

Public Private Partnerships for Early Childhood

NCSL Early Learning Fellows
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Council for a Strong America Five Unexpected Voices with One Mission: Winning Investments for Children and Families



The Pennsylvania Experience - History

- In 2002, Pennsylvania Governor Mark Schweiker commissioned study to assess the commonwealth's early childhood programs.
- Revealed three troubling trends:
 1. Decline in the quality of child care between the 1980s and 2000
 2. Significant decreases in quality ratings for both child care centers and family child care homes
 3. Corresponding drop in the overall qualifications of early childhood educators between 1996 and 2000.
- Established strong foundation for robust and comprehensive system
 - Creating birth to second grade standards
 - Developing common set of child assessments
 - System to report outcomes.

The Pennsylvania Experience - History

- Established strong foundation for robust and comprehensive system
 - Created birth to second grade standards
 - Developed common set of child assessments
 - Created system to report outcomes
 - Implemented data collaborative
 - Reformed early learning teacher preparation requirements
- In 2002, PA became one of the first states to pilot a TQRIS
 - Keystone STARS - Became backbone of its entire early learning and development system
- In 2007, PA reorganized its funding and governance structure
 - Change was driven by belief that families would be better served if support organizations were interconnected

The Pennsylvania Experience - History

- In 2007, Governor Ed Rendell developed comprehensive early childhood system for PA through Office of Child Development and Early learning (OCDEL)
- Pennsylvania's *Early Learning Investment Commission* (ELIC) was established in 2008 by Executive Order by Governor Rendell and continued by Governor Corbett in 2010.
- Began with 20 business leaders in 2008 and evolved to current roster of 76 business and community leaders

PA Early Childhood Education Caucus

- Bipartisan, bicameral alliance of legislators who advocate for the continued funding and development of high-quality early childhood care and education programs in Pennsylvania
- Seeks to inform its members, create dialogue, and provide direction for legislative activity by sharing the results of studies and other research on high-quality early care and education
- 130 caucus members serve to remind other legislators and the governor of importance of investing in early childhood programs, not only for children and their families, but for Pennsylvania, its economy, and its local communities

ELIC Responsibilities

- **Educate** ourselves - Meet with state and national early childhood education leaders, visiting child care programs, read current literature
- **Recruit** business leaders
 - Members have spoken to close to 20,000 business & civic leaders across the state including members of Chambers of Commerce, Economic Development Groups, Society for Human Resource Managers, Rotarians, and Kiwanis members.
- **Mobilize**
 - Local, state and federal policy makers - share longitudinal research about the importance of early learning
 - School officials - value of early care and education in preparing children for grades K-12, by showing the benefits to K-12

