrated at the competing messages and referred the majority of them to the Commission to Develop a Strategic Priorities Plan for Maine’s Young Children for further debate and resolution.

This Commission, established by statute in spring 2007, met for several months and presented its report to the 2nd regular session of the 123rd Legislature. The report recommended many of the same quality improvements and parent supports for early childhood as were initially brought forth. However, the Commission provided little guidance as to either setting priorities among the different proposals (i.e., which to fund in what order) or where to find the money to fund these recommendations. Ultimately, no funding or program improvements were passed by the Legislature out of the Commission report, with the exception of the development of the Maine Children’s Growth Council.

Spending inequities. Much like Maine’s experience with dead-end legislation, national public spending trends show early childhood is a stage of life that is often misunderstood and grossly underfunded.

The 2004 study, *Early Learning Left Out* (Bruner, Stein, and Schaefer, 2004), looked at the public investments in the education and development of children in three age groups: early learning years, school-aged years and college-aged years. Using state, federal, and school district spending in 12 states across the country, Voices for America’s Children and the Iowa Child and Family Policy Center worked with state organizations to develop a better understanding of overall public investments in young children. They found:

- Nearly 90% of a child’s core brain structure is formed by age three but less than 4% of public investments on education and development have occurred by that time.
- On a per child basis, public investments in education and development are more than seven times greater during the school-aged years (\$5,410 per child) than during the early learning years (\$740 per child).
- For every dollar society invests in the education and development of a school-aged child, society invests only 13.7 cents in that child during the earliest learning years—a major investment gap.
- The under-investment in young children also appears to be greatest for the very earliest and most formative years of life (the infant and toddler years-0-2).
- State investments in education and development in the earliest learning years constitute a very small percentage of overall public expenditures, in many states less than 1%.

While the largest share of the funding for education and development during the earliest years comes from federal programs for child care and Head Start, the funding for school-age children comes from predominately state and local sources of funding.

THE SOLUTION

Parent Education: The first steps in implementing comprehensive parenting education and support programs throughout Maine include (a) obtaining a comprehensive picture of what is currently being offered (and communicated) statewide, (b) maximizing the use of current resources, and (c) ensuring dollars are spent according to local need for quality programming. The Maine Growth Council will be addressing these and other parenting education issues in the Family Domain of the Invest Early State Plan.

Public Education: Public support for early childhood investments is a necessary precondition to addressing all other early childhood recommendations and priorities. However, it will be necessary in light of the current economic turmoil to link early childhood investment to economic stability and recovery.

Understanding and communicating the neuroscience of brain development, the research in child development, and the return on investment of high quality early childhood programs should be part of a targeted, focused public education and awareness campaign.

Information on which to base the Public Awareness campaign:

1. *An understanding of infant brain development.*

Nearly 90% of brain development takes place in the first 3-5 years of life. The dynamic interaction between genetics and experience during the first few years of a child's life shapes the emerging brain architecture that serves as a foundation for all subsequent learning and behavior. Through this process, higher level neural circuits build on more basic circuits and stabilize over time, which makes them less plastic and therefore more difficult to change as the brain matures. Extensive research shows that nurturing, stable, and protective relationships are essential for building sturdy brain architecture, whereas "toxic stress" can disrupt the development of normal neural circuitry (Shonkoff, 2005).

These basic principles of neurobiology, said Jack Shonkoff, Harvard Professor of Child Health and Development, recently at the annual meeting in Augusta of the Maine Development Foundation, lead to a call for a two-tiered approach to early childhood policy, combining the broad-based availability of preschool (especially for children in low income families) and targeted interventions beginning as early as right after birth for infants experiencing toxic stress.

2. *An understanding of program evaluation data.*

Several longitudinal studies in other states shows that quality care provides better developmental outcomes for children from all backgrounds, particularly low income children. The parenting education and support component of each of these programs was instrumental in successful child outcomes.

The High/Scope Perry Preschool Study (Schweinhart, 2004), a longitudinal study conducted in Ypsilanti, Michigan and *Early Learning/Early Success—The Abecedarian Study* (Campbell, Ramey, Pungello, Sparling, and Miller-Johnson, 2002) in Chapel Hill, North Carolina are two of the most notable. They showed that children in quality preschool programs are less likely to use alcohol and other drugs, abuse or neglect their own children, suffer from poor health, fail in school, and are more likely to enter adulthood with the skills necessary to become highly productive—and responsible-- members of society.

One Head Start study, *Into Adulthood: A Study of the Effects of Head Start* (Oden, Schweinhart, and Weikart, 2000), presents encouraging findings from a 17-year follow-up study of 622 young adults 22 years old in Colorado and Florida, who were born in poverty and did or did not attend Head Start as young children. The researchers located and interviewed 77 percent of the original sample of children and found evidence of important effects on school success and crime. This study strengthens the evidence that early childhood programs need a high-quality, educational approach to have positive effects on children's lives.

The longitudinal study of the Chicago Parent Child Program (Grunewald and Rolnick, 2005) shows that participation in established early childhood intervention programs for low-income children is connected to better educational and social outcomes and children's long-term success. Results showed that those who did not receive the benefit of the preschool program had 70% more arrests for violent crime by age 18 than did program participants. That equates to the prevention of an estimated 33,000 crimes by the time the children reach age 18.

3. *An understanding of the return on investment (ROI) and cost benefit analyses.*

The ROI data is convincing and needs to be part of the public awareness campaign, particularly in a time when family, municipal, state and federal budgets are tightening. Economists suggest that investing in young children, especially poor children, is likely to have an enormous positive impact on our economy by raising the Gross Domestic Product, enhancing the solvency of social security, reducing crime rates and the heavy costs of criminality, and reducing poverty (Lynch, 2004).

The cost-benefit analyses conducted on the Abecedarian Project, Chicago Child-Parent Centers and the Elmira Prenatal/Early Infancy Project, in Elmira, NY, range from \$3.00 to almost \$9.00 for every dollar invested (Schweinhart, 2002). Adjusted for inflation, the internal rates of return on these programs range from about 7% to above 16% annually. This 40-year summary report of the Perry Preschool Study showed that the long-term benefits continued into adulthood, changing the total benefit cost-ratio to \$17.00 for \$1.00 invested. Benefits to the general public, alone, are almost \$13.00 to every \$1.00 spent. The savings are the result of increased taxes paid, reduced special education services, reduced welfare costs, and reduced criminal justice costs (Schweinhart, 2002).

Investing in children early, during the preschool years, is crucial. Learning is cumulative, and children develop skills during their early years that facilitate later learning. Currently, America is wasting many of its education dollars on remediating past failures. Gaps in student ability are already apparent by kindergarten, and those gaps are often difficult and costly to correct later.

*James Heckman, Economist and Nobel Laureate,
Committee for Economic Development*

(www.minneapolisfed.org/pubs/region/05_06/heckman/cfm)

Preventing crime saves money and the pain and suffering of the victims of crime. Not counting the increase in earnings and all the other benefits derived from a person's leading a productive life instead of going to prison, for every dollar invested in high quality early care and education for low-income children, the savings to the government and to victims of crime is \$3.83 (Christeson, Kirsch, Newman, and Small, 2005). A 1997 study by Mark A. Cohen of Vanderbilt University estimated that for each person that was prevented from adopting a life of crime, the country could save between \$1.7 and \$2.3 million (Oppenheimer and MacGregor, 2003).

SUMMARY POINTS FOR SELECTING THIS PRIORITY (See Methodology)

1. A successful "Invest Early" campaign will ultimately lead to long term sustainable funding for early childhood. This effort will require sustained, long term commitment of public (government), private (for-profit and not-for-profit organizations, and parental resources (time, effort, and money). Given the generally low level of public awareness, we cannot expect the required resource commitments in the absence of a much higher level of public awareness of the issue and the agreement that the investment will pay off. Therefore, an "Invest Early" campaign to raise public awareness if of the most critical foundation stones to be laid.
2. The return on investing in public awareness can be measured by tracking changes in the degree to which organizational and individual attitudes and public investments increase.

Recommendations for Early Childhood Investments in Maine

3. There already exist several state and local models for measuring outcomes from increased investment in parenting education and support.
4. A public awareness campaign can be implemented through a public private partnership as well as using existing resources more efficiently.
5. Public awareness of the importance of early childhood can help inspire innovative approaches to improving the lives of young children.
6. Having educated, informed parents is a precondition to many of the recommendations in the state Invest Early Plan, both as advocates for their children and as part of the healthy support system for Maine's infants and toddlers.

Beyond its intrinsic value as a moral responsibility, the healthy development of children benefits all of society by providing a solid foundation for responsible citizenship,¹ economic productivity, and sustainable democracy. *Jack Shonkoff, M.D. National Scientific Council on the Developing Child (www.gse.harvard.edu/news_events/features/2005/12/21)*

WORK FOR THE BUSINESS ROUNDTABLE TO DO

Public Awareness

- Identify corporate and media partners for the development of a comprehensive, public education and awareness campaign strategy.
- Coordinate development of campaign with all other similar early childhood efforts.
- Determine cost of multi-level, targeted public education and awareness campaign.
- Develop consortium of private-public funders for the campaign.

Parenting Education

- Consider statewide Business Roundtable meetings/regional conferences as part of educational strategy.
- Become champions for comprehensive parenting education within your own business and in connection with other businesses.
- Recommend that the Maine Children's Growth Council (MCGC) address parenting education as a high priority.
- Provide support as requested to the Maine Children's Growth Council in their work to build a comprehensive, parenting education and support system throughout Maine.

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PRIORITY III. WORKFORCE DEVELOPMENT

- A. We recommend public and private investments that (a) increase the number of qualified early childhood professionals and (b) improve the training, education, and quality of Maine’s early childhood professionals.**

Long Term Vision: *Early Childhood Programs will have dedicated fully trained and educated personnel whose role is valued and respected by society and who are paid commensurate with their important responsibilities for the care, nurturing, and education of young children and the support of their families.*

Problem Understood

The early childhood workforce issue is complex. The most extensive research and data available to understand the problem is on Maine’s child care and Head Start workforce consisting of center-based teachers and family child care providers. (Family child care refers to child care provided in a person’s home, i.e., the provider, for a limited number of children, generally of mixed ages.)

What the Research Tells Us. Recent brain research has focused national attention on the importance of the first three years of life during which nearly 90% of the core brain structure is formed. Each child is born with a unique genetic predisposition, but a large part of development is influenced by personal experience with others and by the environment in which children live (Shonkoff, 2008). Program evaluation research informs us that there is no greater determinant of quality outcomes for young children than the quality of the adults working with them. In short, secure attachments to caregivers in early childhood are related to optimal social and cognitive growth. Providing care and education in warm, consistent environments that promote attachment between children and their caregivers is arguably the most important responsibility of child care personnel (Hale-Jinks, Knopf, and Kemple, 2006). The quality of children’s experiences and the child outcomes produced are not only related to group size and the number of caregivers per child, but also the education levels of staff, retention of staff from year to year, and staff compensation (Helburn, 1995).

