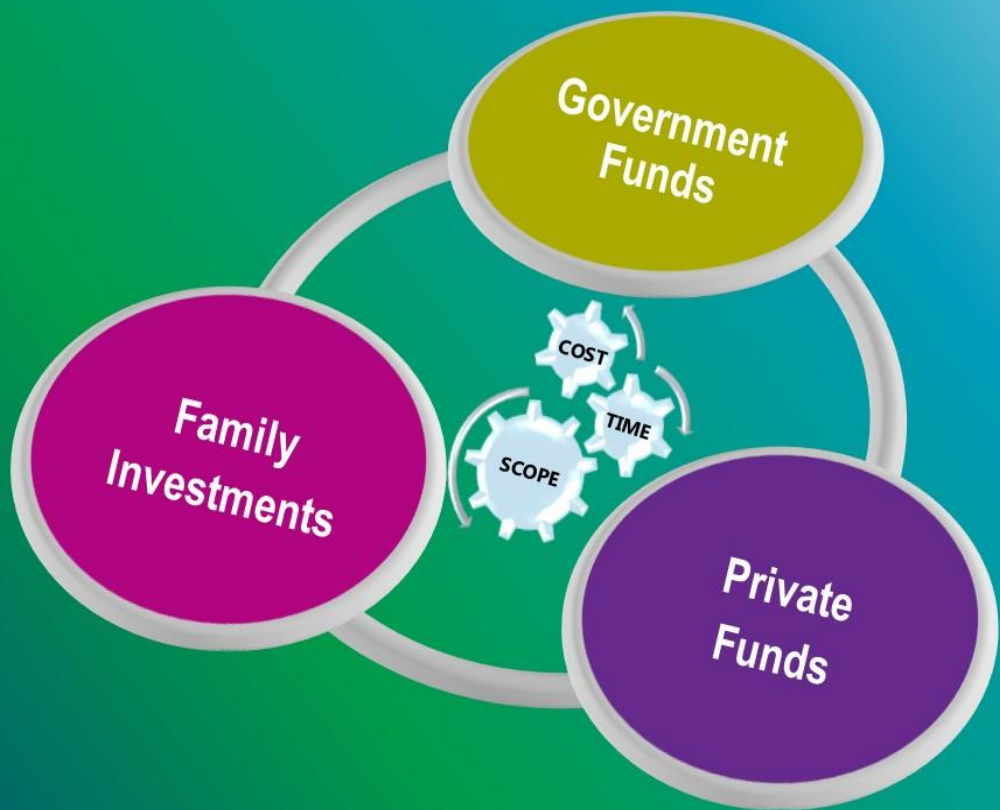


A "How To" Guide

Blending & Braiding Funds to Support Early Childhood Education Programs



**A special thanks to the Norther Rivers Child Care Center for
providing the scenarios for this guide.**

CONTENTS

Introduction to the Guide	4
What is Blending and Braiding	5
Defining Blending	6
Defining Braiding	10
Programmatic Braiding	14
How to Blend and Braid	15
State1: Identify your Vision and Your Partners	16
Stage 2: Define Your Program	19
Stage 3: Explore Your Financing Options	21
Stage 4: Explore Funding Gaps	25
Stage 5: Develop Your Coordinated Financing Plan	28
Stage 6: Implement, Track, and Improve	36
Case Study: Northern Rivers Child Care Center	38
Scenario Overview	42
Scenario 1: Child Care	43
Scenario 2: Child Care and Early Intervention	44
Scenario 3: Child Care and Early Head Start	45
Scenario 4: Integrated Universal Prekindergarten	46
Scenario 5: Head Start and Preschool Special Education	47
Scenario 6: Gifted Money	48
Appendix	
Appendix A: Coordinated Financing Plan	50
Appendix B: Early Childhood Education Program and Eligibility Requirements	52

INTRODUCTION TO THIS GUIDE

This Guide is intended as a supplement to the *Early Childhood Guide to Blending and Braiding in New York* produced by the Sparks Policy Institute for the New York State Early Childhood Advisory Council in October 2013. Although the information in this Guide is similar to the earlier Guide, this Guide focuses more on braiding and blending action steps and scenarios related to early childhood education programs (child care, Head Start, Early Head Start, and Prekindergarten). Please note that the braiding and blending tools in this Guide can also be found on the Sparks Policy Institute website (www.sparkpolicy.com).

This *Guide to Blending & Braiding Funds to Support Early Childhood Education Programs* was developed as a practical tool to support New York State child care providers, Head Start and Early Head Start grantees, and Prekindergarten programs to undertake a planning process that leads to a blended or braided fiscal model. This Guide walks organizations through several scenarios of blending and braiding as a fiscal strategy. This Guide also contains detailed definitions on blending and braiding and actionable steps to develop blend and braid fiscal models.

This Guide is best used to:

- Improve your understanding of the concepts of blending and braiding funds;
- Improve your understanding of a process for planning a blended and braided financing model; and
- Apply the concepts of blending and braiding funds for an early childhood program.

This Guide is designed for the following audiences:

- Early childhood educators (i.e. child care, Head Start, Early Head Start, and Prekindergarten);
- Local government, non-profits, and collaborative coalitions; and
- Directors of child care programs, program managers, and administrators, including staff with fiscal expertise.

This Guide is best used by:

- Understanding the definitions of blending and braiding outlined in this Guide;
- Using the established templates developed by the Sparks Policy Institute (www.sparkpolicy.com); and
- Using the blending and braiding scenarios outlined in this Guide.



**WHAT IS BLENDING &
BRAIDING?**

DEFINING BLENDING

Blending funding involves co-mingling the funds into one “pot” where case managers can draw down service dollars, personnel expenses can be paid, or other program needs can be met.

When funding is blended, it goes into a “pot” and when it is pulled back out to pay for an expense, there is no means for the fiscal manager to report which funding source paid for exactly which expense.

Blended funding can be challenging. Some funding sources cannot be blended. Other funding sources allow the funder to report expenses differently. For example, instead of usual expense reports that reflect exactly which child and family received services with the dollars, funders can opt to accept reports on services and outcomes across the population being served. To blend your funding, you will need to work closely with your funders and ensure you can meet their reporting requirements.



Though it is challenging, once your funders are on board, blended funding is less challenging to implement than braided funding largely because reporting is done on how the collective funds are used so the reporting workload is significantly less. Also, blended funding can allow you to pay for services that may not be allowable with more categorical funding approaches. However, for many funders, the flexibility associated with blending makes it seem too “risky” as it often looks like funds are being supplanted.¹ In addition, the funders can end up with less detailed information about how each of their dollars have been spent, and consequently are only willing to contribute small amounts, if any, to a blended fiscal model.

Example of Blending

Blending can be very beneficial for both your program and your funder. Imagine being able to report to your funder that your child care program costs, on average, \$11,000² per child and because of blended funding the \$88,000 they provided allowed the program to serve not 8 but 16 children. With blending, this is the type of reporting that is possible: cost per child enrolled, number served who are eligible for each funding source, outcomes for all the children served, and how blending multiple funding sources allowed more children to be served.

¹ Supplanting is defined as reducing the funding used from an existing funding source and replacing them with a new funding source. For example, if you have \$10,000 in local dollars and you receive \$5,000 from the state for the same program, you need to provide \$15,000 in services. If you reduced the local funding that otherwise would have been spent on the program to \$5,000 and continued to provide \$10,000 in services, you would be supplanting local funding with state funding.

² In this example, simple average costs are used, as opposed to the actual average costs for Head Start or Preschool Special Education. The scenarios that follow in this Guide use actual average costs.

The diagram at the bottom of this page shows how blended funding can allow more families to be served than each funder could have served alone.

Imagine the following funding scenario:

- Funding Source A: Eligible population is families with children 0 to 3 years old.
- Funding Source B: Eligible population is any family involved with child welfare.
- Funding Source C: Eligible population is families with children under the age of 19 who make less than \$75,000 per year.

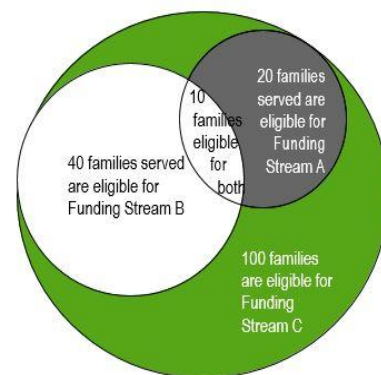
The actual population served is 100 families with children 0 to 5 years old. All the families meet the income requirement of Funding Source C. Among these 100 families, 20 have children 0 to 3 years old, 50 are involved with child welfare, and 10 have children 0 to 3 years old and are involved with child welfare. This means all families are eligible for multiple programs, as they are all eligible for Funding Source C and 10 families are eligible for both A and B as well:

- 30 families are eligible for Funding Source A (All have children under 3 years old and 10 out of the 30 are also involved with child welfare);
- 50 families are eligible for Funding Source B (All are involved with child welfare and 10 out of 50 have children under 3 years old); and
- 100 families are eligible for Funding Source C (All families have children under the age of 19 and make less than \$75,000 per year).

Now, let's explore how the \$100,000 across three funding sources can support this program.

In this scenario, as is generally true with blended funding, all the funders benefit by having more eligible families served than their funding source alone can support. With a case rate of \$1,000 per family served:

- Funding Source A is paying for 25 families to be served, but 30 families eligible for the funding source will receive services.
- Funding Source B is paying for 25 families to be served, but 50 families who are eligible for the funding source will receive services.
- Funding Source C is paying for 50 families to be served, but 100 families who are eligible for the funding source will receive services.



This scenario also highlights some of the things a program must do to report blended funding to the funders:

- ***Document the cost of providing services***

To prepare for a blended funding model, you must demonstrate the cost of providing services. You are creating the “child rate” or the costs per child related to classroom expenses. That child rate lets your funders know what to expect from the funding they provide. Like negotiating an indirect rate³, the basis for the child rate comes from your existing accounting information. However, unlike an indirect rate, the child rate is tied to the capacity of your staff – how many children can they have in a classroom; how many classrooms will your organization administer; and what is the length of time for providing child care or instruction per classroom.



By knowing the child rate for your classrooms, you can assure your funder that you are not supplanting another funding source with their funding. Instead, you are expanding the capacity of your program to enroll additional children. A typical blended funding contract or grant will clearly articulate the number of additional children who will be served because of the added funding. It may require adding a new classroom.

Once you know the child rate for your classrooms, you can also open your doors to other families who could benefit from your program.

More specifically, here's another example. Your organization has a Universal Prekindergarten classroom and a Head Start classroom, and perhaps a family does not meet the Universal Prekindergarten eligibility because they moved out of the school district, but they meet the Head Start eligibility requirement and your organization has space in the Head Start classroom. By knowing that the average cost per child in the Universal Prekindergarten program is approximately \$11,000, and the average cost per child for Head Start is approximately the same, your organization can determine if the child can move into the Head Start classroom, instead of being turned away.

Note: Of the seven NYS State Education Department Prekindergarten programs, this guide will use the Universal Prekindergarten program as an example of how to braid and blend funds. For more information regarding the other six prekindergarten programs contact your local school district or the NYS Education Department.

- ***Track the eligibility of all participants in your program for all funding sources supporting your program.***

If you have multiple funding sources covering all the children in your program, it is critical to assess the eligibility of every child served for every funding source. This is one part of how you will report the leveraging of funds to your funders.



³ Indirect costs are those that have been incurred for common or joint objectives and cannot be readily identified with a final cost objective... rent, phones, internet, etc.