ELIC Responsibilities

Primary directive of the Commission

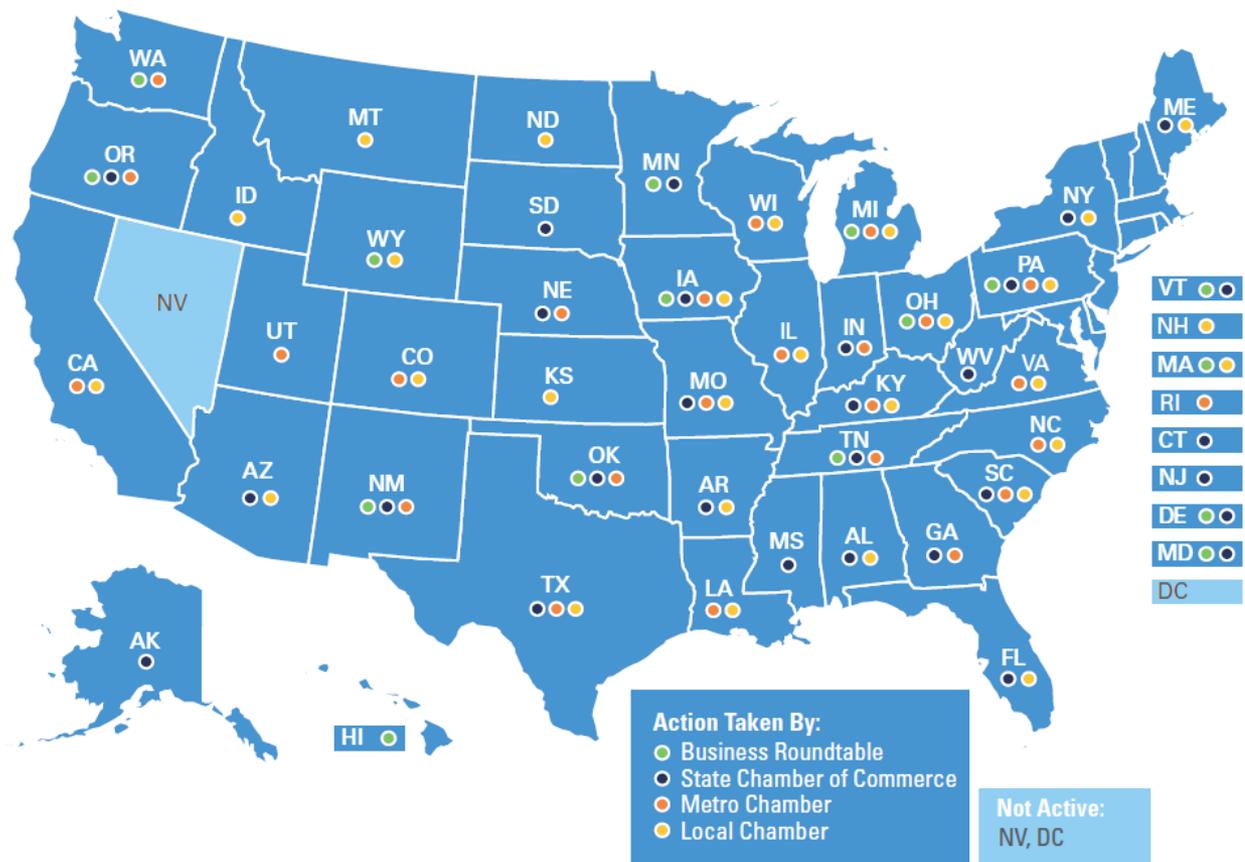
Build network of business leaders that:

- Understands the connection between positive early childhood experiences and a strong state economy
- Communicates this connection to policy-makers and other business executives
- Mobilizes policy-makers and other decision-makers to support investments in high quality early childhood policy

What Drives Business Engagement?

- Existing champions; momentum
- Focused agenda – something for business community to “do”
- Coordinated outreach by the advocacy community
- Solutions, not just a problem statement
- Quality programs
 - Strong evidence ; allowing room for experimentation
 - Meaningful, policy-relevant outcomes
 - Measured , reviewed and improved over time
- Results that can have consequences

Business groups endorse early childhood in 49 50 states (plus 8 Federal Reserve Systems)



“Gaps in skills that are important for adult incomes are observable by age 5 and tend to persist into adulthood... It makes economic sense to concentrate intensive human capital investment in the form of formal schooling on the young.”

-Jeffrey Lacker, President, Richmond Federal Reserve¹

Source: *Championing Success: Business Organizations for Early Childhood Investments. 2013.* ReadyNation.

Source: Lacker, Jeffrey M. “Investing in people as an economic growth strategy.” *The Washington Post.* July 11, 2014

How does Social Impact Finance work?

- Business and philanthropic leaders establish a social impact enterprise
- Enterprise establishes a “pay for success” model within social impact enterprise business plan, and drafts contract
- Government pays the enterprise only if results, such as cost savings, are actually achieved
- Enterprise contracts with service providers with history of strong evidence-based results
- Enterprise raises funds from private investors using “social impact bonds,” or other instruments, and pays providers for specific services
- When government savings are confirmed, government pays the enterprise a large portion of the savings, which the enterprise then uses to repay investors