But in the field of early childhood, the workforce is poorly paid, has few benefits, and is under-educated—a combination of factors which can lead to poor quality services.

According to the Maine Department of Labor, child care worker salaries rank them number 596 out of 647 detailed occupations. This means that 595 other Maine occupations are paid more than child care workers, such as Manicurists and Pedicurists or Animal Trainers (Maine Department of Labor, 2006).

According to the 2008 biannual DHHS report, *Maine Child Care Workforce Report*, (Digital Research, 2008) average annual salaries are:

Average Annual Salaries in 2007

Child Care teachers	\$21,597
Family Child Care Providers	\$29,724

Why are Salaries so Low? Generally, child care programs operate on the basis of supply and demand. The piecemeal system of providing child care in Maine communities is a result of what parents can afford to pay, who is available to provide the child care, whether there is any public funding to subsidize child care salaries and programs and to augment parent fees, and ultimately, how important providing child care is to the community, itself. The lack of federal and state policy that requires all child care programs to contain the highest quality of early childhood care and education with teacher and provider salaries commensurate to their high level of responsibility for young children is one of the biggest barriers to higher child care salaries and quality. Salaries are particularly low among child care programs that are largely supported by parent fees, such as small child care centers and family child care homes.

The child care fee is generally determined by the provider based on the cost of doing business and the competitive child care market in a given community. About 76% of the family child care providers in Maine say they charge based on what other providers are charging (Digital Research, 2008). Often, especially in small towns and rural communities, the child care fee is a negotiation based on the family’s ability to pay and the provider’s ability to accommodate the family’s budget.

The parent’s child care fee has fast become a significant portion of the family’s budget--often second to the mortgage or rent. Maine parents can pay as much as \$10,400 for an infant in full time center based care. At least 50% of child care providers charge \$8,320 or less for 52 weeks of infant care in centers (Digital Research, 2008). For that amount of money, the child could attend the University of Maine at Orono— tuition at UMO is approximately \$7,464 (2007 University of Maine data). In the livable wage budget (the amount of income needed to meet a family’s basic needs for food, shelter, etc.) for a family of three in Maine, with one working parent and two children in child care, the required annual income is \$37,759, three-quarters of Maine’s median income (2007). If the second child is a four-year-old, child care (\$6,609) could take almost 40% of the livable wage (Peavey & Overcash, 2007).

Family of Three (Working Parent, Two Children)

Livable Wage to Meet Basic Needs	\$37,759
<i>Infant Child Care</i>	\$ 8,320
<i>Preschool Child Care</i>	\$ 6,609
<i>40% of income for child care</i>	<i>\$14,929</i>

In the case of publicly funded nonprofit child care programs which generally offer reduced child care fees, consistent budget cuts and dwindling public resources have allowed for very few improvements in worker salaries as well as worker training and education, or program quality. Federally funded Head Start has seen minimal increases in funding accounting for fewer children being served, rather than workforce improvements.

The Results of Low Salaries. When salaries and benefits are low, worker retention is low. Frustrated by these low salaries and benefits, many qualified child care and Head Start teachers take higher paying public school positions or leave the field entirely. More than 25% of the child care workforce leaves the job every year (Digital Research, 2008). Staff turnover disrupts the child’s sense of security and stability that is crucial for the healthy development of

Recommendations for Early Childhood Investments in Maine

young children. High caregiver turnover is a factor in lower overall program quality and is associated with adverse effects on children's social, personality, and cognitive growth (Childhood Education, 2004).

Likewise, low salaries offer little incentive for employees to achieve higher levels of education—a dichotomy of dire consequences for young children. Maine has 2,192 licensed facilities—690 centers and 1502 family child care homes. (Digital Research, 2008) In 2007, Maine Roads to Quality (MRTQ) at the University of Maine and Maine's regional Resource Development Centers (MRDCs)—the primary source of training for caregivers—partnered to provide 1,965 hours of training among 1,472 child care providers (non duplicative count). (Note this is an average of only 80 minutes per provider for the year). Only 30 providers participated in intensive training for working with infants and toddlers and 98 individuals received scholarship assistance to pay for professional development training. Additionally, 103 child care programs participated in a support program to achieve national quality accreditation. The RDCs provided an additional 1,275 hours of training separate from MRTQ (Digital Research and Maine Roads to Quality, 2008).

Child Care Worker Education. The majority of Maine child care teachers and family child care providers do not have a four year college degree, or specific education in early childhood (Digital Research, 2008).

Workforce Education

	Teachers	Providers
Bachelors Degree	26%	13%
2-Year Associates Degree	21%	23%
High School Diploma, only	51%	60%

Child Care Fringe Benefits. The biggest obstacle to fringe benefits is cost, particularly for health insurance. Child care providers in Maine have such low profit margins that health insurance is a luxury and generally not provided. Over half of the centers report that it is “too expensive” (51%). The only option for many family child care providers is health care coverage through another family member's job—not always dependable or available (Digital Research, 2008).

Health Insurance	Centers	FCC
Percent Providing Benefits	56%	6%

Child Care Quality through Accreditation. Another indicator of quality child care programming involving the workforce is whether a center or family child care home has acquired a national accreditation or state certification for quality, which is linked to national accreditation. Centers are accredited by the National Association of Education for Young Children (NAEYC) and the National Association of Family Child Care (NAFCC) accredits homes. The following shows that 88% of Maine's centers and 96% of Maine's family child care (FCC) homes do not have national quality accreditation (Digital Research, 2008). State quality certification levels are equally low.

Accreditation	Child Care Centers	Family Child Care
NAEYC Accreditation	12%	
NAFCC Accreditation		4%

The Quality in Maine Child Care Centers and Family Child Care Homes. Further indication of the influence of the workforce on child care quality is contained in two Maine studies of the quality of child care in 1999. While there no doubt have been improvements made in child care programs since 1999, due to continued turnover, poor salaries, and related factors, it is generally believed that this quality data remains accurate. *(Business members noted that even if the percentage of centers rated as “good” or “excellent” had doubled since 1999—which is unlikely—about half would still be rated as “minimal” or “inadequate” in quality.)*

The Maine studies assessed quality child care in Maine, modeled on two 1994/1995 landmark Cost, Quality and Outcomes Studies. The Maine study drew a random sample of 90 community-based child care centers serving preschoolers on a full-day, full-year basis and 90 licensed family child care homes. Programs came from all sixteen Maine counties, three per county, with a sizeable 79% of each group participating (Marshall, Creps, Burstein, Roberts, Dennehy, Robeson, Wagner, & Glantz, 2004). The results show that only 25% of centers and 30% of family child care homes were rated “Good” to “Excellent”.

Overall Quality Care	Child Care Centers	Family Child Care HomesCC
Good to Excellent	25%	30%
Minimal	55%	56%
Inadequate	20%	14%

Child care center classrooms scored poorly on learning activities, basic care, and language reasoning—areas of child care that can be improved with training. Children in classrooms rated as less than “Good” on learning activities are receiving care below the standards set for developmentally-appropriate care. They do not provide the variety of activities that would give children the opportunity to explore and learn about their environment.

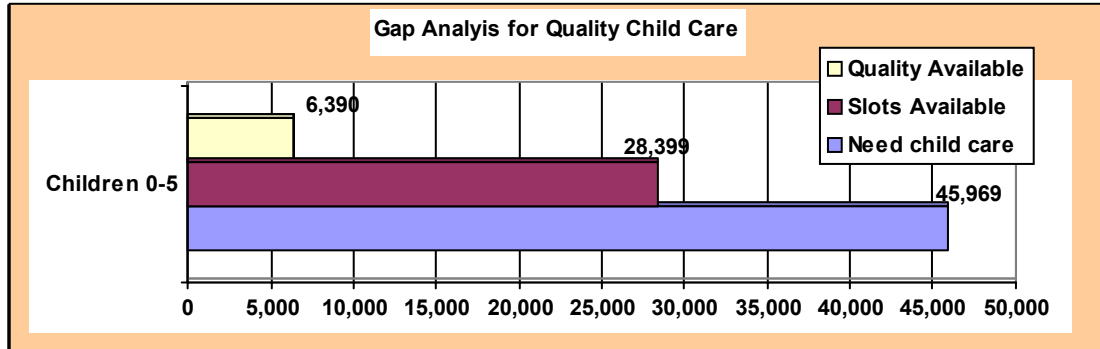
Center’s Learning Activities Scale	
Good	20%
Minimal	54%
Inadequate	26%

Providers ranked lowest in basic care. A majority of the providers did not wash their hands after diapering or toileting of children, did not ensure that children washed their hands for meals or after using the bathroom, did not keep kitchen areas and toys disinfected, and did not childproof their home from common hazards.

Basic Care in Family Child Care	
Good	12%
Minimal	26%
Inadequate	62%

Recommendations for Early Childhood Investments in Maine

In defense of the hard working, dedicated child care workforce, it is clear that quality has been achieved for Maine's children in these limited numbers of programs despite the poor salaries and support. This is generally due to the effort of child care workers at every level and their self-sacrificing dedication and commitment to early childhood care and education.



The Maine Gap in Quality. Based on data supplied by the Department of Health and Human Services (2005-2006 data), an analysis of the number of child care slots that have state and national quality certification shows 6,390 quality slots out of 28,399 slots available for the 45,969 children who child need care because their parents work. Of the total child care capacity in Maine, 62% are center-based slots, and 38% are in family child care homes.

Research from Other States about Child Outcomes in Quality Preschool Programs. The most prominent evidence of early care and education success can be found in several long-term studies that followed graduates of early learning programs through adulthood. (www.highscope.org, www.fpg.unc.edu www.naeyc.org)

A. *The High/Scope Perry Preschool Study*, a longitudinal study conducted in Ypsilanti, Michigan, studied children who attended the program every year from age 3 to age 11, and again at ages 14, 15, 19, 27 and 40.

More than 35 years after they received an enriched preschool program, the Perry Preschool participants achieved much greater success: They have higher earnings, are more likely to hold a job, are more likely to have graduated from high school, and more owned their own homes. Additionally, fewer females required treatment for mental impairment and fewer individuals received a housing subsidy, lived with others, or were incarcerated. Children (especially low income children) who did not attend a pre-school education program were five times more likely at risk to grow up and be arrested five or more times.

What Made the Difference? Perry Preschool teachers were well-qualified and had bachelor's degrees and certification in education. Teachers studied and received regular training and support in their use of the High Scope educational model.

B. *Early Learning/Early Success—The Abecedarian Study* followed preschool children enrolled in the Frank Porter Graham Child Development Center in Chapel Hill, North Carolina until age 21.

The Abecedarian Study emphasizes the importance of providing a learning environment for children from the beginning of life. Their findings demonstrate long-lasting benefits for children, especially low income children. They go beyond demonstrating school readiness and success to identifying positive educational and social outcomes during young adulthood. The children scored higher on IQ, reading, and math tests, were more likely to be enrolled in or graduated from four year college, delayed parenthood, and were gainfully employed. The program's key components were ongoing professional development and salaries for staff based on the public school pay scale.