It will also prepare you to return to the funder to ask for additional funding, if your families' eligibility covers a larger portion of the population served than funders initial funding is supporting.

For example, imagine if the program stops tracking family income after 50 children with eligible incomes are served. Each year, the program could tell Funder C that it served enough families given the funding provided. But what happens if Funder A pulls out their \$25,000? The program would need data indicating the number of families it can no longer serve that are also eligible for Funding Source C, so the program can report to that funder with justification for asking for increased funding.

It also is critical to point out that families who are eligible for two funding sources are not being served twice.

- ***Measure the outcomes of your services.***

In a traditional model, a funder knows exactly where their money went and can feel good about the services provided to a clearly defined population. In a blended model, the funder loses that “widget counting” level of detail. By evaluating outcomes of your program, you are replacing the “widgets” with equally hard data, as well as providing data that helps the funder to understand what their funding accomplishes in the community.

If you currently lack the cost data described above or have no mechanisms in place to track outcomes, you may want to start with a braided fiscal model, and transition to a blended fiscal model as you:

- ✓ Collect and analyze your costs;
- ✓ Build improved relationships with funders;
- ✓ Clearly identify your eligible populations; and
- ✓ Start assessing the outcomes of your services.



To understand audit requirements, take the time to meet with contract managers and auditors prior to spending funds. Not only do you need to ensure the approach you're designing meets the expectations programmatically (from your program officer), you need to know whether it will pass muster fiscally (from your contract manager or auditor).

DEFINING BRAIDING

Braided funding involves multiple funding sources utilized to pay for all the services needed by a given population, with careful accounting of how every dollar from each funding source is spent.

The term braiding is used because multiple funding sources are initially separate, brought together to pay for more than any one funding source can support, and then carefully pulled back apart to report to funders on how the money was spent.

Braided funding is often the only option. Federal funding sources, for instance, require careful tracking of staff time and expenses, to ensure that a federal funding source only pays for those things directly associated with the intent of the funding.

Consequently, when multiple funding sources are paying for a single program, a system will need to be carefully designed to allow for sufficient reporting to ensure each funding source is only paying for activities eligible under that funding source.



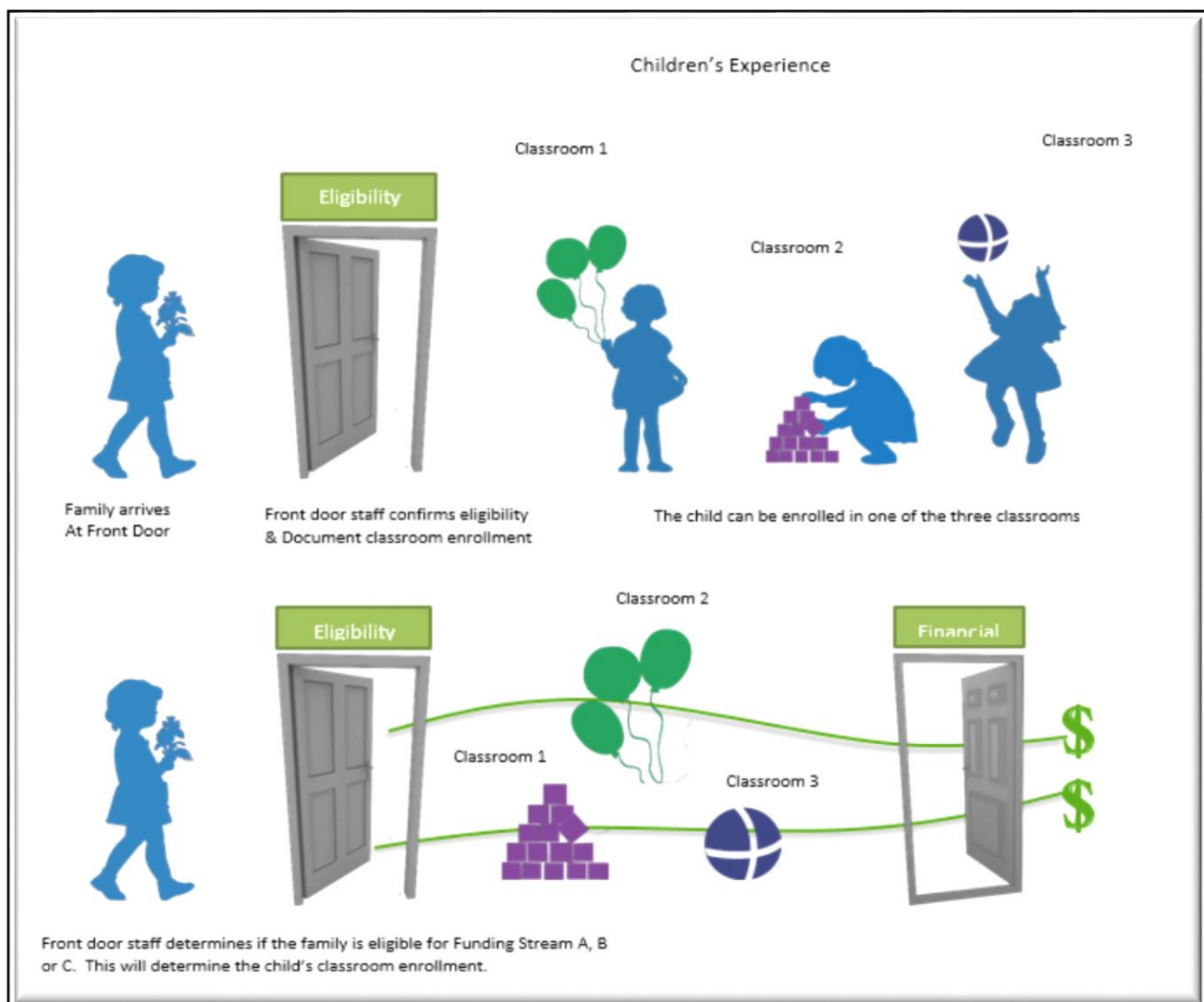
Braided funding requires significant effort to create the systems for tracking how funding is utilized. The design of a braided fiscal model that can respond to the individualized needs of many types of children and families. Staff must have the authority to decide which services will be paid for by which funding sources. Ideally, this decision happens after the needs of the child and family being served are identified, so the funding does not drive the services being provided. This type of braided model requires a clear understanding of the eligible populations and the eligible services, so that decisions on how to fund the services can be made post-hoc, rather than prior to discussing service needs with the families.

FISCAL BRAIDING

Using the same scenario as the blended funding example, let's imagine a braided fiscal model was used to support your child care program. Instead of reporting to your funder that your program costs \$11,000 on average, you will be reporting to the funder exactly what you spent their money on. Imagine the following funding scenario:

- Funding Source A: Eligible population is families with children 0 to 3 years old. Funding can be used for Classroom 1 only.
- Funding Source B: Eligible population is families involved with child welfare. Funding can be used for Classroom 3 only.
- Funding Source C: Eligible population is families with children under the age of 5 making less than \$75,000 per year. Funding can support Classrooms 1, 2, or 3.

Using the graphic below, imagine families arrive at the program and the *Front-Door* staff determines which classroom is appropriate for the child and then which funding sources can support the per child costs. In this example a family could be eligible for Funding Sources A and C. This means any child can be enrolled in any classroom. Upon approval, a case file is developed with the applicable documents indicating the eligible classrooms for the child. Each family goes through the *Front-Door* eligibility process until all the classrooms (1, 2, 3) are filled. Based on the classroom enrollment and the child's need, the *Back-Door* staff bill the appropriate funding sources. Although the child can enroll in any of the three classrooms, at the *Front-Door* the child is enrolled in Classroom 1 and Funding Source A supports the expenses. It is the fiscal officer's responsibility to choose the applicable funding source that will pay for the time and resources related to the classroom. The fiscal officer should start with the more restrictive funding sources and allocate expenses based on the family's eligibility until funds are fully expended.



In allocating expenses towards funding sources, what the fiscal officer is doing is creating an alternative to time and effort reporting. In this scenario, as is generally true with braided funding, all funders benefit by having more services provided to the eligible children and families than what their funding source would support.

More specifically, during the enrollment interview, the Intake Coordinator determines the family and child's eligibility. If the organization operates an Integrated Prekindergarten classroom, and determines the child is four years old and approved to receive Special Education services, the child can enroll. State and county funds will support the Integrated Prekindergarten classroom expenses (a teacher, special education teacher and one or more supplementary school personnel for the classroom). If the family is receiving Temporary Assistance for Needy Families (TANF), they also can be eligible to receive a Child Care Subsidy to support extended day hours for the child/family. (For more detail, see Scenario 4 in the Scenario section of the guide)

- ***Know exactly what each funding source can and cannot pay for***

A braided model may be primarily necessary due to limits on eligible populations across your various funding sources. Braided funding may also be necessary due to limits on types of services you can provide under certain funding sources. It is likely that your braided fiscal model is a combination of both issues. Before spending any of your funds, it is important to develop a *Coordinated Financing Plan* (See Stage 5 Develop Your Coordinated Financing Plan) that distributes funding appropriately by funding source. Stage 5 of this Guide provides step by step guidance to develop a *Coordinated Financing Plan*.



- ***Know the reporting and auditing requirements of each funding source***



A braided funding model can also be helpful even when you have funding sources that are equally eligible to pay for all the services you are providing to all the children and families being served. Federal requirements for cost allocation can make it very difficult, though not impossible, to use a blended fiscal model.

To understand audit requirements, take the time to meet with auditors prior to spending any of the funds. Often, program managers are the only point of contact between a grantee and the funder. However, the contract manager or auditor can be a critical resource to your organization as you develop braided and blended fiscal models. Not only do you need to ensure the approach you're designing meets the expectations programmatically (from your program officer), you need to know it will pass muster fiscally (from your contract manager or auditor).

- *Develop decision-making protocols if some populations you serve will not be eligible for all services due to funding limitations*

A braided funding model needs very clearly defined decision-making authority processes and systems. You will need to clearly define what populations are eligible for services through your model and make sure the *Front Door* staff knows who is eligible. When a parent(s) enters through the *Front Door*, the staff assigned to that part of the process must have the authority to determine enrollment for each classroom.



A second stage of decision-making is associated with classroom enrollment based on the eligibility of the child. Ideally, you have identified enough funding sources with enough flexibility that any eligible family or child has been through your program or system protocols. However, it may be that some child care, Prekindergarten, Head Start and Early Head Start classrooms serve a limited population. Your program staff who are responsible for working with families must have the authority to assign and assess for classroom eligibility, and need sufficient information to understand if there are limitations on classroom enrollment.

The last stage of decision-making is the financial component, which should occur at the *Back Door*, not the *Front Door*. After services are provided, you need financial staff who can take responsibility for assigning the funding sources that will cover the costs. If your *Front Door* is well designed, your *Back Door* will never run into a situation where a service has been provided that has no funding source.

- *Develop tracking systems that allow you to account for how every dollar is spent, including things like personnel time and supplies*

If you are using any federal funding sources, you will most likely need detailed time and effort reporting by all personnel and contractors. Ideally, your system will not ask your personnel to allocate their time to funding sources, but rather it will request they allocate their time to activities. Then, your fiscal staff can determine which funding source is appropriate and/or needs to be spent down at any given time. This ensures that fiscal braiding is occurring, not simply braiding of programs.