C. *The Chicago Child-Parent Center Study* followed approximately 1500 low-income children over the course of 15 years to determine the long-term effectiveness of participation in the 1967 Title I program (Reynolds, 2000). This program took place in the public schools which governed teacher qualifications, compensation, and education.

Results showed that those who did not receive the benefit of the preschool program had 70% more arrests for violent crime by age 18 than did program participants. The primary results of the study show that participation in established early childhood intervention programs for low-income children is connected to better educational and social outcomes and children's long-term success.

D. *The Children of the Cost, Quality, and Outcomes Study Go to School* is a longitudinal study which began in 1993. A follow-up 1995 report on the study documented the findings from the first phase of the research about the cost and quality of child care in America, identifying most programs as mediocre (Peisner-Feinberg, Burchinal, Clifford, Culkin, Howes, Kagan, Yazejian, Byler, Rustici, & Zelazo, 1999).

The 1999 report documented the findings from the second phase of the study that tracked children in these programs over a four year period when they were in preschool, kindergarten, first, and second grade. Among the findings were that children with closer teacher-child relationships in child care had better classroom social and thinking skills, language ability, and math skills from the preschool years into elementary school. Further, children who attended child care with higher quality classroom practices had better language and math skills from the preschool years into elementary school.

E. *Into Adulthood: A Study of the Effects of Head Start* presents findings from a 17-year follow-up study of young adults 22 years old in Colorado and Florida, who were born in poverty and did or did not attend Head Start as young children (Oden, Schweinhart, and Weikart, 2000).

The study found evidence of important effects on school success and crime, especially for females: Only about one-fourth as many Head Start female participants (19%) as non participants (5%) failed to obtain a high school or GED diploma. Only one third as many (5% versus 15%) were arrested for crimes.

Recommendations for Early Childhood Investments in Maine

SOLUTION

Methods to increase the number of qualified early childhood professionals in Maine and other states include:

- (a) Increasing salaries and benefits commensurate with responsibilities, training, and education;
- (b) Providing quality improvement grants and financial incentives to self-employed providers;
- (c) Creating a mechanism for affordable health care benefits;
- (d) Providing scholarships for advanced training and higher education for child care personnel, home visitors, infant mental health workers, and oral health professionals; and
- (e) Providing loan forgiveness for persons entering the field of infant mental health and oral health working in federally designated shortage areas.

Much effort has been made by Maine's Department of Health and Human Services, Maine's Child Care Advisory Council, and higher education programs to advance the quality of Maine's child care workforce in the last decade. However, as stated, the data indicates limited progress has been made. Two existing programs, funded predominately by the federal Child Care and Development Fund, support the professional development and training of Maine's child care personnel (MRTQ and RDCs). They offer an existing funding mechanism for training, technical assistance, and support that increases quality in child care programs. Scholarships for advanced training can be provided through existing programs. Work needs to continue at the state level to measure quality, capture teacher and provider training, and increase the availability of advanced degree programs in early childhood in Maine. These programs need to be reviewed for outcome results and gaps in funding as well.

Statewide mechanisms and models also exist to pass on salary increases to the workforce and provide financial incentives to encourage self-employed and for-profit programs to increase quality. Again, Maine needs to review the amount of resources dedicated to this effort.

The Financing Dilemma. Maine has a large working population who understand the value of equal pay for equal work. Most people understand the importance of benefits, especially health insurance and sick leave. Likewise, most people don't realize how poorly early childhood professionals are paid, thus this issue must be linked to the greater early childhood public awareness campaign. However, families who expend as much as 25% to 40% of their incomes on child care cannot afford higher child care fees. New public and private resources must be made available to augment existing resources so that working families do not bear the burden of improving the workforce themselves.

SUMMARY POINTS FOR SELECTING THIS PRIORITY (See Methodology)

1. Building a quality workforce is fundamental to the development of a comprehensive early childhood system.
2. There is strong evidence of success for children linked to qualified, dedicated staff.
3. There are models, experience, and data from Maine and other states in implementing workforce improvements.
4. Results and outcomes can be readily measured through existing methodology.

WORK FOR THE BUSINESS ROUNDTABLE TO DO

- Become champions for improvements to Maine's early childhood workforce within your own business and in connection with other businesses.
- Recommend that the Maine Children's Growth Council (MCGC) address workforce improvements as a high priority.
- In cooperation with MCGC, continue to investigate (a) cost estimates for salary increases, financial incentives, educational scholarships, and improved training; (b) the impact of compensation and benefits on retention and quality among the early childhood workforce in Head Start, Home Visiting, Oral Health, and Infant Mental Health programs; (c) other state's effective initiatives to improve salaries and upgrade quality; and (d) expanding higher education programs in early childhood education.

ENDNOTES

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TWO MORE GOALS OF THE ROUNDTABLE

In the course of developing the short list of priority areas for investment in the early childhood system, the members of the Business Roundtable determined that there was a need not only to ensure that the priority recommendations were implemented but also to further enhance and refine the recommendations based on in-depth discussions. Therefore, the Business Roundtable has two other recommendations of strategic intent for the Governor and the Maine Children's Growth Council.

Strategic Recommendation 1: Through Executive Order, the Business Roundtable on Early Childhood Investment should continue to meet for the remainder of the administration's term.

In its considered opinion, the Business Roundtable sees value in how their work can complement the Maine Children's Cabinet and the Maine Children's Growth Council as the business arm of early childhood investment and systems change. Continuing to formally recognize the Roundtable will help sustain the momentum that has been generated by its work and allow for continuity of dialogue. Roundtable members recognize that the learning curve about early childhood systems is steep and that the Maine Children's Growth Council will need time to become grounded in the issues, review the extensive data, and prepare to implement the Roundtable recommendations. Through its representative on the Children's Growth Council, the Roundtable will offer support and advice regarding its priority recommendations. It will follow the Children's Growth Council progress on implementing the parent education and workforce priority recommendations. It will spend the time necessary working to implement the public private partnership priority and the public awareness priority.

The Business Roundtable members will work diligently to obtain and maintain ongoing involvement from the business community in early childhood systems change. They will clarify roles and responsibilities of the Roundtable members, which may change as the priority recommendations are implemented.

Strategic Recommendation 2: Support the Business Roundtable on Early Childhood Investment as it implements key priority activities.

The Business Roundtable has more work to do to fully develop the business plan as outlined in its original charge. Its business plan will focus primarily on the public awareness priority and the public private partnership priority to create a state-level, non-profit, nonpartisan entity that can guide early childhood efforts with a business perspective. The Business Roundtable members feel strongly that the new corporation must function as an endowment, offer grant making opportunities to Maine communities, and include terms for accountability and evaluation. An important piece of that business plan is to outline exactly how the business community should be involved.

Should the Governor accept these additional recommendations, the Roundtable requests only ongoing professional staff support to accomplish the following objectives in the coming months:

Recommendations for Early Childhood Investments in Maine

1. Develop a work plan for the three priorities and a business plan for Priority I: The Development of a Nonprofit Corporation Dedicated to Early Childhood Investment. The Business Roundtable will work to get the nonprofit corporation up and going.
2. Develop an effective corporate structure to work with the Children’s Cabinet, the Children’s Growth Council, and early childhood providers. The Roundtable will establish, as part of the corporation’s mission and goals, collaboration across groups so that it does not duplicate the work of existing organizations, does not “silo” itself and is seen as having a distinct mission and meeting an unmet need.
3. Develop corporate board membership that uses the expertise of the Roundtable in governing and/or in an advisory capacity. The Roundtable will expand the board to include philanthropy and meet with the Maine Philanthropy Center for input. The public private partnership concept, as seen by the Roundtable, is more than just the Roundtable or a 501(c)(3). It is more than making the distinction between government and non-government oversight. The Board composition for the 501(c)(3) should be heavily business-oriented and have functional representation from the early childhood community. At this time, however, the Roundtable has not had the opportunity to discuss fully the public sector involvement.
4. Conduct a statewide Business Roundtable awareness process (Business Leader Summits) such as regional breakfast meetings/conversations/conferences. The Roundtable is applying for the grant from the Partnership for America’s Economic Success (PEW Charitable Trusts) for “spreading the word.” There is a thirst for this “thing” and for moving forward.
5. Build a consortium of corporate and media partners for the development of a comprehensive public education and awareness campaign strategy and coordinate the development of the campaign with all other similar early childhood efforts. The Roundtable will work with partners to determine the cost and identify financing for this multi-level, targeted public education and awareness campaign.

Closing Message:

It is wise for the early childhood investment movement to be a business-led effort. The Roundtable can engage other business leaders and provide them the opportunity to understand the benefits of investing early. The work of the Roundtable in the past year contains the most important opportunities for action by Maine’s business community, philanthropic organizations, and government.

It will take bold state and local leadership to generate the change we need. Bold leadership, collective action, and strong public will can change the future for Maine and its children.

APPENDIX A: MAY 14, 2008 AGENDA AND NOTES

**Governor John E. Baldacci's
Business Roundtable on Early Childhood Investment**

AGENDA

Chaired by:

**John Richardson, Commissioner
Department of Economic and Community Development**

May 14, 2008

9:00 AM – 11:00 AM

**Governor's Cabinet Room
State House
Augusta, Maine**

- 8:30 AM Refreshments and Greetings**
- 9:00 AM Welcome and Charge**
Governor John E. Baldacci
- 9:15 AM Introductions**
Commissioner Richardson, Chairperson
- 9:30 AM Early Childhood Investment**
First Lady Karen Baldacci
- 9:45 AM Invest Early: A Working Plan for Humane Early Childhood Systems**
Sheryl Peavey, Director, Early Childhood Initiative
- 10: 30 AM Other States Approaches**
Donna Overcash, Policy Consultant, Early Childhood Initiative
- 10: 55 AM Closing and Next Steps**
Commissioner Richardson, Chairperson
- 11:00 AM Meeting Ends**

Governor's Business Roundtable on Early Childhood Investment

May 14, 2008

Meeting Summary

Gov. John E. Baldacci welcomed the members of the newly established Business Roundtable on Early Childhood Investment and asked each member to introduce themselves. The Governor thanked the group for realizing the importance of investing in our youngest children and taking the time from their own businesses to participate in the Roundtable. He charged them to work towards advancing the economic opportunities for Maine workers and their families. Specifically, he asked the Roundtable to identify fundable and realistic priorities for investment in early childhood, and to recommend a variety of public-private partnerships to finance the development and management of early childhood systems, at the state and local level.

Governor Baldacci turned the meeting over to Commissioner Richardson (DECD), Chairperson of the Roundtable, who called on the First Lady, Karen Baldacci to present "When We Are Talking About Young Children, We Are Talking About Maine's Economy." Karen walked the group through some of what we have learned about children's early brain development and how this translates into later success. She shared the startling data showing when children have high-quality parenting, child care, nurturing, proper stimulation, and emotional support, they are less likely to drop out of school, become teen parents, abuse drugs, and engage in criminal behavior.

Sheryl Peavey, Director, Early Childhood Initiative presented an overview of the state plan: Invest Early: A Working Plan for Humane Early Childhood Systems. She reviewed the Invest Early assumptions, process of development, the five domains (Family, Health, Early Care and Education, Community, and State), and the potential investments.

Donna Overcash, Policy Consultant to the Roundtable, reviewed the notebook contents drawing attention to the grant award by the National Governor's Association supporting the work of the Roundtable. An open discussion about early childhood issues among the participants followed. *(Due to a complete breakdown of the laptop computer used for note-taking, many of the remarks were not retrieved.)*

Commissioner Richardson tabled the remaining agenda items (Other States Approaches) until the next meeting, June 25 and ended the meeting at 11 AM.

APPENDIX B: JUNE 25, 2008 AGENDA AND NOTES

**Governor John E. Baldacci's
Business Roundtable on Early Childhood Investment**

Chaired by:
John Richardson, Commissioner
Department of Economic and Community Development
June 25, 2008
9:00 AM – Noon
Governor's Cabinet Room
Augusta, Maine

8:30 AM Refreshments and Greetings

9:00 AM Early Childhood Dialogue

Commissioner Richardson will lead a conversation among members of early childhood issues relevant to their daily lives.

9:20 AM Business Roundtable Page on www.maine-eccs.org

Sheryl Peavey, Director, Early Childhood Initiative

9:25 AM State Context for the Business Roundtable

Sheryl Peavey will lead discussion about state leadership in early childhood and the relationship to the Business Roundtable.

9:40 AM Other States Approaches and Discussion

Donna Overcash, Policy Consultant, Early Childhood Initiative, will explain ways in which other states have approached early childhood leadership, investment, and governance.

10:00 AM Break

10:15 AM Framework for Recommendations and Development of Business Plan

Sheryl and Donna will lead a discussion of the recommendations within the Invest Early State Plan pertinent to Business Plan development.

11:30 AM Educare Stakeholder Group

Gil Tenney and Hank Schmelzer, Maine Community Foundation, will introduce the relationship between the Educare Stakeholder Group and the Roundtable.

11: 50 AM **Next Steps, Summer Schedule, Committee Work**

Commissioner Richardson and Members

Noon **Meeting Ends**

Next Meeting: September 24, 2008

Governor's Business Roundtable on Early Childhood Investments

KEY POINTS FROM JUNE 25 MEETING

The following is a summary of key points made at the Business Roundtable discussion of June 25 and actions taken as a result of the meeting. Comments were taken directly from the discussion.

KEY POINT: Define the Roundtable's role. The Roundtable will give credibility and voice to the importance of investing in early childhood and change who is delivering the message. The work that we say is important will carry weight with taxpayers and the legislature. We will put "our seal of approval on a number of things others have worked on." We are not the "WHAT" group--tell us what the "what" is. We need to create the "burning platform" for the public; we need to expend our energy in the first year raising awareness of the "platform." We need to use the Roundtable as a board of directors and work on a multi-year effort. "We become seeds out in the community in what becomes a generation of change...."

- **ACTION:** John Richardson will discuss with Governor the development of an Executive Order to establish the Business Roundtable as an ongoing entity.
- **ACTION:** Cheryl Rust, Wayne Davis, Steve Musica, and Mike Halle have agreed to work with Sheryl and Donna over the summer months to clarify the Roundtable's role. They met on September 3.

KEY POINT: Prioritization and "focus, focus, focus." We need a better understanding of the "need." What are we looking for? What is the fix? We need to choose 3-4 recommendations and lay out the problem and the solutions from a business perspective. Economic and social science research is developing a picture of what a good program looks like for 0-5; but there is SO much material. Let's isolate three or four of the recommendations; decide what we can sell emotionally and financially. We should quickly define these targets for our focus. We can say here are the three or four that give us the best, clearest return (or at least the starting place) and then we can speak with credibility and conviction.

- **ACTION:** Sheryl and Donna met with Wayne Davis on a process model in which to determine the priorities.
- **ACTION:** Sheryl and Donna will present 3-4 priorities for group consideration at the October 31 meeting.

KEY POINT: Messaging, public relations, public information campaign. “We have to find a way to make the public understand the opportunities available for investing in young children.” Then, once we understand the opportunities, we should “become champions for it.” Further, we need to get the word out to other businesses. Consistent messaging to all audiences is needed. Targeted messaging is critical. We need to look at other successful educational campaigns like anti-smoking or the “green movement.” Al Gore’s documentary, *The Inconvenient Truth*, helped to bring about change in public opinion about the environment. We need to change perception; blend the “religion” with the “intellect.” “We need to totally rally our finances to get the message out there; bring our forces together; take the blinders off; see the half empty glass—if we can’t compete we can’t survive.” We need consistent messaging throughout the entire system. We need a logo/graphics that supports both the urgency and energy of the message.

- **ACTION:** Sheryl and Donna will incorporate the development of a statewide messaging strategy as one of the priorities for the Roundtable recommendations.

KEY POINT: Develop a Children’s Budget (Spending Overview) and Needs Assessment. What are the current appropriations, shortfalls, initiatives in early childhood? “What are we doing right now?” What are the “current trends in spending?” We need to get a clear picture of state and federal spending related to children. This data will be helpful when looking at outcome studies. Can we figure out what the savings might be? “Basically, we need to look at the data with the caveat that it is not a perfect science.” We need a comprehensive, statewide needs assessment on which a finance plan can be based.

- **ACTION:** John Richardson will ask for help from government agencies in determining baseline for birth to five year old investment.
- **ACTION:** Sheryl and Donna will outline data needs and organize available data for review.

KEY POINT: Accountability and Evaluation. We need to know the return. We need to hold the system accountable—parents need to be held accountable. We need an accountability mechanism with “bite” to it to make sure that what we execute will get done.

- **ACTION:** Sheryl and Donna will include in the priorities consideration of governance structures in which needs assessment, evaluation, accountability, and financing can be most effectively accomplished.

APPENDIX C: OCTOBER 31, 2008 AGENDA AND NOTES

Governor's Business Roundtable on Early Childhood Investment

October 31, 2008

Governor's Cabinet Room, Augusta Maine

8:30 - NOON

AGENDA

Revisit Governor's Charge and Assigned Tasks

Key Points from June 25 Meeting

National Context:

The Economic Summit on Early Childhood Investment
September 21-23, 2008, Telluride, Colorado

Committee Work on Priority Process

Presentation of Priority Recommendations

Long Term Vision, Recommendations, Solutions

Discussion of Priority Recommendations

Are there other priorities to include?
Is there anything you disagree with or need clarity about?
What improvements would you suggest?
Is there consensus on these priorities?

Next Steps for Business Roundtable

Work Plan and Timeframe, Meeting Dates for 2009

Announcements: Invitation to First Meeting of the Maine Children's Growth Council,
December 8

Governor's Business Roundtable on Early Childhood Investment

Selected KEY POINTS from the October 31, 2008 Discussion of Priorities

- Members agreed that the Business Roundtable should be responsive to the opportunity from the Pew Foundation to create a statewide Business Roundtable conference.
- The Business Roundtable priorities should reflect consideration of performance evaluations for staffing as well as evaluation of program effectiveness. Use the principles of business performance: Plan, Do, Check, Act. Don't be afraid to say we were wrong. We need to boldly talk about our failures and our willingness to do things differently.
- The Return of Investment (ROI) of early childhood investment is one of the most forward thinking ideas that have come out of the Blaine House in a long time. Public private investments will be more successful if we have a performance standard and appraisal of the work we are recommending.
- Business Roundtable members need talking points to help market early childhood investment.
- The Business Roundtable must consider incentives for taxpayers and businesses to engage in early childhood investment.
- It is a moral imperative to improve the quality of life of Maine people. We need to open our intellects, become more idealistic, and elevate our consciousness to understand the importance of investing in early childhood to achieve a good productive workforce—and prevent people ending up in correctional facilities or on the public dole.
- We need to take away the quagmire of the bureaucratic system through a public private partnership, dedicate resources to early childhood that are monitored by the private not government entity, and incentivize the enterprise.
- The Business Roundtable needs to state that we have determined these priorities based on our criteria—not that the other Invest Early recommendations are not important, but that these are the ones we feel are the most important and will get us started.
- Given society's growing concern for the environment, the recognition of the harmful effects of global warming, and the need for new energy resources—all of which will require long term investments—it is likely that an informed public will understand and support long term investment in young children.
- We need to overcome the cynical response and be able to look at a return-- not next year-- but 20 years from now. We need clear benchmarks from year one and we need set goals that five year olds will reach when they enter kindergarten. We need measurable goals. Otherwise Maine's successful businesses that are besieged with legitimate requests for investment won't trust us. We have to prioritize, particularly in these times.

APPENDIX D: DECEMBER 1, 2008 AGENDA AND KEY POINTS

GOVERNOR'S BUSINESS ROUNDTABLE ON EARLY CHILDHOOD INVESTMENT

GOULD HEALTH SYSTEMS, AUGUSTA, MAINE

DECEMBER 1, 2008

8:30 AM (REFRESHMENTS AND EARLY START) - NOON

AGENDA

Summary of Oct 31 Meeting

Review of the information requested on Oct 31 (Priority III: Public Private Partnerships)

Final discussion of Priority III

Discussion of Lingering Questions

Final Approval of Priority Recommendations

Priority I: Public Awareness and Parent Education

Priority II: Workforce Development

Priority III: Public Private Partnerships

Overview of Report to the Governor (which includes the priority recommendations)

Draft

Discuss Timing of Document Delivery

Work Plan for 2009: Work to Do and Timeframe, Meeting Dates for 2009

Statewide Business Roundtable Conference: Grant Opportunity with the

Partnership for America's Economic Success Grant; <http://>

www.partnershipforsuccess.org/docs/RFP_StateSummits20081120.pdf

Recommendations for State Government funds

Announcements: Invitation to First Meeting of the Maine Children's Growth Council,
December 8

Intended Outcomes:

Finalize/approve priority recommendations and draft of report to Governor.

Develop outline of 2009 workplan

Agree on next meeting dates, if any

Governor's Business Roundtable on Early Childhood Investment

Summary of Dec. 1 Meeting by Agenda Items

Attendance: Jim Clair, Wayne Davis, Pamela Joy, Steve Musica, John Richardson, Cheryl Rust, Gil Tenney, Steven Thing with Sheryl Peavey and Donna Overcash

A. Agenda item: Summary of October 31 meeting.

- Donna read Selected Key Points excerpted from discussions at Oct. 31 meeting. See Handout.
- Before we began discussion of priorities, we reviewed the State Context chart and roles of the Children's Cabinet, Maine Children's Growth Council (MCGC), and the Governor's Business Roundtable on Early Childhood Investment as well as related efforts. (See attached.) (Also, see handout: Dec. 1 Discussion of Priorities, page 4-5 for information on the relationship between MCGC and the Business Roundtable.)