Tracking systems will need to include:

- Eligibility of the children and families you're serving;
- Decisions regarding eligibility, services to be provided, and funding sources that will pay for the classrooms expenses;
- Time and effort reporting for staff tied to the allowable activities of each funding source;
- Expense logs associated with staff time and activities or services being delivered, which can be used to justify the expenses allocated to each grant; and
- Anything else you, your funder and auditor, and your fiscal staff identify as necessary.

For example, the Universal Integrated Prekindergarten classroom will include some children approved to receive Preschool Special Education services. The Back Door reporting will allocate the classroom expenditures by funding source. The Back Door process must cost allocate the expenditures related to each classroom. This includes tracking staff time for each classroom.

- **Universal Prekindergarten Class:** Billed per child separate from the time codes. This is blended funding---pays for same child and at the same time as other funding.
- **Integrated Preschool Special Education Classroom:** The Day Care Teacher and Teacher Assistant use the Special Education code. The Special Education Teacher and Aide uses the Special Education code which goes into the time system. The Day Care Teacher also uses the time code to indicate the hours he/she is with the child care/UPK children and the extended hours (before and after the Universal Prekindergarten program hours).

For more detail, see Scenario 4 in the Scenario section of the Guide

Note: Of the seven NYS State Education Department Prekindergarten programs, this guide will use the Universal Prekindergarten program as an example of how to braid and blend funds. For more information regarding the other six prekindergarten programs contact your local school district or the NYS Education Department.

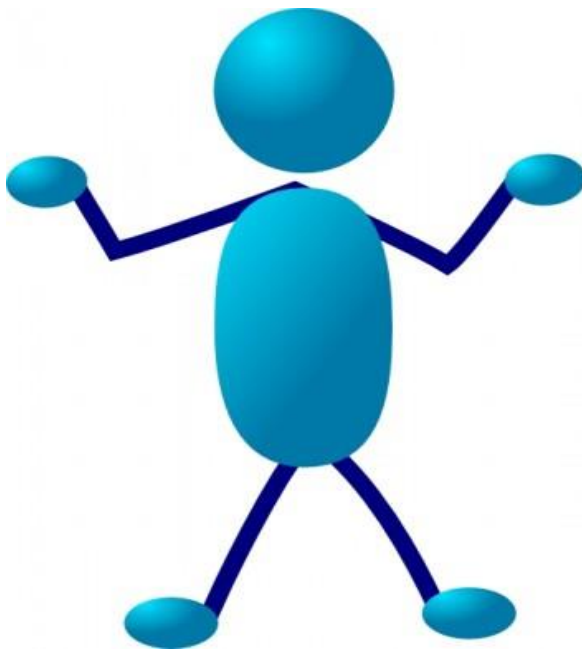
The most important thing to remember with a braiding fiscal model is that each of your funding sources will retain their original requirements and expectations, including all the tracking and reporting requirements. You must manage your funds as if they are independent, even if you are utilizing them collectively to support a classroom.

PROGRAMMATIC BRAIDING

Most non-profits are already braiding, but it is more accurately described as *programmatic braiding*, not *fiscal braiding*. *Programmatic braiding* is when you have multiple funding sources, each covering populations and services. The funding is largely used to pay for staff time and each staff person is responsible for keeping a timesheet that allows them to allocate their time to each grant. The program staff makes decisions on how to allocate funding by using their own time and effort reporting.

In contrast, *fiscal braiding* requires that program staff report enough information on their activities for fiscal staff to allocate their hours, allowing flexibility in which funding sources are used and how quickly each funding source is spent down. It also allows greater flexibility in how funding is utilized, such as contracting out for a service that cannot be provided in house. Note, that the term braiding is used throughout this Guide, and unless *programmatic* is in front of braiding please assume we are referring to *fiscal braiding*.

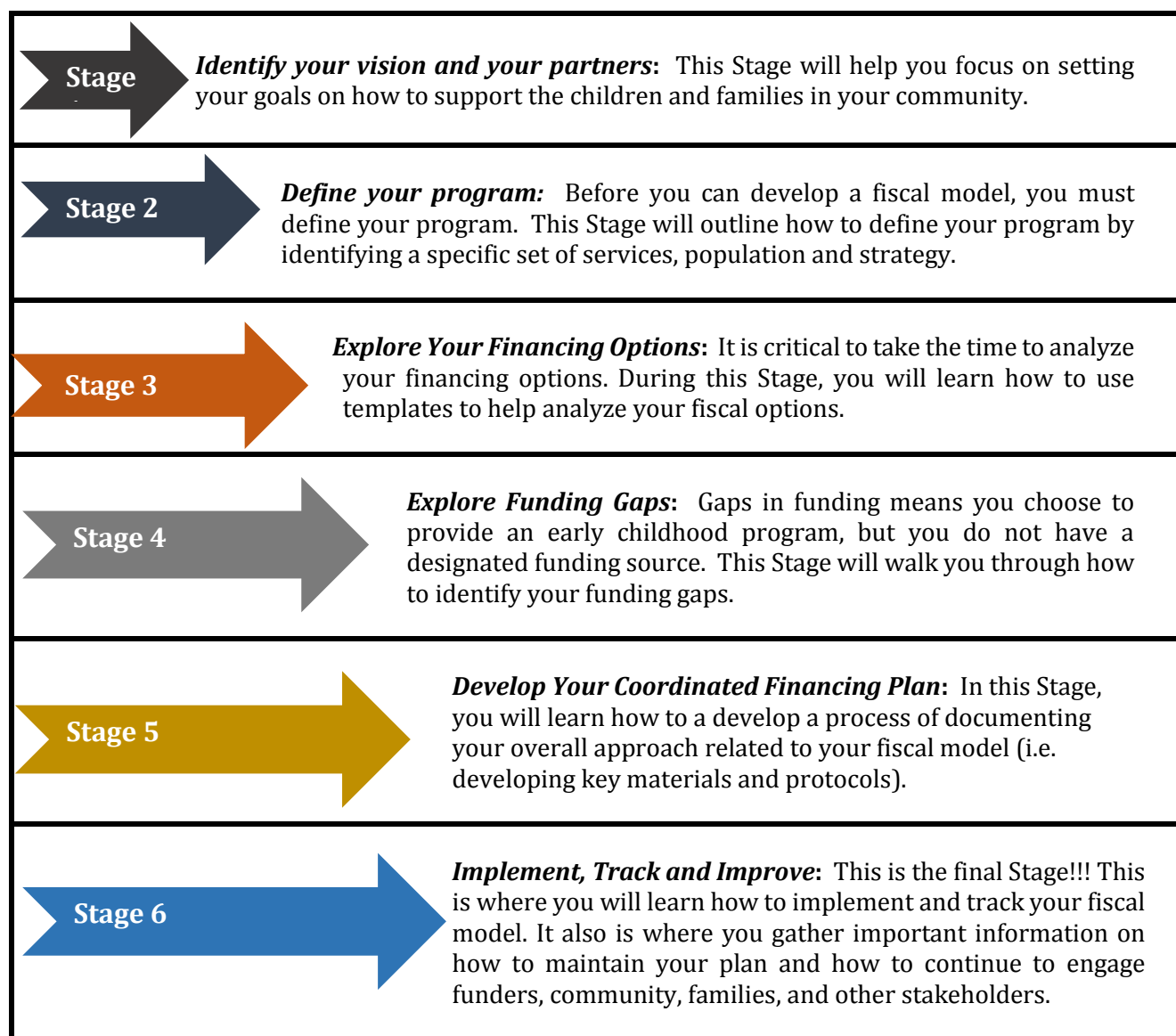
**HOW DO YOU DEVELOP A
BLENDED AND BRAIDED
FISCAL MODEL?**



Planning for a blended or braided fiscal model is not just a fiscal process. Rather, it's a process of identifying what your community or family's need, what your funding can support, and what outcomes you want to achieve. Research on successful funding coordination suggests that you must:

- ✓ Begin with a clear vision of what you are trying to finance;
- ✓ Engage in collaborative planning;
- ✓ Understand your resources;
- ✓ Create a strategy that maximizes your resources;
- ✓ Focus on outcomes;
- ✓ Engage families as leaders; and
- ✓ Collect data to provide feedback on the strategies.

To help you go through these steps, below are six-stages to the planning process.



STAGE 1: IDENTIFY YOUR VISION AND PARTNERS

To better understand how to develop a blended or braided fiscal model, we will use information that was provided by Northern Rivers Child Care. Northern Rivers Child Care is in Schenectady County near public housing and public bus stops, and serves families with diverse backgrounds and their children from birth to age 5. Northern Rivers administers child care, Early Head Start (EHS) and Prekindergarten programs and offers services related to Early Intervention and Preschool Special Education for eligible children. As well, Northern Rivers provides extended care and wrap around hours for eligible families. The EHS and child care programs are administered year-round and referrals for the programs can come from a variety of sources, including the Cooperative Centralized Intake unit set up to serve EHS, local Healthy Families New York Home Visiting and Local Department of Social Services (LDSS).

This is a comprehensive planning process. However, if the braided or blended fiscal model you are developing is less complex, it may not need all the components. Additionally, if you are exploring how to change a current program's fiscal model to a braided model, much of this work may already be done. You may be ready to skip right to Stage 3. However, we recommend you take the time to read through the stages and select those activities that will help you design the best fiscal model possible.

STAGE 1: IDENTIFY YOUR VISION AND YOUR PARTNERS

It is easy to fall into the trap of designing programs to match funding rather than needs of the children and families. This stage is intended to avoid that pitfall and instead focus from the beginning on what you are trying to accomplish on behalf of children and families in your community. Before you start defining the policy, program, or system decide who needs to be involved. Below are some questions to help guide you in making that decision.



Which partners are needed?

- ✓ Internal staff, families you serve or community stakeholders.
- ✓ External partners, including potential providers and funders.
- ✓ Community leaders, including your funders.
- ✓ Local Department of Social Services or School District staff.
- ✓ Who else?

Who can help clarify the need of child care and possible services? Who can help articulate the outcomes?

- ✓ Direct service staff involved with the target population.
- ✓ Families with relevant life experiences and needs.
- ✓ Leaders with a personal commitment to the issue.
- ✓ State and local staff with knowledge of statewide and community needs.
- ✓ Who else?

What existing group has authority to make decision about funding for policies, programs, and decisions?

- ✓ Mandated groups with authority and existing funding.
- ✓ Voluntary planning groups with high levels of buy-in.
- ✓ Groups with family involvement.
- ✓ Who else?

What information do you need to design your model? Who has that information?

- ✓ Groups with assessment data or skills to collect it.
- ✓ Staff within and outside of your organization that may have utilization data and fiscal information.
- ✓ Staff within and outside of your organization with expertise in financing or specific funding sources.
- ✓ Who else?

Depending on the scope of your braiding and blending efforts, you can have anything from a small planning group of internal staff and family leaders to a large community-wide collaboration with researchers, funders, providers, families, and other community members.

• Engaging Families

One of the best reasons to engage families in braided or blended fiscal models is to ensure that your program or system is flexible and able to respond to the individualized needs of the children and families you serve. Engaging the recipients of services in your planning process is critical. It will help you understand what your program needs to include that will improve outcomes for the children and families you serve. It will also help keep the focus on the ultimate benefit of the program, even if the conversation is, by necessity, about the funding.



• Collaborating with Funders

Collaborative program development is almost the norm (coalitions, planning groups, task forces, etc.). However, collaboration with funders can be a new concept to many organizations and communities. To implement a successful blended or braided funding model, working closely with your funder is critical for three reasons:

- ✓ **Avoid Pitfalls:** The last thing you want to do is design an amazing program utilizing multiple funding sources and meeting important community needs... and then have one of your funders tell you that you didn't meet a requirement they have for accountability or expending their funds.