Some important distinctions between these groups include:

1. The Maine Governor's Children's Cabinet is chaired by First Lady Karen M. Baldacci and has as its members, the commissioners of the five child-serving state agencies, Education, Health and Human Services, Corrections, Public Safety, and Labor, and the Governor's policy advisors. It advises the Governor regarding state budget and policies. The Children's Cabinet championed the Task Force on Early Childhood which has met for several years and with Federal funding, has developed the state plan: *Invest Early in Maine*. The Task Force will no longer exist once the Maine Children's Growth Council is operational.
2. The Maine Children's Growth Council was an outcome of a legislative study group: The Commission to Develop a Strategic Priorities Plan for Maine's Young Children. The Council's extensive (27), influential membership was appointed by the Governor, Speaker of the House, and Senate President to encompass the legislature, parents, philanthropy, law enforcement, community mobilization, public health, post secondary education, child abuse prevention, labor, industry, and statewide children's organizations. In addition, the Economic Growth Council and BRECI have membership seats. DOE and DHHS are ex-officio members. MCGC will report to the Legislature and Governor. The MCGC will adopt and further develop *Invest Early* and be engaged with the implementation of the plan at both a state and local level.
3. The Business Roundtable serves at the pleasure of the Governor and is chaired by the Department of Economic and Community Development. It consists exclusively of business leaders. The Business Roundtable was asked to prioritize recommendations within *Invest Early* from a business perspective and make recommendations to the Governor for strategic and realistic approaches to early childhood system change. Engagement of other business leaders, working with the MCGC as appropriate, and consulting with the Children's Cabinet were also goals assigned to the Business Roundtable.

Recommendations for Early Childhood Investments in Maine

- B. Agenda Item: Discussion of Priority III, The development of public private partnerships and the development of a nonprofit foundation. See handout: Discussion of Priorities

Extensive discussion took place. Some key points follow:

- The Business Roundtable is complementary to the Children’s Cabinet and the Maine Children’s Growth Council, because we are dominated by business people and because of our commitment to focus and prioritize. Business leaders can help legitimize children’s issues for the average taxpayer.
- The Cabinet and the Children’s Growth Council can set the benchmarks, establish the outcomes, and manage the internal investments. They can make sure the system is high quality and accessible while the Business Roundtable can develop partnerships and private resources. The Council can work on implementing accreditation, for example, while the Business Roundtable members “go get the money.”
- Members cited the importance of focusing the work of the Business Roundtable to children prenatal to five with particular focus on prenatal to three. This age range is supported by research as the most critical time for brain development and the time to avoid the adverse effects of “toxic” stress (ie. poor parenting and limited nurturing, poor health care, child abuse/neglect, unqualified child care providers, and inappropriate stimulation and learning, etc.)
- There does not currently exist an organized, 501(c)(3) corporation dedicated exclusively to broad based early childhood issues addressing these age groups.
- There needs to be a nonprofit organization that can manage endowments, grant making, and fee-for-service endeavors; one that can also address policy and not just advocacy. There needs to be one that maintains checks and balances on the public sector as well as guide ways in which public dollars are used in Maine’s communities.

- C. Discussion item: Creation of a dedicated, nonprofit 501(c)(3) corporation

Extensive discussion took place. Some key points follow:

- *Who is the Governing Board for the nonprofit corporation?* The Governor’s roundtable and board of nonprofit is not the same, necessarily. Maybe the Business Roundtable can be an advisory board to the nonprofit or we can create an executive committee of the Business Roundtable to be the board.
- *Is there a need for structure so that the corporation enhances existing organizations, fills a distinctive gap, and offers collaboration not more silo building?* We need to include the goal of collaboration for the nonprofit structure so that we don’t create yet another “silo.” What are we going to do differently? How will this new organization collaborate with other nonprofits and coordinate with other groups? We don’t want to set ourselves up as another silo where we believe “we are THE boss or we have THE

answer.” We need not duplicate the work of others; rather we need to see the organization as having a distinct mission and fulfilling a specific niche.

- *How will providers access this group?* Program “orientation is at the grassroots level”. How will providers have access to this myriad of organizations, specifically our group? We need to define this process to assure that the community of providers has access to this group and the work it does.
- *How will this corporation cope with the immediate need to save programs that provide critical services while working on long term investment?* The economic crisis is striking families, but also the organizations/services/ supply side of supports for families, especially, child care. We know public funding is at its lowest and the corporation will be working on the long term plan, but there are immediate needs and financial crises facing our community programs.
- *What is the definition of success?* We must define this.

D. Discussion Item: An administrative home to act as incubator for 3-5 years then spin off the autonomous early childhood corporation/foundation.

Extensive discussion took place. Some key points follow:

- Utilizing an existing nonprofit as an administrative home and incubator offers the corporation access to needed infrastructure immediately, provides visibility among funders and the public, offers an existing positive reputation, provides links to pre existing community and funding networks, and offers expertise and a track record on public and funder accountability.
- The group looked closely at the Maine nonprofits reviewed in the handout. (See Nonprofit Corporations in Maine) and discussed their attributes and compatibility and whether they offered an effective and reasonable partner for early childhood.

E. Discussion Item: Maine Development Foundation as administrative home and/or incubator.

Extensive discussion took place. Some key points follow:

- The members are most familiar with the work of the Maine Development Foundation which was originally established as the nonprofit arm of the Department of Economic and Community Development. It now has an independent identity and long term viability which is very attractive as an administrative home. The group has “survived.”
- What are the downsides to working with MDF? Becoming part of any other organization complicates the issue of a separate identity and independence. This is something we can negotiate with MDF as a trusted colleague. The argument that it will get “lost” is valid for all organizations. Competing for the same dollars will be

issue with any incubator.

- What are the downsides of going independent without an “incubation” period? There are many but perhaps the most serious one is there will be no “track record” for fund raising, grantmaking, and fee-for-service purchasing. Other issues include the time it will take to establish a viable identity and infrastructure.

Meeting discussion ended with a discussion of next steps. Following is a Summary Statement of the work of the Business Roundtable following its fourth and final meeting of 2008.

**Governor’s Business Roundtable on Early Childhood Investment
WHERE WE ARE
December 8, 2008**

The Governor’s Business Roundtable on Early Childhood Investment has met four times since April, 2008 at the invitation of the Governor. We have reviewed the *Invest Early* state plan and among the 22 recommendations identified three priorities that we believe offer a starting point for our work and that contain the most important opportunities for consideration by Maine’s business community, philanthropic organizations, and government. We will present these recommendations to the Governor mid January, as requested.

In our considered opinion, there is value in continuing the Business Roundtable to complement the work of the Maine Children’s Cabinet and the Maine Children’s Growth Council as the business arm of early childhood investment and systems change. We are willing and able to address the following tasks in the coming months:

1. Develop a work plan for the three priorities and a business plan for Priority 1: The Development of a Nonprofit Corporation Dedicated to Early Childhood Investment. The Business Roundtable will work to get the nonprofit corporation up and going.
2. Develop an effective corporate structure to work with MCGC, the Children’s Cabinet, and providers. We will establish, as part of the corporation’s mission and goals, collaboration across groups so that it does not duplicate the work of existing organizations, does not “silo” itself and is seen as having a distinct mission and fulfilling unfilled niche.
3. Develop corporate board membership that uses the expertise of BRECI in governing and/or in an advisory capacity. We will expand the board to include philanthropy and meet with the ME Philanthropy Center for input.
4. Conduct a statewide Business Roundtable awareness process (Business Leader Summits) such as regional breakfast meetings/conversations/conferences. We will apply for the grant from the Partnership for America’s Economic Success (PEW Charitable Trusts) for “spreading the word.” There is a thirst for this “thing” and for moving forward. It is wise for the early childhood investment

movement to be a business-led effort. We need to engage other business leaders and provide them the opportunity for the “AHA moment.” We can make the investment pitch and support a funding drive. Upon evaluation, we need to develop a “longevity” plan in getting businesses behind investments. We need creative thinking about how to meaningfully engage small businesses, such as service industry with low wage employees.

5. Build a consortium of corporate and media partners for the development of a comprehensive public education and awareness campaign strategy and coordinate the development of the campaign with all other similar early childhood efforts. The Roundtable will work with partners to determine the cost and identify financing for this multi-level, targeted public education and awareness campaign.

IMMEDIATE WORK TO DO:

Write grant for statewide roundtable activities (Due 1/16/09)

Get comments on grant from Business Roundtable Members

Work with small group meet on final draft of governor’s report

Arrange late January meeting to present to governor, from January 15 forward.

Meet with Governor for photo op and then meet formally with him on work plan. Get as many members there as possible.

Next meeting of Business Roundtable could be same as meeting with Governor; we could meet afterwards to save additional trip to Augusta for next meeting

APPENDIX E: STATE GOVERNANCE MODELS

STATE MODELS OF EARLY CHILDHOOD GOVERNANCE

The 501(c)(3) tax status enables partnerships to accept public and private funding, obtain tax-exempt status, and protect the partnership members and directors from personal liability. The structure ensures long-term sustainability and maintains a consistent bipartisan focus. Most public-private partnership structures were established as independent 501(c)(3) charitable organizations in which states pooled their public, private, and/or philanthropic funds through the nonprofit state-level entity.

PART ONE: 501(c)(3) NON PROFIT ORGANIZATIONS

(States that established a new, autonomous nonprofit organization to house their partnership.)

MICHIGAN: Michigan's Early Childhood Investment Corporation (www.ecic4kids.org)

The Early Childhood Investment Corporation (ECIC) was formed in August 2005 after Governor Granholm called for its creation during her State of the State Speech. It was created to ensure that every young child in Michigan has a Great Start and arrives at the kindergarten door healthy and ready to succeed in school, with parents who are committed to educational achievement. Accomplishing this important goal is not the work of any one organization or individual but will take the combined efforts of parents, community leaders, business, the legislature, state and local government, faith-based organizations, and philanthropy.

The ECIC is uniquely positioned as a public, nonprofit corporation to bring state and local leaders together on behalf of a better life for Michigan's youngest learners and their families. It is housed independent of state government and operates simultaneously in the public and private sectors where it can solicit and receive funds from both sectors of the economy. The ECIC has an independent Board of Directors, composed of leaders from state government, philanthropy, business, community and early childhood organizations, healthcare, and communities.

The Early Childhood Investment Corporation is charged with implementing the *Great Start Blueprint* whose vision and mission are aimed at ensuring a Great Start for Michigan's children aged birth to 5-- to make every child in Michigan safe, healthy, and eager to succeed in school and in life. The purpose of Great Start is to assure a coordinated system of community resources and supports to help all Michigan families provide a great start for their children from birth to age five. It is currently able to support 21 communities throughout Michigan to improve results for young children and their parents. The ECIC provides funds for community leaders to work together, as members of a Great Start Collaborative, to create the kinds of helpful information, services and resources that parents want and need.