- ✓ **Build Commitment:** Working closely with a funder also increases their investment in your program and builds their understanding of what your program needs to be successful. If you are transparent with your funder about the design of your program, you may be surprised at how flexible they will be to make sure they enable the success of your program.
- ✓ **Preempt their “Supplanting” Fears:** Most public funding sources require that funds are not used to supplant another funding source. Many funders look at blended and braided fiscal models, and instead of seeing how you are leveraging funds, they see a risk that you are replacing other funds with their funding. Bringing your funder into the conversation early is an important part of changing that perception. If the funder understands the scope of what can be accomplished utilizing multiple funding sources, and how that differs from what you can accomplish using their funding source alone, some of the fears about supplanting can be diminished. However, to alleviate your funders’ fears of supplanting, you also need to employ strategies like defining a child rate, carefully tracking eligibility, and ensuring that accounting and budgeting are aligned. By working with your funder early on, you will know what they need to feel confident in your model.

STAGE 2: DEFINE YOUR PROGRAM

Are you ready to define your program? Before you move on to designing your program, confirm that the following is true.

Question	Yes	No
1. An agency decision-maker or his or her representative is involved in your planning process?		
2. Funders are involved in your planning process at the appropriate level, creating opportunities for them to learn about our approach and support it?		
3. The community and families you serve are involved in your planning process, ensuring your program will align with their needs and expectations?		
4. Both buy-in and involvement from staff with fiscal expertise who will be responsible for implementing the coordinated financing model exist?		

Prior to developing your fiscal model, you and your partners must identify what you hope to accomplish by blending and braiding funds. Fiscal coordination strategies are only a *means to an end*, and to be successful the end needs to be well-defined. The end may be a specific set of services, a specific population and a strategy for how to identify and meet service needs, or even a design for a system that serves a broad population through collaboration across many providers and many types of service needs. Regardless of the scope of your goals, you need to clearly define them and outline what you will be funding. Here are some questions to help guide you.



What population do you need to serve?

- ✓ Demographics of the population (age, income, race/ethnicity).
- ✓ Needs of the population (child care, special education services, health, mental health, etc.).
- ✓ Strengths/protective factors of the population.
- ✓ Other resources/systems likely to be serving the population.

What does the “Front Door” of the program look like?

- ✓ Strategy for accessing the population (marketing, referrals, etc.).
- ✓ Assessment/screening tools that will be used.
- ✓ Other elements of the intake process (forms, referrals, application, etc.).

What are the services or interventions that are part of your program?

- ✓ Services provided, including case management.
- ✓ Services that will be refer out.
- ✓ Services that will be purchase.
- ✓ Priority of services we’re planning – which ones must be provided, which ones are preferred, but not critical.
- ✓ Length of services we expected to provide on average.
- ✓ Evidence-base of the services being plan.

What will the services accomplish and how will you know?

- ✓ Desired outcomes from the services.
- ✓ Plan for monitoring, evaluation, and quality assurance.

Where are the classrooms?

- ✓ Make sure you know the number of classrooms or child care program.
- ✓ Account for the number and location of the classrooms or child care program.
- ✓ Keep in mind the classroom size.
- ✓ Know the staffing ratios.
- ✓ Understand the needs of the children for each classroom

Who will deliver the services?

- ✓ Qualifications of all staff in respective positions.
- ✓ Qualifications of providers who will implement services.
- ✓ Number of providers needed to implement the array of services.
- ✓ Number of teachers needed per classroom.
- ✓ Number the providers and what they are providing.
- ✓ Qualifications of supervisors.

What infrastructure is needed to support the program?

- ✓ Indirect expenses (phones, supplies, physical space, etc.).
- ✓ Daily direct expenses (staff, equipment, transportation, etc.).
- ✓ Other direct expenses (supervision, training, evaluation, etc.).

Many of these questions should sound familiar – they are common in grant writing and how you may administer your programs. However, they are less common as part of a planning process for how to use long-term funding sources most effectively, which is exactly when this level of planning is most important.

Make sure you are obtaining consensus among your key partners with respect to the questions below.

- ✓ Have you matched what your family, community and advocacy leaders have identified as necessary?
- ✓ Does the program design align with the best-practices in service delivery?
- ✓ Have you integrated evaluation into the program design so you can improve the program over time?

STAGE 3: EXPLORE YOUR FINANCING OPTIONS

Are you ready to explore financing options? Before you move on to assessing your resources, confirm that the following is true:

Question	Yes	No
1. Program/system design is clearly defined, with all questions answered in detail?		
2. The executive decision maker of your agency and all the agency staff involved with the program support the vision, goal, and program design?		
3. You have consensus on the program vision, goal, and design from your key partners, internal and external, including the staff who will implement the program and the family, community and advocacy leaders involved in designing it?		

Regardless of whether you are designing a new program or changing the financial practices associated with an existing program, it is critical to take the time to analyze your financing options.

From the previous stages, you should have a clear understanding of what should be funded. This stage of the Guide will help identify which funding sources you consider as you explore your financing options.

- **Identifying Funding Sources:**

The first step in this stage is to list the funding sources you believe might help serve your population. Some of the funding sources you will have access to already, while others may



be external funding sources that organizations in your community or at the state level already access and might be willing to contribute to your program.

What are the internal funding sources already available to support your program?

- ✓ Funding appropriate for the children and families based on eligibility requirements.
- ✓ Funding appropriate for the service needs based on eligibility requirements.
- ✓ Funding appropriate for the providers identified based on their qualifications.

What funding sources do you currently use to support your program? (include federal, state, and local)

- ✓ Funding that is available within your community (i.e. community grants).
- ✓ Funding available at the state level.
- ✓ Funding at the local level.
- ✓ Funding available at the federal level.

What non-public funding sources could serve as a match?

- ✓ Private sector funding sources, such as local foundations or corporate giving programs, in your community.
- ✓ Fee-for-service models appropriate for your population, services, and service delivery providers.
- ✓ Private sector funding sources, such as local foundations or corporate giving programs, in your community.

Make sure to explore whether Title XX or Medicaid is a potential funding source for your program/system, as it is not a capped funding source, but rather is limited based on services and eligibility. When it is an appropriate funding source, it can be a key component of ensuring long-term, sustainable funding.

• Analyzing Funding Sources

Once the funding sources have been identified, it is time to analyze those funding sources and compare them to the needs of your program. Analyzing your funding sources is an important first step towards blending and braiding funds. For each funding source that appears to be a good fit for the children and families you serve, and the service delivery providers you are working with, you will want to analyze the funding sources carefully to find out what parts of the funding source can support your program.

Analyzing funding sources can be intimidating! Most funding sources have detailed information available at the agencies that oversee the funding or within the private foundation's organization. Consequently, it is not always the most accessible information. You may want to undertake a mix of the following activities to collect sufficient information about the funding sources:

- ✓ Meet with the fiscal staff of the funder to collect information and discuss allowable expenses, documentation of expenses, and reporting requirements.

- ✓ Download fiscal guidance from funders' websites, including such things as State Plans (which often outline eligible services and populations), rules and regulations, statutes, and agency letters.
- ✓ Call your funders and ask questions to better understand the funding sources. Take the time to do some background research!
- ✓ Talk to community partners currently funded through the funding sources of interest to you. Ask for documentation they have received from their funders.

Identify the funding sources you already use to support your program (or agencies involved in your planning process), you will want to record information not only about what the funding source can be used for, but what it is already used for within your agency. Find out:

- ✓ The number of children served historically (i.e. last two fiscal years) by the funding source, and the costs per child.
- ✓ If you have any waivers or other special permissions from your funder for how you currently use the funding.

Finally, you may want to review the reporting requirements to better understand the funders expectations.

With funding sources, you don't use in your agency, you will want to make sure there is a reasonable chance the funding can be made accessible to support your program. Some things to consider:

- ✓ Is there a competitive process to release funds to community providers?
- ✓ Do you have an existing relationship with the funder or local partner who manages the funding?
- ✓ Is your program meeting a core function of the funding source?
- ✓ Is the funding available based on population and services provided (e.g. Medicaid funding)?
- ✓ If you believe you can access the funding source, is it worth analyzing what portion of your program it can fund?

• **Template A: Analyzing Your Funding Sources**

If you already have funding sources in mind, begin with those, but you should consider the information collected and identified in **Stage 2: Define your Program** and **Stage 3: Explore Your Financing Options**.

Template A: Analyzing Your Funding Sources is designed to allow you to make an analysis tool that can help you review existing and potential funding sources, and to help identify each funding source against the design of your program. This template helps analyze the information you collect. Using Northern Rivers as an example below is *Template A* that identifies the most common funding sources used to support Northern Rivers child care programs.

Template A: Analyzing Your Funding Sources

Programs	Local Implications and Eligibility
Child Care Subsidy	<p>Federal and State funds are allocated to the Local Department of Social Services (LDSS) to support eligible families so their children can attend child care programs. In addition to the Federal and State funds, county districts contribute towards the subsidy program. To be eligible for guaranteed Child Care Subsidy, families must meet one of the following categories:</p> <ul style="list-style-type: none"> • First Category: Families who are on public assistance (Temporary Assistance for Needy Families (TANF)). • Second Category: Families under 200 percent of poverty who have left public assistance (TANF) in the prior year, including low-income working families and teen parents who are completing high school. • Third Category: Families eligible for public assistance (TANF) but choose only to receive a child care subsidy. <p>Note: Guaranteed Child Care Subsidy is different than who may be eligible.</p> <p>For more information regarding eligibility in your county contact your LDSS.</p>
Early Head Start	<p>Federal funds are provided directly to the Early Head Start grantee. Early Head Start may provide home-based services and full-day child care to eligible families with children birth to age 3. In general, families are eligible if:</p> <ul style="list-style-type: none"> ✓ The family's income is equal to or below 100 percent of the Federal poverty line; ✓ The family is eligible, or in the absence of child care would be potentially eligible, for public assistance (TANF), including Temporary Assistance for Needy Families (TANF) child-only payments; ✓ The child is homeless; or ✓ The child is in foster care. <p>Note that there are several additional allowances for program eligibility that are not listed.</p>

Programs	Local Implications and Eligibility
Early Intervention	Federal, State and County funds are used to reimburse the LDSS for services provided to children birth to three years of age who may not be making progress like other children because of a developmental delay or disability.
Preschool Special Education	State and county funds support Preschool Special Education Services, which serves children with disabilities between the ages of 3 to 5 years who meet at least one of the criteria. The LDSS can make payments to a service provider for Preschool Special Education Services.
Universal Prekindergarten (State Funded)	<p>State funds support the school districts that administer Universal Prekindergarten programs through an allocation from the New York State Education Department to support 2.5 hours per day of prekindergarten programming.</p> <p>Note: Of the seven NYS State Education Department Prekindergarten programs, this guide will use the Universal Prekindergarten program as an example of how to braid and blend funds. For more information regarding the other six prekindergarten programs contact your local school district or the NYS Education Department.</p>
Universal Prekindergarten (School District)	School taxes support costs related to Universal Prekindergarten that are not supported by state funding.
Parent Pay	Families who are not eligible for federal, state, or county funds to support their child care costs pay 100 percent for their child care services directly to the provider.

STAGE 4: EXPLORE FUNDING GAPS

After completing your analysis of each of your potential funding sources, the next step is to explore the allowable and non-allowable costs for each funding source or gap. To identify the gaps in your funding source, use *Template B: Analyzing Your Gaps*. You will need to populate the template with details about your population and their service needs.



- **Template B: Analyzing Your Gaps**

<i>Template A: Analyzing Your Funding Sources VS. Template B Analyzing Your Gaps</i>	
<i>Template A</i>	<i>Template B</i>
Defines the child and family's ELIGIBILITY as it relates to the funding sources.	Identifies the GAPS in funding when the program chooses to provide services to children and their family in which the agency does not have a designated funding source.

By taking the information entered in *Template A: Analyzing Your Funding Sources*, translating it to *Template B: Analyzing Your Gaps*, you can identify what populations and services can be supported by which funding sources. You may realize that you cannot fund some expenses from any of the funding sources that have been identified. If the expenses are not in your list of priorities, this is the time to decide what services or classrooms or children and families you cannot support. Or to find additional funds to support the gap. Either way, this must be settled by the agency and be a part of the *Front Door* decision making process. This way when a family comes to the program or asks about enrollment during the *Front Door* process a decision can be made.

Below is an example of what should be considered when analyzing funding gaps for your program. As you fill them out, break down each issue into detailed pieces to make sure you will have the most comprehensive view possible. Using Northern Rivers as an example:

Template B: Analyzing Your Gaps				
	Current Funding		Funding Source	Program
	Yes	No		
What population do we need to serve?				
Families with children under five years old	X		Federal, State, County, and Parent Payment	Child Care Subsidy; Early Head Start; and Universal Prekindergarten
Families with children 3 to 5 years old who require special education	X		State and County	Preschool Special Education

	Current Funding		Funding Source	Program
	Yes	No		
Families with children birth to 3 years old who exhibit developmental delays, disabilities, or both and need supportive services.	X		State	Early Intervention
Families with children over the age of 5 years and are on the county's waiting list for Child Care Subsidy.		X	Gap in Funding	Gap in Funding
Families with children over the age of 5 years old who require special education services and who are seeking aftercare and are on the county's Child Care Subsidy wait list.		X	Gap in Funding	Gap in Funding
Families who are receiving TANF.	X		Federal, State, and County	Child Care Subsidy Early Head Start
Families who are below 100 percent of the poverty level and the child is between 1 to 3 years of age.	X		Federal	Child Care Subsidy Early Head Start
Families who are below 200 percent of the poverty level.	X		Federal, State, County, and Parent Payment	Child Care Subsidy
Families who are not eligible for government funding support.		X	Gap in Funding	Gap in Funding
Families and teen parents who are completing high school.	X		Federal, State, and County	Child Care Subsidy, Head Start
Families eligible for TANF but choose only to receive a child care subsidy.	X		Federal, State, and County	Child Care Subsidy
What are the services or interventions that are part of our program?				
Child Care				
Special Education				
Case management services				
Special Equipment				
Outside consultants or specialists				

You're likely to find yourself engaging in an iterative process of selecting and analyzing funding sources, exploring gaps, assessing changes to your program design, and deciding to identify new funding sources

and redoing the process of analyzing and gap finding. After you have reached the point where you are satisfied that you know your funding sources AND have adapted your program design as necessary to fund the full program realistically with the funding sources available, you are ready to move to developing a *Coordinated Financing Plan*.

STAGE 5: DEVELOP YOUR COORDINATED FINANCING PLAN

Are you ready to develop your *Coordinated Financing Plan*? Before you move on to designing your plan, confirm the following is true:

Question	Yes	No
1. Your funding sources are chosen?		
2. A clear understanding of what each funding source can fund, including eligible populations and allowable expenses, exists?		
Question	Yes	No
3. The program design is redefined to be realistic and align with the available funding. These changes were made in partnership with all your stakeholders involved in the planning process?		
4. The fiscal staff (and ideally your funders) agree on your analysis of funding sources, either because they conducted it or they reviewed your work.		

Stage 4 consists of developing *Template C: Coordinated Financing Plan* (see Appendix A). This plan combines into one document seven key components that will guide your implementation of a blended or braided fiscal model.

A *Coordinated Financing Plan* can serve multiple purposes. It can:

- ✓ Be a tool for talking with funders so they can clearly understand the design of your blended or braided fiscal model.
- ✓ Help your programmatic and fiscal staff, and your board understand how and why each decision is being made.
- ✓ Increase everyone's confidence that funding is being used appropriately, including that blending or braiding multiple funding sources will not result in supplanting.



Walking through *Template C: Coordinated Financing Plan* will help address all the remaining topics included in this stage of the Guide.

To develop *Template C: Coordinated Financing Plan*, you will go through a process of documenting your overall approach. The documentation will include development of key materials that will be regularly used

by staff and key protocols that will be a core part to implementing a blended or braided fiscal model. This includes the actual documented process for how all the pieces fit together.

- ✓ *Program Budget*: The program budget is based on the revised funding design developed during the previous stages.
- ✓ *Cost Allocation*: The cost allocation is a budgeting and accounting mechanism used throughout the implementation of your program to account for spending and support the program budget.
- ✓ *Front Door and Back Door Protocols*: Documented decision-making process to give staff the authority for accepting or denying children into your program (*Front Door*) and provides enough information for each decision to apply the appropriate funding source (*Back Door*).
- ✓ *Tracking and Reporting*: Tracking and reporting materials to be used during service delivery, including intake, ongoing services, and exit. This will include forms filled out by and with families, forms filled out by providers, and timesheets for staff and providers.
- ✓ *Financial Systems*: Financial practices and systems must be aligned with the blended or braided approach. This will require a little additional work because you will need to set up segregated funding sources or develop a special system.
- ✓ *Contracting*: If you are paying for services outside of your agency, your contracting process can be a critical component of your overall blended or braided funding design.
- ✓ *Quality Control and Staff Training*: To successfully implement a new fiscal model, key staff need to be trained and provided with ongoing technical assistance.

- **Program Budget**

Create a budget in the usual line items/categories, based on the expenses for the program you are now planning to implement. Feel free to use whatever format you typically use, or use the Estimated Budget worksheet in the *Template D: Budget & Cost Allocation*⁴. At this point, don't worry about which funding source pays for which child, but limit what you include in your budget. To do this, design a realistic budget tied to your finalized program design. The instructions and related spreadsheets *Template D: Budget & Cost Allocation* to develop a budget and cost allocation can be found on the Sparks Policy Institute website. [Click here](#).



As you develop the *Template C: Coordinated Financing Plan*, make sure to document any decisions you made about the budget in *Template D: Budget & Cost Allocation*. For example, if you are basing the budget on the assumption that you can serve 50 children, explain why 50 is the appropriate number. Some questions that can guide you are as follows:

⁴ Sparks Policy Institute Template D: Budget & Cost Allocation: <http://tools.sparkpolicy.com/overview-blending-braiding/phase-4-developing-a-coordinated-financing-plan/>

What expense categories do you need to pay for your program?

- ✓ Personnel, contractors, and other.
- ✓ Supplies, equipment, travel, and other direct costs that support activities you will undertake.
- ✓ Stipends, incentives, meals, and other benefits to the children.
- ✓ Purchased services from your community partners, at whatever case or service rate they quote.
- ✓ Purchased or in-house evaluation and quality improvement services.
- ✓ Indirect costs (rent, phones, internet, etc.).

How many children do you plan to serve per year?

- ✓ Identify a realistic level of need in your community – how many children are likely to need child care, Head Start, Early Head Start or Prekindergarten program?
- ✓ Identify how your child care program is advertised within your community – how many families will know about your child care, Head Start, Early Head Start or Prekindergarten programming?
- ✓ Know your capacity level for each classroom within your agency – what is the maximum number of children, can you serve?

How much do you need in each category to serve that many children each year?

- ✓ What will it cost to provide the child care as outlined in your program design for the number of children you have estimated? – Keep in mind the program requirements as they relate to regulated child care, Head Start, Early Head Start and Prekindergarten.
- ✓ How many children will require all services? – Keep in mind services related to Early Intervention and Preschool Special Education and others that are available to support the children.
- ✓ How many children will drop out? – Keep in mind turnover. If you have an existing child care, Head Start, Early Head Start or Prekindergarten program, use about two years of data to try and determine the turnover rate.
- ✓ What will it cost to sustain your non-service delivery activities, such as evaluation, advisory groups, etc.?

Prior to finalizing your budget, review it with key stakeholders and discuss whether any expenses are missing from it. This process should feel familiar – it is the same process used to develop any grant or program budget.

• Cost Allocation

The next step in creating your *Template C: Coordinated Financing Plan* is to create a *Cost Allocation Plan*. This provides you with upfront information to ensure you can cover all your expenses across all your funding sources and ongoing information on the progress of spending down your funding sources. You should start your cost allocation plan by deciding whether you will be blending or braiding funding sources to support your program. Carefully review the stages in this Guide.



Template D: Budget & Cost Allocation

Blending	If you are blending your funding, Template D will support a static budget that you can set in advance. Your priority will be to make sure you track sufficient information on eligibility and outcomes to report back to your funders. The template is often treated as a series of grant budgets with pre-defined monthly expenses in pre-defined categories of spending.
Braiding	If you are braiding your funding, Template D is a flexible budget and accounting tool that tracks spend down across your funding sources. In a braiding context are living documents that begin with estimations, but help you keep track of how you can flexibly allocate resources to meet monthly needs, based on eligible populations and services.

To design your *Cost Allocation Plan*, use *Template D: Budget & Cost Allocation*. *Template D* is designed to have a summary page that helps keep track of spend-down across all your funding sources and a cost allocation page for each of your funding sources. Most likely, this template will need to be adapted to better fit your program.

Template D is only a tool. It is not your process for allocating costs, but rather your tool for tracking how you have allocated your costs as you implement your program. As you create it, make sure you pay close attention to your analysis of your funding sources. If one funding source can pay for special services and another cannot, ensure that you are including the line item for special services only under the budget for the funding source that allows it.

• Front Door Decision Points

At the *Front Door*, an Intake Coordinator will review, the family's eligibility to ensure the allowability for their child(ren) to participate in either the child care, Head Start, Early Head Start or Prekindergarten program, what classroom the child should be enrolled in and which services the child is eligible for and needs.

- ✓ **Eligibility** refers to the children who will be eligible for some or all the services provided by your blended or braided fiscal model.
- ✓ **Allowability** refers to the program and services that each child will be allowed to receive, based on the family's eligibility.

At the *Front Door*, the Intake Coordinator will need to clearly determine eligibility and allowability prior to enrolling the child in a classroom. The Intake Coordinator would need to know the deciding factors to enroll a child in any of the classrooms – child care, Head Start, Early Head Start, or Prekindergarten. *Front Door* protocols need to be documented. Specifically, the decision-makers in your organization need to answer the following:

- ✓ Who is responsible for determining allowability? In other words, who has the tools and



authority to decide which services are options for a new enrollment in the classrooms?

What referrals can be accepted to enroll the child into one of the programs?

You will want to create an easy to use document so the *Front Door* staff can make the right decision. This should include questions to clarify *eligibility* and to make sure that any *allowability* issues are known.

For example, the Eligibility and Allowability document might include a set of questions related to the child's age, needs, and family's income. The document can include a decision-tree to help the intake staff.

As part of your *Front Door* protocols, you will also want to develop a process so the eligibility and resulting allowability are clearly documented after intake. For example, a case file might include a quick check list that includes the following:

- ✓ Child is eligible due to family's income.
- ✓ Child is eligible due to a referral to receive services (i.e. Early Intervention or Preschool Special Education).
- ✓ Child is eligible because their parents are receiving TANF.