MINNESOTA: The Minnesota Early Learning Foundation (MELF) (www.melf.us)

The Minnesota Early Learning Foundation is dedicated to finding the most cost effective ways to prepare at-risk children for school and the workforce. MELF vows to demonstrate what works, make recommendations for reinvesting public and private resources and find new ways

to reach and support at-risk children. Minnesota Early Learning Foundations is classified by the Internal Revenue Service as a 501(c)(3) tax-exempt, nonprofit organization. Contributions are deductible.

Purpose: Identify cost-effective ways of ensuring that Minnesota’s children ages prenatal to five, from low income or challenged families, are ready for success in school. MELF works to identify and build support for cost-effective, research-based approaches that use the public and private dollars invested in early learning in the most efficient ways possible.

The Minnesota Early Learning Foundation supports programs and initiatives that educate, inform, and empower parents, particularly in Minnesota’s fast-growing immigrant communities and other under-served communities.

Educate parents: Help parents better understand what children should know and be able to do at different stages of development to be prepared for kindergarten.

Inform parents: Provide information that will help parents understand the characteristics of high quality early learning programs and services and choose the options that best meet their children’s needs.

Empower parents: Pilot the use of early learning scholarships or other incentives to focus resources on serving children most at risk of entering kindergarten unprepared.

The MELF supports programs and initiatives that will – through measurement, demonstration, collaboration and evaluation – guide development of an effective early learning system.

Measurement: Support measurement systems that assess a child’s progress and a provider’s effectiveness.

Demonstration: Identify and test ideas for bringing quality early learning cost effectively to children in at-risk or underserved communities.

Collaboration: Build local community capacity to increase school readiness through businesses, faith-based organizations, school districts and other community resources.

Evaluations: Develop an evaluation framework for selecting the best approaches from current programs and innovative approaches.

Board of Directors

CEO, Best Buy

CEO, Ecolab

Retired CEO, Blue Cross/Blue Shield of Minnesota

President and CEO, Birk Consulting LLC

President, University of Minnesota

President and CEO, Secure Horizons

Senior Partner, Robins, Kaplan, Miller & Ciresi

CEO, Liberty Diversified

Past Chair, MELF Board of Directors

Senior VP, Federal Reserve Bank of Minneapolis (Art Rolnick)

President, United Way

Retired Chairman, Cargill

President & CEO, Taylor Corporation

Executive Director, Minnesota Business Partnership

SOUTH CAROLINA: SC First Steps to School Readiness (www.SCfirststeps.org)

South Carolina First Steps to School Readiness was signed into law in 1999 to help improve school readiness for the state's youngest learners. First Steps is a comprehensive, results-oriented statewide education initiative to help prepare children to reach first grade healthy and ready to succeed. Each South Carolina County has a First Steps partnership comprised of business and community leaders, early education professionals, parents, faith-based and agency partners. First Steps partnerships examine unmet needs in their communities to help local young children and their families. Through its 501(c)(3) status, First Steps mobilizes resources beyond state-allocated dollars, leveraging local private and public funds, federal grants, planned gifts, in-kind contributions, and volunteer time.

Since its inception in 1999, First Steps has helped nearly 340,000 of South Carolina's youngest children and their families get ready for school. As the state's only entity focused exclusively on increasing school readiness outcomes for all children, First Steps focuses on five broad strategy areas--

1. *Early Education.* First Steps leverages state, local and private resources to increase the quality of, and number of children participating in, developmentally appropriate pre-kindergarten programs in both the public and private sectors. Particular emphasis is placed on fidelity to research-based instructional models and targeting of students at-risk of early school failure. Since inception, First Steps has served over 22,500 children through early education strategies in South Carolina such as expanded public and private 4-year-old kindergarten.
2. *Family Strengthening.* First Steps works collaboratively with its agency partners, the faith community and private sector, to support parents and families in their own efforts to maximize school readiness, well being and long-term academic success for young children. Since inception, First Steps has served over 32,100 families and nearly 96,800 children through family strengthening strategies such as Parents as Teachers and early and family literacy programs.
3. *Child Care Quality.* First Steps collaborates with parents, the child care community and its agency and community partners to maximize child care quality throughout the state. Particular emphasis is placed on assisting parents in their efforts to identify those settings most likely to maximize developmental outcomes, and assisting providers in their own efforts to maximize the learning environments they provide for young children. Since inception, First Steps has served over 3,000 facilities and nearly 180,000 children through child care quality programs like child care scholarships, facility quality enhancement, and child care staff training and consultation.
4. *Healthy Start.* First Steps recognizes the importance of a healthy start in maximizing both school readiness and the long-term well being of the state's children. The initiative partners with families, the medical community and other stakeholders to leverage resources for - and increase awareness of - the healthcare, nutrition and early developmental needs of the state's young children. Since inception, First Steps has served over 9,500 families and over 19,300 children through healthy start programs such as early vision and dental screenings, referrals to medical homes, child care nutrition, asthma prevention and prevention of maltreatment and abuse.
5. *School Transition.* First Steps recognizes school entry as a pivotal transition point in each child's educational career. In an effort to ensure strong collaborative relationships

between the state's families and schools, the initiative develops strategies to maximize parents' understandings of state and local expectations and ensure a smooth and beneficial school transition for each child. Since 2004, First Steps has served approximately 3,100 children through school transition strategies— Countdown to Kindergarten.

VIRGINIA: Smart Beginnings, the Virginia Early Childhood Foundation.
(www.smartbeginnings.nonprofitoffice.com)

The Virginia Early Childhood Foundation is a public-private partnership founded in 2005. The mission is to provide leadership to foster Smart Beginnings for all young children in Virginia and through them a vital future for the Commonwealth.

Through its 501(c)(3) status, the Foundation provides grants, training and technical assistance to local and regional Smart Beginnings initiatives. It collaborates with state government, the business community, parents and early childhood leaders to implement long-term strategies for improving school-readiness for all young children, ages birth-5.

The Virginia Early Childhood Foundation has established ambitious yet realistic goals for building a statewide system—based on common goals, local solutions and parent involvement—that provides a quality framework for early care, education, and health services across the Commonwealth:

Infrastructure. Working in partnership with state government, VECF provides competitive grants and technical assistance to local coalitions and leadership councils formed to build capacity and infrastructure in local communities for delivery of quality early childhood programs.

Communication. VECF promotes a vigorous and persistent public awareness initiative to build a clear understanding of the long-term economic and social benefits of investments in high-quality early care and education.

Innovation. VECF stimulates proactive, innovative approaches to early care and education that produces successful results and spotlights best practice models. Through technical assistance and learning communities, VECF encourages best practices statewide.

Evaluation and Accountability. VECF is committed to measurable outcomes at both the state and local levels. VECF participates in national and statewide efforts to identify effective evaluation strategies and to implement these throughout Virginia. VECF tracks outcomes for both local initiatives and state-level results.

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Recommendations for Early Childhood Investments in Maine

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Delegate, Virginia General Assembly, 95th District
Secretary of Commerce and Trade
Delegate, Virginia General Assembly
93rd District Senator, Virginia General Assembly
Secretary of Education
Senator, Virginia General Assembly, 8th District
Secretary of Health & Human Resources

WASHINGTON: Thrive by Five, The Washington Early Learning Fund (www.Thrivebyfivewa.org)

Thrive by Five Washington works to champion positive early learning opportunities for every child, from birth to age 5, so that they are ready to succeed in school and thrive in life. Created in 2006 as a public-private partnership, it partners with parents, early learning professionals, communities, philanthropic organizations, businesses and government to develop a sustainable system for statewide early learning improvement—strengthening families and ensuring that all children in Washington experience positive, early learning environments.

Thrive by Five Washington is a 501(c)(3) nonprofit organization governed by a board of directors. A diverse group of public and private partners has come together to create and support Thrive because of a belief that public-private partnerships combine the assets of each sector to help achieve sustainable social change. The public sector offers experience, considerable public resources and infrastructure, and political legitimacy. Private organizations, such as foundations and businesses, bring expertise, credibility, nimbleness, rigor and flexible funding to an issue.

Collaboration and coordination are essential to better insuring that every child gets the start in life they need and deserve. Thrive brings together people, resources, and proven programs and practices—from around the state and around the world—to leverage social change and create the supports, services and system Washington families need.

In 2006, the Washington State Department of Early Learning (DEL), a cabinet-level agency, was created to coordinate state-funded early learning programs. Public and private funding partners also joined together to create Thrive by Five: The Washington Early Learning Fund

(now known as Thrive by Five Washington), to serve as a catalyst for improvements to parenting education and support, child care, preschool and other early learning environments throughout the state.

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 Senate Minority Leader
 State Senator, Early Learning & K-12 Education Committee
 Kirlin Charitable Foundation
 Foundation for Early Learning
 Medina Foundation
 Trilogy Equity Partners
 W.K. Kellogg Foundation

(States that established a nonprofit organization within an existing organization to house their partnership.)

ARIZONA: Arizona Early Education Funds (AEEF) of the Arizona Community Foundation (www.arizonaearlyeducationfunds.org)

The Arizona Early Education Funds help communities across the State create quality early care and education systems for children from birth to age five. Because this is the most critical time in a child's mental and social development, a gift to the Funds will support Arizona's children today and our economic health in the future.

The Arizona Early Education Funds (AEEF) were established at the Arizona Community Foundation (ACF) with partnering organizations across Arizona to help communities build the quality and capacity of early care and education programs for children birth to age five. These funds were established with the support of Governor Janet Napolitano and the Arizona School Readiness Board (ASRB). Funding strategies are targeted to support the Arizona School Readiness Board's Action Plan and designed to build both statewide and regional support for a comprehensive system of early care and education. The fund will be partially endowed and partially spendable, and funds will be distributed across Arizona for early care using systemic models that benefit children directly.

Recommendations for Early Childhood Investments in Maine

The AEEF provides a unique opportunity for individuals, corporations and organizations to strategically invest to support a system of early care and education that can be sustained beyond any one individual program.

The foremost leading experts in early care and education are involved in the AEEF. Their experience and expertise guarantees that individuals, corporations and organizations can be confident that their investment will be used efficiently and effectively and will require measurable outcomes and results.

Limited Overhead with Maximum Support--The Advisory Board has made a commitment to ensure that the maximum amount of dollars raised for the funds go to where it's needed most. All dollars invested through ACF are only charged a one percent administrative fee. And, in addition to private donations to support the Fund Director, the Arizona Community Foundation has committed additional staffing support.

Primarily through the funding and development of regional partnerships, AEEFs' grants were designed to establish an early care and education and health system. With the support of private and corporate philanthropy, grants from \$25K to \$100K helped communities build capacity, enhance local programmatic efforts, conduct community assessments and plan together in Arizona's 15 counties.