This check list can help remind administrators to update the *eligibility* and *allowable* services if a family's situation changes, such as their income increases.

- **Back Door Decision Points**

At the *Back Door*, you will identify how allocation of costs to funding sources will be determined. The *Back Door* is responsible for making sure that all allowable services are paid from the appropriate funding sources, with appropriate services as defined by the *eligibility* of a child and/or family *allowability* of services. Additionally, the *Back Door* is responsible for maintaining appropriate spend-down across the funding sources, using a protocol can help guide the process.

The protocol should help the *Back Door* staff understand which funding sources to use first. If your *Front Door* is well designed, your *Back Door* will never run into a situation where a service has been provided that has no funding source. The scenarios provided in this Guide will provide a detailed method of how *Back Door* protocols can be used. To develop protocols, you may want to consider what can be funded by using *Template A: Analyzing Your Funding Sources*. Here are some questions to consider:



Which funding sources need to be spent down steadily?

- ✓ Large funding sources accounting for a significant portion of your budget.
- ✓ Use it or lose it funding sources (where a no-cost extension is not an option).
- ✓ Funding sources that allow a percentage of administrative/indirect costs, as you may need to also show direct costs.

Which funding sources should be used whenever possible?

- ✓ Highly restrictive funding sources that may be hard to spend down fully due to limited eligibility or allowability.
- ✓ Funding sources with no cap, such as entitlement programs, allowing you to spend as much as needed.
- ✓ Funding sources with earlier end-dates than most of your other funding sources.
- ✓ Funding sources with a longer length of service allowable.

Which funding source should be used as a last resort?

- ✓ Highly flexible funding sources, particularly those that account for a small portion of your budget.

Funding sources that mandate that they are the payer of last resort.

In general, you will want to use the least restrictive funding sources last, as it is better to finish up your funding year with a highly flexible funding source than a funding source that can only fund small parts of your program. Also, you want to be able to report steady progress in using your funding – your funder wants to know how critical their funding is to your program! This does not mean you have the same expenses, the same number of clients, or the same amount of spend-down every month; rather, it means you use the funds where they can best support your program, steadily and with flexibility. In general, make sure you do not ignore a funding source for multiple months – this may cause you to lose the funding source due to a perceived lack of need.

After developing a protocol for general spend-down, you will want to make sure you have a summarized document that clarifies the eligible populations and allowable costs for each funding source. This is the tool your fiscal staff can use as they make decisions on what to allocate. It should match your *Template D: Budget & Cost Allocation* and *Template A: Analyzing Your Funding Sources*.

Spend-Down	Classroom	Program and Funding Source	Parent's Eligibility
Most Restrictive	Infant Toddler (Between the ages: 0-3)	Early Head Start: Federal	Must meet Federal income and program eligibility requirements.
		Child Care Subsidy: Federal, State and County	Must meet Federal, State and County income and program eligibility requirements.
Less Restrictive	Toddler (Age: 4)	Universal Prekindergarten: State and School Taxes	May need to meet residency requirement.
Least Restrictive	Infant Toddler & Toddler (between the ages: 0-5)	Child Care: Parent Pay	No eligibility requirements except age.

- **Tracking and Reporting**

Your *Back Door* procedures will ensure all the information required by funders is submitted by all the required deadlines. Make sure you are aware of all reporting requirements and create a calendar of deadlines. Some funders will have multiple types of reporting, such as monthly invoicing, monthly data entry into their case management system, and quarterly outcome reports. Document all these requirements.



Next, document all the information needed for each report. Create a chart to determine what information your program staff will need to capture about each client for the reports to the funders. Many funders have databases they may require you to use, which can be challenging in a blending or braiding fiscal model when programmatic staff are unaware of which funding source is being used to fund their program. The *Back Door* process may need to include that the taking of information reported by program staff is entered into required databases.

One of the critical components to a successful braided model, particularly a model that includes funding sources that fall under the Federal OMB Circular A-87 or OMB Circular A-122⁵, is to track personnel time by eligible populations/allowable services. All the staff paid for through the braided model should keep time sheets that indicate a specific code to indicate their role for supporting the program.

- **Financial Systems**

Your *Coordinated Financing Plan* will also cover the financial systems that will be used to meet funder requirements. If any of your funding sources require segregated accounting, this is where you can describe and plan for how that will be supported. You can also use this part of your plan to document how you will maintain the data needed to respond to your funders audit requirements. Often, the requirements for what must be documented and available during an audit are far more extensive than the requirements associated with monthly or quarterly reporting. It is imperative to include your fiscal staff in this process as they will know exactly what is required by the funders.



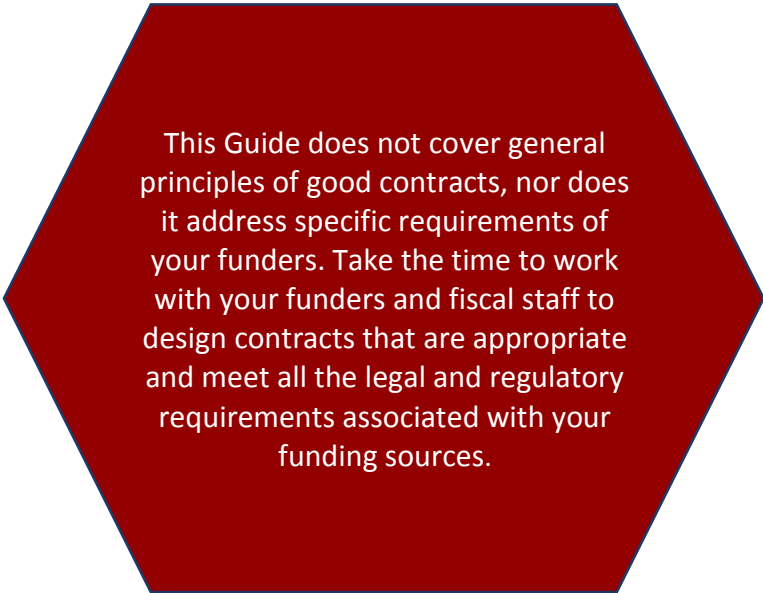
- **Contracting**

You may have contracts with providers outside your organization. You will want to define the contents of those contracts and how the reporting associated with invoicing will match the requirements of your many funding sources. Make sure your contracts include any required language by your various funders. Hopefully, your funders will allow you to have one contract with each provider that covers all funding sources. However, some funders will expect you to have funding source specific contracts with your service



⁵ (1) OMB Circular A-87: Establishes principles for determining the allowable costs incurred by State, local, and federally recognized Indian tribal governments (governmental units) under grants, cost reimbursement contracts, and other agreements with the Federal Government. (2) OMB Circular A 122: Establishes Cost Principles for sub-awards to non-profit organizations.

providers. In this case, you will need to be thoughtful about how you define the total amount of funding in each contract, as you do not want to limit your flexibility in your braiding model.



This Guide does not cover general principles of good contracts, nor does it address specific requirements of your funders. Take the time to work with your funders and fiscal staff to design contracts that are appropriate and meet all the legal and regulatory requirements associated with your funding sources.

You can document the reimbursement strategies for your contractors as part of your *Coordinated Financing Plan*. Some options include:

- ✓ Creation of a pre-approved provider lists with no guarantees of usage. This is the most flexible option for you, but can be hard for small specialty providers.
- ✓ Fixed price contracts that predefine how many children can be enrolled in a classroom or services needed. This requires that you track how many children are enrolled or services purchased at any given time. It also makes assumptions about the childrens' needs that may or may not be true. However, it is often preferred by your contractors because it guarantees them a steady income.
- ✓ Child rate contracts puts more risk on your contractors, as they will be expected to provide services to any child you refer for pre-defined rates per child or a pre-defined total amount regardless of the number of children being served within your program. At the same time, it can allow for greater flexibility for your agency. It is best to use this type of contract strategy when the needs of your children are well known.
- ✓ Performance-based contracts can be incorporated into any of the above strategies.

- **Quality Control and Staff Training**

You will want your plan to address the following:

- ✓ Monitoring the appropriateness of decisions being made;
- ✓ Training staff on the procedures; and
- ✓ Providing technical assistance in response to questions.



Also, it is important to plan for how time-sensitive issues will be addressed, such as questions about eligibility when a child or family is going through an intake process at the *Front Door*.

STAGE 6: IMPLEMENT, TRACK, AND IMPROVE



Before you move on to designing your program, confirm the following is true:

Question	Yes	No
1. There is a program budget that is realistic for serving the number of children you plan to serve?		
2. The program budget fully addresses non-programmatic expenses, such as indirect costs and evaluation/quality control?		
3. There is a <i>Cost Allocation Plan</i> in place to help spend-down your funding appropriately?		
4. There is a <i>Front Door</i> and <i>Back Door</i> that carefully defines the decision-points and provides tools to make decisions?		
5. There is an appropriate financial system in place, that includes contracts?		
6. There is training on how to implement the tools and information on who to ask for help?		

The final stage of developing your blending or braiding fiscal model is implementation. Throughout the process of developing your plan, you must engage funders, your community, family, and consumer stakeholders. This remains true during implementation. Although the model is now designed, it will not be static. As your funding sources change or funding requirements change, you will need your stakeholders to help you modify your program.

Take time to collect feedback from your staff and families on their experience of the process, asking such as:

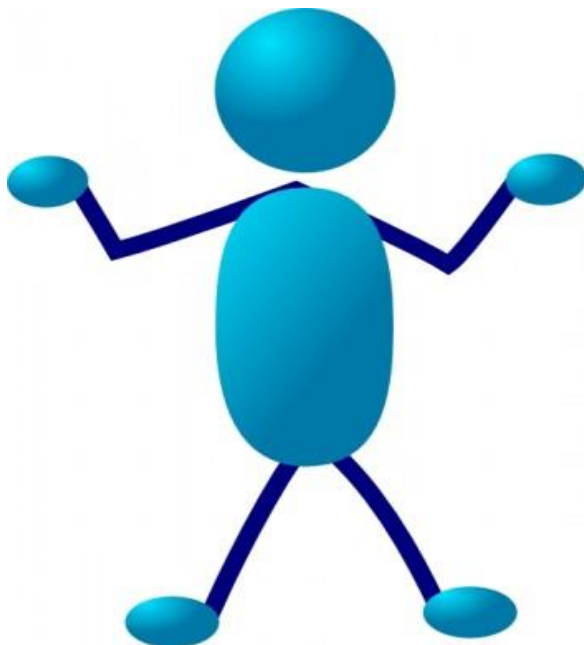
- ✓ Is the process seamless and invisible to the families?
- ✓ Do *Front Door* staff have the level of decision-making they need to expedite access to services?

- ✓ Do *Back Door* staff have enough information from the program staff to make good decisions regarding allocation of funds?
- ✓ Do your funders feel confident that you are spending their money appropriately and achieving good outcomes?

Use this information on an ongoing basis to improve program quality by identifying strengths and challenges and to make any necessary adjustments.

Plan to revisit your *Coordinated Financing Plan* at least yearly, and as funding sources change. Make sure someone is responsible for taking new information from funders and incorporating it into the plan. As needed, make changes, such as redoing your fiscal analysis for a funding source to ensure it is being used appropriately even after it changes its rules, or update your eligibility and allowability documentation when you secure a new funding source.