Advisory Board

Flagstaff Community Foundation

The Rodel Foundation

Executive Director, *Governor's Office of Children, Youth and Families*

President, *Bank of Arizona*

President & CEO, *Arizona Community Foundation*

Owner, *Sperduti Networks*

President & CEO, *Community Foundation for Southern Arizona*

Director of Community Affairs, *Freeport-McMoRan*

Member, *AEEF Advisory Board of Directors*

Vice President of Community Relations, *The Arizona Republic*

Executive Director for Leadership and Partnership Enhancement, *Arizona State University*

Senior Vice President, External Relations, *United Way of Tucson and Southern Arizona*

Vice President and Regional Manager, Philanthropy & Community Relations, *JPMorgan Chase & Co.*

Executive Director, *Diamond Foundation*

President & CEO, *The Virginia G.Piper Charitable Trust*

VP & Program Director, Early Childhood Education, *Helios Foundation*

Director of Grant Programs, *Nina Mason Pulliam Charitable Trust*

President, *Salt River Pima-Maricopa Indian Community*

First Lady, *Navajo Nation*

Director, Institute for Child Development Research and Social Change, *Indigo Cultural Center*

PART TWO: ESTABLISHED CABINETS AND COUNCILS

CONNECTICUT: The Early Childhood Education Cabinet and the Early Childhood Research and Policy Council (www.ecpolicycouncil.org)

Established in law in 2005, *the Early Childhood Education Cabinet* is co-chaired by the Governor's Office and the Commissioner of the State Department of Education. Membership (15) consists of state agency representatives in education, higher education, social services, developmental services, public health and policy and management. In addition, the Commission on Children, School Readiness Councils, Head Start Association and the co-chairs of the CT General Assembly's Education and Human Services committees serve. Building on nearly a decade of attention to the needs of Connecticut's young children, the CT Early Childhood Education Cabinet has worked for nearly a year to identify a set of agenda items designed to promote the development of all of the state's young children. *The purpose of the Cabinet is to:*

1. Advise the Commissioner of Education on policies & initiatives to meet General Assembly's goals for school readiness,
2. Develop a quality workforce development plan for school readiness and assist in development of Pre K Facilities and Expansion Plan,
3. Consult with Commissioners of Ed and Social Services on multi-year duties to implement integrated school readiness plan,
4. Promote consistency of quality and comprehensiveness of early childhood services,
5. Develop minimum standards and range of higher standards of quality for all early care and education programs receiving state funds and report on quality plan annually,
6. Develop and implement an Accountability Plan,
7. Propose data sharing agreements between state agencies,
8. Develop budget request for the early childhood program,
9. Manage Cabinet resources, and
10. Conduct statewide PreK-3 longitudinal study to examine student's education progress.

The Early Childhood Research and Policy Council was formed through Executive Order 13 by Governor M. Jodi Rell, in February 2006 to develop a multi-year plan to shape Connecticut's investment to improve school readiness for all children. Membership on the Policy Council represents business, philanthropic, higher education sectors, state agencies and local government, CT's workforce and economic development communities, K-12 and higher education leadership and members of the CT Appropriations and Finance Committees. *The purpose of the Council is to:*

1. Advise the Early Childhood Education Cabinet on investments in early childhood initiatives;
2. Recommend ways to build and support a network of early childhood researchers across Connecticut's education systems;
3. Engage Connecticut's academic researchers in design of a longitudinal study of children's development;
4. Examine, from a business perspective, possible strategies to increase the efficiency and effectiveness of Connecticut's early care and education "industry";
5. Propose additional "return on investment" (ROI) studies necessary to evaluate and

Recommendations for Early Childhood Investments in Maine

- support early childhood care and education, quality improvement and expansion proposals;
6. Consult with the Cabinet in its preparation of the Cabinet's Early Childhood Investment Plan regarding the expansion of high quality early childhood education services leading to the readiness for kindergarten of all Connecticut children upon entry into kindergarten; and
 7. Consult with the Cabinet in monitoring the ongoing implementation of the Connecticut Early Childhood Investment Plan.

Collaboration between the Cabinet and Council: The chairpersons of the Early Childhood Education Cabinet and the Governor's Early Childhood Research and Policy Council meet on a regular basis, not less often than quarterly, to plan and coordinate activities of the body.

ILLINOIS: The Illinois Early Learning Council (www.illinois.gov/gov/elc)

Illinois has a strong history of systems building efforts and support for families with young children. Governor Rod Blagojevich took a major step toward establishing a statewide early childhood system by signing Senate Bill 565 - creating the Illinois Early Learning Council. The Council will build on recent and ongoing early childhood planning efforts and initiatives as well as lessons learned and input from parents and local communities.

Long-Term Outcome: All Illinois children are safe, healthy, eager to learn and ready to succeed by the time they enter school.

Vision: The Early Learning Council is committed to developing a high-quality early learning system that will be available to all children birth to five throughout the state by enhancing, coordinating and expanding programs and services for young children - including PreKindergarten, child care, Head Start, health care and parental support programs.

Broad Purpose of the Illinois Early Learning Council:

- Review recommendations of previous/ongoing early childhood efforts and initiatives and oversee implementation
- Develop multi-year plans to expand programs and services to address gaps and insufficient capacity and to ensure quality
- Reduce or eliminate policy, regulatory and funding barriers
- Engage in collaborative planning, coordination and linkages across programs, divisions and agencies at the state level
- Report to the Governor and General Assembly on the Council's progress toward its goals and objectives on an annual basis

Major Issues to Come Before the Illinois Early Learning Council. Based on recommendations of Illinois' past and ongoing early childhood initiatives, the Early Learning Council will consider and develop actions and recommendations related to the following issues:

- *Oversight and Coordination* - How can Illinois help to ensure effective implementation of Preschool for All birth to five services and program quality components and Early Learning Council recommendations? How can we support both individual children's learning and development and programs' continuous improvement through systems

focusing on standards, assessments, systems-level program evaluation, and quality assurance? How can Illinois improve integration across early childhood programs and systems to address the comprehensive nature of children's healthy development and readiness for school?

- *Space Capacity* - How can Illinois increase the space capacity in communities to serve children in high-quality classrooms, infant-toddler care, and education settings, especially in areas of greatest need?
- *Special Populations* - How can Illinois expand access to high quality early learning programs to children who face the greatest challenges, such as children with disabilities, children who are homeless, and children involved in the child welfare system?
- *Infant and Toddler services* - How can Illinois expand access to high quality early childhood development programs for all at-risk children under three years of age, and improve the quality of services offered to very young children and their families? How can Illinois improve coordination across infant and toddler programs and services at the state and local levels?
- *Public Awareness* - How can Illinois increase participation in high quality early learning programs by providing consistent, high-quality information, outreach and technical assistance to families, early childhood providers, and other stakeholders?
- *Linguistic and Cultural Diversity* - How can Illinois meet the varied needs of culturally and linguistically diverse families and young children to ensure that they are well-prepared for school?

- *Workforce Development* - How can Illinois develop a statewide workforce development system to enable more early childhood practitioners to improve their skills through training and higher education?

Membership: Council members serve on a voluntary, unpaid basis; represent both public and private organizations; and reflect the regional, cultural, and racial diversity of Illinois. Members serve three-year terms, except for the initial appointments; half of the initial members were appointed to a two-year term so that terms are staggered. The President of the Senate, Minority Leader of the Senate, Speaker of the House of Representatives, and Minority Leader of the House of Representatives each appoint one member to the Council. All other Council members are appointed by the Governor.

Accountability and Reporting: The Illinois Early Learning Council will report by June 30th each year to the Governor and the General Assembly on the Council's progress towards its goals and objectives.

OTHER STATES

In Nebraska, the state board of education selected the Nebraska Children and Families Foundation as the private administrator of the Nebraska Early Childhood Education Endowment through a competitive proposal process.

Alaska's Best Beginnings is co-managed by two existing nonprofit agencies, the Alaska Humanities Forum and United Way of Anchorage.

APPENDIX F: NONPROFIT 501(C)(3) CORPORATIONS IN MAINE

The following contains an overview of several nonprofit corporations in Maine that offer structural and process models for consideration. The Business Roundtable reviewed each of these and a few others in their deliberations on the development of a nonprofit corporation for early childhood.

A. The Maine Development Foundation (MDF)

The Maine Development Foundation drives sustainable, long-term economic growth for Maine. MDF stimulates new ideas, develops leaders, and provides common ground for solving problems and advancing issues.

To accomplish its mission, MDF:

- Empowers leaders to act through Leadership Maine and Policy Leaders Academy. Leadership is the most important ingredient in the complex process of economic development.
- Strengthens Maine communities through the Maine Downtown Center, Capital Riverfront Improvement District, and The Fund for the Efficient Delivery of Local and Regional Services. Maine's downtown communities are vitally important economic assets.
- Guides public policy through the Maine Economic Growth Council, Employer Initiative, Mapping, and REALIZE!Maine. Effective decision making requires objective and reliable information.

MDF is a private, non-profit corporation with an IRS 501(c)(3) status. MDF was created by the Governor and Legislature in 1978 with a broad mandate to promote the economy. Funded by fee-for-service, private contributions, memberships, and foundations, less than 10% of revenue is from state government contracts. There is no general state appropriation.

The MDF Board of Directors is comprised of no less than fifteen business people, educators, government officials and community leaders, who are elected each year from among the 300 corporations. MDF has a small staff of nine professionals and makes extensive use of volunteers, loaned executives and consultants to deliver its core programs, described below. MDF's 300 members represent companies, educational institutions, municipalities, government agencies, and nonprofit organizations throughout the state. MDF provides a common ground for leaders to discuss and act on issues affecting Maine's economy.

B. The Maine Technology Institute (MTI)

The Maine Technology Institute offers early-stage capital and commercialization assistance for the research and development of innovative technology-based projects that create new products, processes and services, generating high-quality jobs across Maine.

For every \$1 of MTI funding, \$12 are leveraged in additional private and public financing for Maine. MTI invests in promising technologies by funding research and development projects in the state's seven technology sectors. Competitive awards bring new products, services and processes to the market, generating high-quality jobs across Maine.

MTI is a private, non-profit, 501(c)(3) organization created and funded by the state of Maine. It is governed by a Governor-appointed Board of Directors made up of industry leaders and representatives of key public agencies. Businesses, non-profit organizations, academic institutions and entrepreneurs are eligible for MTI programs

Goals:

- Offer robust, effective programs that fund innovative, technology based projects that lead to commercialization and job creation.
- Continue to fill gaps for Maine businesses seeking early stage capital.
- Build on networks and partnerships to enhance clusters of industrial activity.
- Help ensure that Maine's strong support of research and development is linked to commercial outcomes that result in economic benefit.
- Ensure adequate funding is available to fully support MTI's ability to help stimulate economic growth creating jobs for Maine people.

C. The Maine Community Foundation (MCF)

The Maine Community Foundation is a private nonprofit organization governed by a Board of up to thirty Directors chosen for their knowledge of the needs of the state and their involvement in community activities.

Vision. The Maine Community Foundation will be a philanthropic leader in building sustainable and vibrant communities for all Maine people.

Mission. To strengthen Maine by working in partnership with donors and community groups. MCF accomplishes its mission by:

- Providing leadership and support to address community issues
- Connecting donors to organizations and programs they care about
- Building and stewarding philanthropic resources

Values.

- Trust, accountability, integrity and objectivity
- Openness, inclusiveness and representation of Maine's diverse communities
- Non-partisan convener
- Committed to learning and innovation
- Building on community strengths, encouraging local leadership and supporting civic engagement
- Respect for the privacy of donors
- Local leadership and civic engagement
- Recognize the strength, breadth and responsibility of being a statewide organization

D. Maine Initiatives, A Fund for Change.

Maine Initiatives is a 501(c)(3) nonprofit, Maine-based foundation supporting grassroots organizing for social change, especially for organizations with limited access to traditional funding.

Mission . Maine Initiatives cultivates social, economic, and environmental justice through grants and other support to grassroots organizations in Maine communities.

Recommendations for Early Childhood Investments in Maine

Maine Initiatives was founded in 1993 by donors and community leaders who saw a need for a fund with the sole mission of supporting social change in Maine. Since then, thousands of people have joined in pooling charitable gifts to have an impact - to make change.

Focus:

- Grassroots organizing, because there is strength in numbers.
- Civic engagement, because everyone deserves a place at the table.
- Core operating support, because the mission of an organization is its most important work.
- Change, not charity, because alleviating suffering is not the same as altering circumstance.
- Root causes, because people can solve their own problems if they have the resources to do so.

Maine Initiatives Theory of Change. Social change: starts at the grassroots, requires visibility and media attention, must expand beyond the people immediately affected, must have an ultimate public policy outcome, must lead to greater opportunity and equity, takes time, and takes money.

Commitment: This group strives to get its donors' dollars "on the street" as quickly and effectively as possible to nourish the grassroots movements shaping Maine's future.

E. Maine Center for Economic Policy (MECEP)

MECEP is an independent, nonpartisan, 501(c)(3) nonprofit corporation. The Maine Center for Economic Policy's roots go back to January of 1991, when a group of organizations concerned about looming state budget shortfalls and program cuts gathered in Augusta. Subsequently, the Maine AFL-CIO, Maine Association for Interdependent Neighborhoods, Maine Council of Churches, Maine People's Alliance, Maine Women's Lobby and about 25 other organizations formed Taxpayers for a Fair Budget.

In June 1993, the Center for Budget and Policy Priorities, arranged for Taxpayers to attend a national conference organized by the Ford, Charles Stewart Mott, and Annie Casey Foundations to initiate their State Fiscal Analysis Initiative. The Initiative was formed recognizing that all states experiencing the fiscal crises of the early 1990s were responding by raising taxes in regressive ways and cutting programs that impacted low- and moderate-income families. It was hoped that if local research groups provided credible information about different state budget options, state policy makers would provide better outcomes for these families. MECEP was formed to analyze state tax and budget options and locating those options within the context of an economy that generated opportunities for all Maine residents.

Vision. A prosperous, fair, and sustainable economy; vital communities; rich civic engagement; and a healthy environment.

Mission. The Maine Center for Economic Policy advances public policies that help Maine people prosper in a strong, fair and sustainable economy. We advance this mission through high-quality research, analysis, citizen education, and coalition building.

Values. Outcome Values: MECEP supports policy outcomes that achieve these values or minimize compromise of these values:

- Economic Security: Secure access to food, shelter, and health care for all Mainers.
- Shared Prosperity: Opportunities for education, training and employment that enable all Mainers to reach their full potential.
- Thriving Communities: Excellent public services, infrastructure and cultural amenities supported by local economic prosperity and rich civic engagement.
- A Fair Budget and Taxes: Crucial public goods and services funded through cost-effective investments and progressive taxation.
- Sustainable Development: Actions by citizens and policymakers guided by the recognition that social vitality, economic prosperity, and environmental stewardship, present and future, are interdependent.

Process Values: MECEP's work at all levels reflects these values:

- Quality Research: Rigorous, credible research that informs public policy decisions.
- Issue Framing: Identification and framing of timely issues and workable solutions to shape policy agendas.
- Policy Literacy: Research and analysis made relevant to people's lives, provided in readable publications and in presentations to a wide audience.
- Collaboration: Bringing people together to share information, build consensus, and implement long-term policy solutions.
- Broad participation: Respect for a broad range of views and inclusion of Maine's diverse populations, especially the under-represented, in all public debates.

F. Maine Children's Trust Fund (MCT)

During the 1980's, a dramatic rise in child abuse cases led most of the 50 state to establish child abuse and neglect funds for community prevention programs. In September 1985, Maine enacted the original Maine Children's Trust legislation. In 1994, this legislation was amended to establish Maine Children's Trust as a separate non-profit association with a 501(c)(3) status.

Mission. To prevent the abuse and neglect of all of Maine's children.

Vision. To lead a statewide effort to prevent abuse and neglect of our children so effectively that our work is known in every county and every home.

Structure. As established by State Law, the Board has a minimum of 17 members appointed as follows:

- One senator appointed by the Senate President
- One state representative appointed by the Speaker of the House
- 4 members of the ME Association of Child Abuse and Neglect Councils (self-selected)
- 2 representatives of the DHHS, appointed y the Commissioner
- 9 members of the public and business communities

Recommendations for Early Childhood Investments in Maine

- Three appointed by the Governor
- Three appointed by the ME Chamber of Commerce
- Three elected by the Board of Directors for the MCT

Committees: Public Awareness, Finance, Executive, Grant Allocations, Chapter Activities

Funding: The Trust gets money from three sources, presently: State of ME income Tax check off revenues, private/corporate donations, and federal grants.

Activities that the Trust is charged to conduct include:

- a) As a primary prevention activity, develop and implement a Campaign to provide statewide education and public information to enhance public awareness concerning child abuse and neglect
- b) Coordinate, participate and fund public awareness activities that focus on child abuse and neglect
- c) Advocate for systemic changes in state policies, practices, procedures and regulations
- e) Fund program services that are identified as unmet needs in the state.

G. The Maine Children's Alliance (MCA)

The Maine Children's Alliance is an independent, nonprofit 501(c)(3) corporation committed to improving the lives of all Maine's children, youth, and families. By collecting and analyzing data on children and their health, economic and demographic status, MCA links research to practice and public policy. MCA brings diverse groups together in coalitions that support policy initiatives that benefit children, providing oversight in state policy arenas and serving as a resource on children and family policy issues at the local and national levels. MCA is an advocate, a presence in state policy arenas as well as a resource at the local and national levels, presenting an assertive, clear and influential position on children's issues.

Mission. To advocate for sound public policies to improve the lives of all Maine's Children, Youth and Families.

Vision. The Maine Children's Alliance is a strong, powerful voice for children, youth and families and provides leadership to create or change policy on their behalf. MCA collects the information and data of various organizations, develops, promotes and advocates a substantive strategic plan including desired outcomes to insure positive change for children and their families.

The MCA Business Advisory Group is composed of Maine business leaders. It has been formed in order to:

- Provide a forum for MCA and Maine businesses to work together to improve the lives of children, youth, and families
- Provide business insight, ideas, and perspective on a Legislative Agenda that is designed to increase the well being of children, youth and families
- Help organize support for policies that are helpful for children and their families
- Help MCA provide information to business leaders to improve policies that affect children and families
- Provide an ongoing source of financial support for the work of MCA
- MCA is supported by varied and stable funding sources including events, grants, membership, corporate donors, and an endowment fund.

APPENDIX G: TELLURIDE PRINCIPLES

On September 23, 2008, over 150 business and civic leaders participating in the second annual Telluride Economic Summit on Early Childhood Investment unanimously ratified the Telluride Principles for Investing in Young Children. These principles provide a framework for public and private funders to decide on making strategic investments in proven strategies for young children.

The Telluride Summit is a forum modeled on the World Economic Forum in Davos, Switzerland, on building human capital through research-based investments in early childhood. The forum is co-hosted by the Telluride Foundation and the Partnership for America's Economic Success (PAES). PAES is a collaborative venture established to document the economic benefits of investments in young children and make children's successful development the nation's top economic priority. It is funded by 13 organizations and managed by The Pew Charitable Trusts. Please see www.PartnershipforSuccess.org.

The development of the Principles began at the first Telluride Summit, on September 9-11, 2007, when 125 business, finance and policy leaders reviewed new evidence of proven investments in young children, such as data released by the Partnership for America's Economic Success showing significant economic impacts of early education, health care, housing insecurity, and family income for young children.

During the 2007 summit discussions, the need became clear for a set of principles to help Telluride participants convey their thoughts to other business people and to guide policymakers, legislators, and program managers and funders. Using a table-discussion format, participants listed and prioritized the features they judged most vital to effective child development policies and programs. These priorities were combined into five principles, each with several sub-principles, which were then reviewed by Telluride Summit participants and distributed for comment to the over 1400 members of the Invest in Kids Working Group of the Partnership for America's Economic Success. Based on their input, the proposed principles were redrafted several times and then ratified unanimously by the Telluride 2008 participants, which included Maine DECD Commissioner, John Richardson, and President of the Maine State Chamber of Commerce, Dana Connors.

These are the Telluride Principles:

1. Maximizing the life success of every child in America is our highest priority.

- a. Every child has an equal right to achieve his or her full potential.
- b. The earliest investments in a child's development appear to have the highest returns and have the greatest effect if support continues through adolescence.
- c. Achieving full potential requires attending to a child's physical, emotional, cognitive and social capabilities; cultural diversity, and unique needs.

2. Involvement of parents, family and other loving adults are crucial to a child's life success.

- a. For best development of the whole child, parents, families and other loving adults need to be involved, wherever possible, at every step.
- b. There should be a variety of good options for obtaining high quality child development services.
- c. Ending generational cycles of ineffective parenting is vitally important.

3. Children are helped most and the economy is made strongest when resources are allocated on the best evidence of what will lead to positive child outcomes.

- a. Public and private funders should allocate resources (for children and for other purposes) based on rigorous evidence of effectiveness in improving outcomes whenever possible.
- b. Policy officials, service providers, and parents should be accountable to each other and to the children and families they serve.

4. Sound performance evaluations can ensure goals are attained.

- a. High quality child development programs need to have clear goals, rigorous evidence of likely success and draw on best practices – when possible, proven practices should be relied upon to ensure benefits.
- b. Ongoing performance evaluation, flexibility and continuing quality improvement should be built in at the beginning of program operation and funding design and continue throughout.
- c. Evaluations should never be used to penalize children.

5. Child development programs that use private and public incentives and are scalable will be stronger.

- a. Parent and family aspirations, and the incentives of for-profit, non-profit, and government health, nurturing and education providers, are powerful forces that can benefit every child and make the economy stronger.
- b. Programs that can be replicated in other communities and expanded regionally or nationally are more desirable.
- c. As programs are scaled up, they must not be watered down.