**HOW DID THEY DO
IT?**





CASE STUDY: NORTHERN RIVERS CHILD CARE CENTER THE FISCAL DESIGN TO BLENDING AND BRAIDING FUNDING

This section of the Guide will provide braiding and blending scenarios that are based on the Northern Rivers Child Care Center. The Center is in Schenectady county and serves pregnant women and children from birth to age 5. Northern Rivers is located near public housing and public bus stops and serves families with diverse backgrounds. The services include a mix of child care and preschool programs, early intervention for learning and disabilities, prenatal services, and mental health services focused on infant attachment issues.



Northern Rivers administers Early Head Start (EHS), Child Care, and Prekindergarten programs, and offers Early Intervention and Preschool Special Education services for eligible children. Northern Rivers can provide extended care and wrap around hours for the families. The EHS and child care programs are administered year-round and referrals for the programs can come from a variety of sources, including the Cooperative Centralized Intake unit set up to serve EHS, local Healthy Families Home Visiting and Local Department of Social Services (LDSS).



To develop blended or braided fiscal models requires very clearly defined decision-making protocols, especially when you are supporting a mixed population. At Northern Rivers, families meet several eligibility requirements and the funding sources are applied accordingly. Consequently, it is important to have your classrooms defined so the Intake Coordinator will know which classroom to enroll the child:

Stage 1: Identified Partners

- ✓ State and Federal Agencies
- ✓ Local Department of Social Services (LDSS)
- ✓ School Districts
- ✓ Private Funders
- ✓ Families



Stage 2: Classrooms and services are identified




- ✓ Classrooms
 - Infant Toddler Child Care Classroom (0-3 years)
 - Toddler Child Care Classroom (3-5 year)
 - Universal Prekindergarten Classroom (4 years)
 - Early Head Start (0-3 years)
 - Head Start (4-5 years)

- ✓ Services
 - Early Intervention
 - Preschool Special Education
 - Home Visiting
 - Prenatal services
 - Nutrition
 - Health



Stage 3: Explore Financing Options

Analyzing your funding sources allows you to review existing and potential funding sources, and helps identify each funding source against the design of your program (*Template A: Analyzing Your Funding Sources*).

 Template A: Analyzing Your Funding Sources	
Programs	Funding Source
Child Care Subsidy	Federal, State, and County
Early Head Start	Federal
Early Intervention	Federal, State and County
Preschool Special Education	State and County
Universal Prekindergarten	State and School Taxes
Parent Pay	Parent

Note: Don't forget to explore funding gaps (see Stage 4: Explore Funding Gaps section of this Guide for an example of *Template B: Analyzing Your Gaps*).

Stage 5: Develop a Coordinated Financing Plan

The plan will help distribute funding appropriately by funding source. See Stage 5: *Develop a Coordinated Financing Plan* of this Guide for examples and actionable steps). The scenarios will walk you through the plan Northern Rivers would use to blend and braid funds.

Stage 6: Implement, Track and Improve Front Door Decision Points

The final stage of developing your blending or braiding fiscal model is implementation. At the *Front Door*, an Intake Coordinator will review the family's eligibility for enrollment in one of the classrooms: child care, Head Start, Early Head Start or Prekindergarten, and determine what services the child is eligible for, approved to receive and services they need.

Classroom	Child's Eligibility	Funding Source	Parent's Eligibility
Infant Toddler Child Care Room	Between the ages of 0-3	Parent Pay	No eligibility requirement.
		Federal, State and County	May need to meet an eligibility requirement.
Toddler Child Care Room	Between the ages of 3-5	Parent Pay	No eligibility requirement.
		Federal, State and County	May need to meet an eligibility requirement.

Classroom	Child's Eligibility	Funding Source	Parent's Eligibility
Universal Prekindergarten Classroom	Must be 4	State and School Taxes	No eligibility requirement.
		Parent Pay	
Early Head Start	Between 0-3	Federal	Parents need to meet eligibility requirements.
Head Start	Between the ages of 3-5	Federal	Parents need to meet eligibility requirements.

Scenarios

This section of the guide provides real scenarios on blending and braiding fiscal models. You should take the time to review the scenarios. The information will help you better understand the stages to planning.

Scenario 1: Child Care

Scenario 2: Child Care Classroom with Early Intervention Services

Scenario 3: Early Head Start and Child Care Classroom

Scenario 4: Integrated Universal Prekindergarten

Scenario 5: Head Start Program with Preschool Special Education Itinerant Services

Scenario 6: Using Gifted Money

Scenario 1: Child Care Classroom

Northern Rivers Child Care has many child care programs in which they blend funds to support full program costs (not all the funding comes from state, federal or local governments). This scenario demonstrates how to blend funds such that the child care provider can provide child care to families who receive and do not receive a Child Care Subsidy.

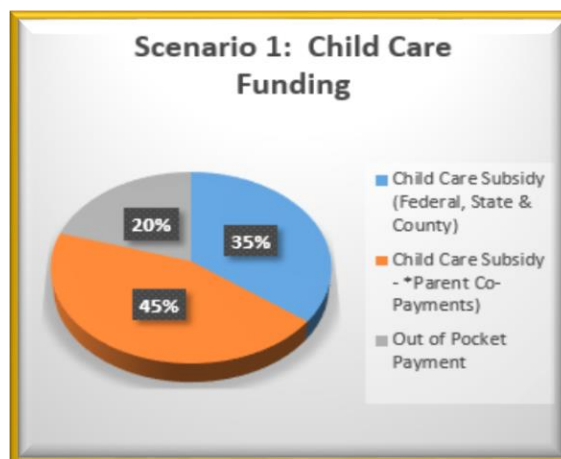
The Child Care Subsidy Program (see Appendix B) has defined Guaranteed Child Care Subsidy by three categories of eligibility, however this does not include other eligibility requirements for families. There is little consistency among the Local Department of Social Services (LDSS) in administering programs. Therefore, it is important to review the Child and Family Services Plan for the LDSS in which the family resides, because the Plan details how the child care subsidy program is administered beyond and within the three identified categories and child care regulations. In addition, it is extremely important to work with the LDSS to understand the districts eligibility requirements for receiving a child care subsidy as the Child and Family Services Plan can be difficult to interpret.

Step 1: Front Door identify the eligibility requirements across your funding sources and determine the full range of the population your organization can serve. In this scenario, there are 16 children in the child care room (3 & 4-year-olds). Below is the funding analysis and demographics of the child care room:

Program	Classroom Demographics	Funding Source	Fiscal Model
Child Care Subsidy	10 Children	Federal, State & County	Blend
	3 Children	*Parent Co-Payments	
Parent Payment	3 Children	**Parent(s)	
<p>* Except for families who are on TANF virtually every family will pay some portion of their child care.</p> <p>**Parents are not eligible for Child Care Subsidy and must pay 100 percent of the child care fee.</p> <p>For more information about the programs see Appendix B.</p>			

Step 2: Back-Door: Since this scenario focuses on child care, special funding tracking is not applicable because costs related to the child care program are the same for the children. All the children in the program are receiving the same level of care. However, the fiscal office will track expenditures and revenues to ensure the child care program is financially supported. Through the intake process, the child care program will know which of the children are receiving a child care subsidy and will be able to report on the number and identify the children.

The pie chart to the right shows how the funds support the child care program.



Scenario 2: Child Care Classroom with Early Intervention Services

Northern Rivers Child Care has many child care programs to support children and families in its community. Sometimes programming is needed for children who are receiving Early Intervention services. As in the other scenarios, the Intake Coordinator determines the family and child eligibility for both child care and other services. For this scenario, we focus on how to braid funds for families whose child care is covered by a Child Care Subsidy Program and some children are receiving Early Intervention services.

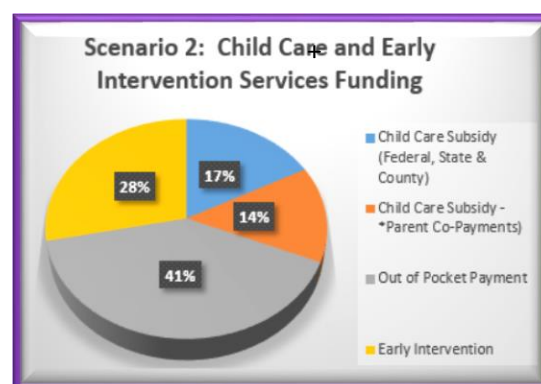
Step 1: Front Door identify the eligibility requirements across your funding sources and determine the range of populations your organization can serve. In this scenario, there are 8 children in the Infant and Toddler child care room (1 and 2-year-olds) and the room is funded by multiple funding sources. Of the 8 children, 4 receive Early Intervention services.

Program	Classroom Demographics	Funding Source	Fiscal Model
Child Care Subsidy	2 Children	A. Federal, State & County	Braid
	2 Children	B. Parent Co-Payments*	
Parent Payment	4 Children	C. Parent(s)	
Early Intervention**	4 Children	D. Federal, State & County	
<p>* Except for families who are on TANF, most families will pay some portion of their child care.</p> <p>**For the 4 children receiving Early Intervention services, their families are not eligible for child care subsidies. Therefore, they pay 100 percent for child care and nothing for the Early Intervention Services being provided to their child.</p> <p>For more information about the programs see Appendix B.</p>			

Step 2: Back-Door: Based on the demographics of the classroom, the Back-Door reporting should include but not be limited to the following staff who get tracked in the time system:

- A Day Care Teacher Code is used to indicate the hours he/she was in the Child Care Room.
- Early Intervention Services Provider must use the Early Intervention code.

The pie chart to the right shows how the funds are distributed to support child care and EI services to eligible children



Scenario 3: Early Head Start and Child Care Classroom

Northern Rivers Child Care has a classroom for families who are eligible for Early Head Start and Child Care Subsidies. As in the other scenarios, the Intake Coordinator determines the family and child eligibility for Early Head Start. For this scenario, the focus is on how to braid funding sources related to Early Head Start and subsidized child care focusing on families who receive TANF and families under 100 percent of the poverty level.

Step 1: Front Door identify the eligibility requirements across your funding sources and determine the full range of populations your organization can serve. There are 8 children in the Early Head Start room. Of the total number of children, 5 children stay for extended care. In this scenario, there are families who meet the First Category of eligibility and whose income is 100 percent below poverty. This allows for all the children to be eligible to enroll in the Early Head Start program

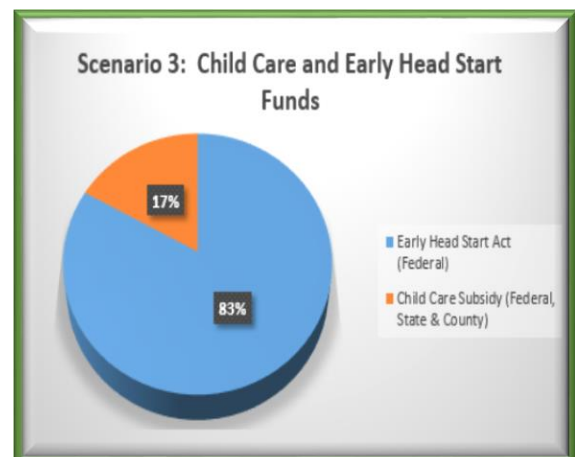
Program	Classroom Demographics	Funding Source	Fiscal Model
Early Head Start	8 Children	A. Federal Funds	Braid
Child Care Subsidy	5 Children	B. Federal, State & Local Funds	

Step 2: Back Door: In this scenario all the children are eligible for Early Head Start, therefore, special tracking related to funding is not applicable. Costs related to Early Head Start programming is supported by their Early Head Start Grant and they are required to follow the federal program and financial reporting requirements. However, they must track for the extended day:

- A Day Care Teacher Code is used to indicate the hours he/she was in the Early Head Start Room. This information is tracked in the time system.

The pie chart shows how the funds are distributed to support the Early Head Start and child care program.

Note, if the children were not eligible for Early Head Start, the **Back-Door** reporting would be different. Funds to support costs related to children who are not eligible for Early Head Start would need to be allocated to a different funding source.



Scenario 4: Integrated Universal Prekindergarten

Northern Rivers Child Care program provides services to all families that need day programming. During the enrollment interview the Intake Coordinator determines the eligibility of the families and children. In this scenario, the focus is on a Prekindergarten classroom in which some of the children are receiving Special Education Services and parents are both eligible and ineligible for a Child Care Subsidy. Funds in this scenario represent both a blending and braided funding model.

Note: Of the seven NYS State Education Department Prekindergarten programs, this guide will use the Universal Prekindergarten program as an example of how to braid and blend funds. For more information regarding the other six prekindergarten programs contact your local school district or the NYS Education Department.

Step 1: Front Door an Intake Coordinator will confirm the eligibility requirements across the funding sources and determine what funding source will support the child's enrollment. In addition, the Intake Coordinator will collect the necessary documents to verify eligibility. Based on the information collected, the child is eligible for the Integrated Universal Prekindergarten classroom.

In this scenario, there are 12 four-year-olds enrolled in an Integrated Universal Prekindergarten class in which some of the children receive Preschool Special Education services. Below is the funding analysis and demographics of the classroom:

Program	Classroom Demographics	Funding Source	Fiscal Model
Universal Prekindergarten	6 Children	A. State	Blend
		B. School Taxes	
Preschool Special Education	6 Children	C. State and County	Braid
Child Care Subsidy	3 Children	D. Federal, State & County	
Parent Payment	6 Children	E. Parent(s)	

Step 2: Back Door: Northern Rivers has created a *Back-Door* model to cost allocate the classroom expenditures. This model includes tracking staff time by family/child served and by service needs. Note that it is important for an agency to identify staff time that will be distributed across multiple funding sources and limit detailed tracking to those staff members. For example, in this scenario, the staff could be: Special Education Teacher, Day Care Teacher, and Assistant. While there can be more staff involved (such as an intake coordinator, supervisor, receptionist or cook), for the purposes of simplification, we will focus on classroom staff. Note that you can develop a tracking system using the technology already available.

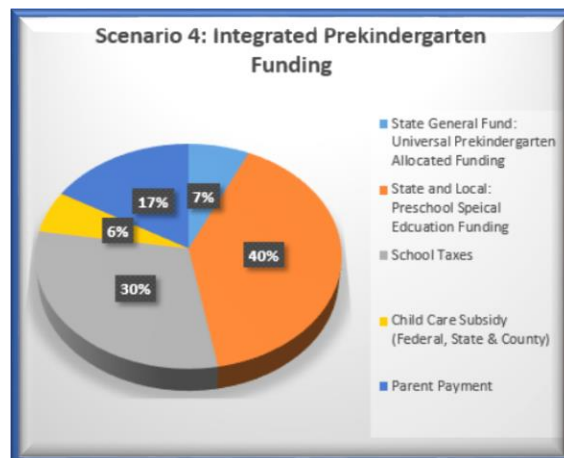
Northern Rivers includes as part of its tracking system codes for each staff title. The codes related to the staff title help track the funding that supports each service.

Blending:

- Funding Sources A and B: Universal Prekindergarten is billed per child separate from the time codes. This is blended funding.

Braiding:

- Funding Source C: The Day Care Teacher and Teacher Assistant use the Special Education code. The Special Education teacher and Aide use the Special Education code which goes into the time system. The Day Care teacher also uses the time code to indicate the hours he/she is with the day care/Universal Prekindergarten children and the extended hours (before and after the Universal Prekindergarten program hours).
- Funding Sources D and E: The accounting office uses “sign in” and “sign out” forms for the extended hours supported by parent fees or subsidies. For example, a parent will sign his or her child out at 5 pm when the program knows the Special Education hours ended at 3 pm, therefore a part of the day is billed either to the parent if they pay out of pocket or the county if the family receives a child care subsidy.



Other Braiding and Blending Funding Model Scenarios

Although Northern Rivers does not have a Head Start Program, we are including some additional braiding and blending scenarios that include a Head Start classroom.

Scenario 5: Head Start Program with Preschool Special Education Itinerant Services

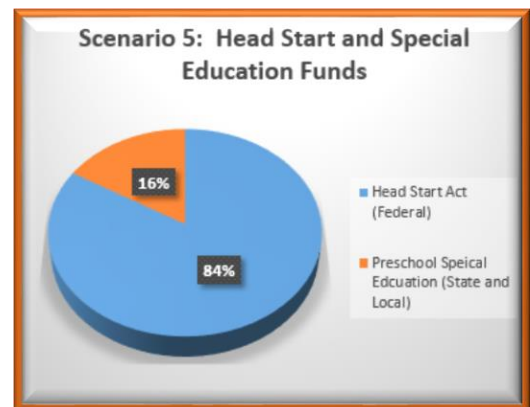
Funds can be braided when there is a Head Start classroom in which some of the children receive Preschool Special Education Itinerant Services (occupational, physical and speech therapy, psychology services, and social work).

Step 1: Front Door identify the eligibility requirements across your funding sources and determine the full range of populations your organization can serve. In this scenario, there are 16 four-year-olds enrolled in the Head Start classroom all meeting the Head Start eligibility requirements:

Program	Classroom Demographics	Funding Source	Fiscal Model
Head Start	16 Children	A. Federal	Braid
Preschool Special Education*	3 Children	B. State & County	
*Of the 16 children enrolled in the Head Start Program, 3 also are eligible for Preschool Special Itinerant Services.			
For more information about the programs, see Appendix B.			

Step 2: Back-Door: In this scenario, all the children are eligible for Head Start, therefore special tracking related to funding is not applicable. Head Start programming is supported by the Head Start Grant, and the program is required to follow the federal program and financial reporting requirements. Head Start agencies are not required to pay for Preschool Special Education Itinerant Services. Services are paid directly from the LDSS to the preschool special education provider.

The pie chart to the right illustrates how the funds support the needs of all the children in the Head Start program.



Scenario 6: Using Gifted Money

Some programs receive funds from a non-government entity as the result of receiving a grant or private donations through fundraising efforts or gifted funds from philanthropies. For this scenario, we will blend funds received from non-government entities and demonstrate how non-government funding can support a child care program. Just like the other scenarios, during intake the Intake Coordinator determines the family's eligibility for the classroom. This is to determine the funding sources that can support the classroom costs. The fiscal staff will have pre-determined the costs related to all the classroom and will know how much of the non-government funds are needed to support all programs.

Step 1: Front Door like other funding sources, child care provider must clearly define decision-making authority and systems. In addition, fiscal staff must track costs related to running all classrooms and the funding amounts received from both government and non-government entities. Consequently, the Intake Coordinator, at the *Front Door*, must determine the family and child's eligibility so the funding source can be identified. When a family enters through the *Front Door*, the staff assigned to intake need to have the authority to determine whether services, or in this case child care can be provided.

Ideally, enough funding is identified for the child care provider to remain viable. Just like the other scenarios, it is important to know the limitations related to the charitable gift. The intake person must

know the funding limitations of all the classrooms. Blending funds that have no restrictions are often the best way to support families who may not be eligible for programs that are federal, state or county funded.

In this scenario, there are 16 children in the child care room of 3 - 4-year-olds.

Program	Classroom Demographics	Funding Source	Fiscal Model
Child Care Subsidy	8 Children	Federal, State & County	Blend
Parent Payment	8 Children	Parent(s)	
Child Care*	16 Children	Annual Charitable Gifts	
For more information about the programs, see Appendix B.			

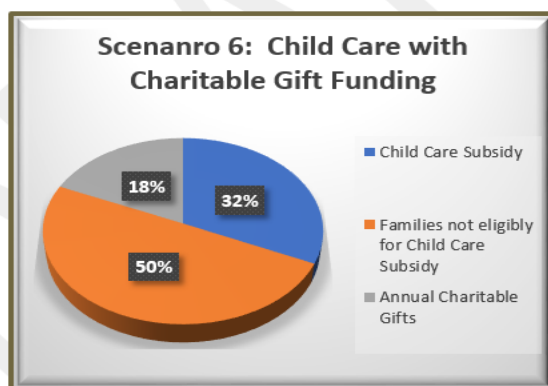
Note: *The Annual Charitable Gifts will cover expenses that are not supported by the Child Care Subsidy program or what parents cannot afford.*

Step 2: Back-Door: In general, fiscal staff should use the least restrictive funding sources last. It is better to use the highly flexible funding sources last than a funding source that can only fund small parts of your program. Also in general, you want to be able to report steady progress in spending your funding to most funders – your funder wants to know how critical their funding is to your program! This does not mean you have the same expenses, the same number of clients, or the same amount of spend-down every month. Rather, it means you use it where it can best support your program, steadily and with flexibility. In general, make sure you do not ignore a funding source for multiple months – this may cause you to lose the funding source due to a perceived lack of need.

In this scenario some children are eligible for Child Care Subsidy and others are not. Therefore, special tracking related to funding is needed.

- Funding source A: A Day Care Teacher Code is used to indicate the hours. This information is tracked in the time system.

This pie chart below shows how the child care classroom is supported by charitable gifts and other sources.



COORDINATED FINANCING PLAN

(contribution from Sparks Policy Institute)

<enter your program/organization name>
<Enter date created>



PROGRAM DESIGN

- Provide a short overview of the program design, including eligible populations, direct services, and non- service delivery activities.



FUNDING SOURCES

- Briefly list each funding source, the contact information, the amount, duration, and any critical information to understand the purpose of the funding source in supporting the program. For example, one funding source might be comprehensive, supporting all components, while another funding source is for primary health care services only.



PROGRAM BUDGET

- Briefly describe the Program Budget, as outlined in *Program Budget*
- Indicate any key decisions made that relate to the budget, such as the total population to be served.
- Your program budget, based on the revised design developed during the previous stage.



COST ALLOCATION

- Briefly describe your overall cost allocation model, as outlined in *Template D: Cost Allocation Plan*.
- Indicate whether you are blending or braiding.
- Include a list of all the sources of financial information and how to access them.



FRONT DOOR PROTOCOLS

- Outline who has the authority to accept children and families into the program and determine the services they will be provided.
- Outline what tool will be available to assist the Front Door in making appropriate decisions on eligibility and allow ability.
- Outline what technical assistance will be available to Front Door staff, such as access to key fiscal staff if eligibility or allow ability questions arise.
- Identify - *Eligibility and Allow ability*.
- Outline what information will be needed to ensure ongoing awareness of eligibility for children/families



BACK DOOR PROTOCOLS

- Include a protocol for spending down the funding sources supporting your blended or braided model.
- Include the specific eligibility and allow ability requirements for each funding source to assist your Back Door staff in making appropriate funding decisions and answering questions from Front Door staff. This information will come from *Template A: Analyzing Your Funding Sources*.



TRACKING AND REPORTING

- Include a timetable for your reports to your funders, including fiscal and programmatic reporting.
- Include your tracking and reporting tools. These tools should capture all the information needed for all your funders. They must include a timesheet to track personnel time spent on specific children and on non-children-based activities.
- Include your protocol for completion of reports using the information collected. You will want to indicate how frequently staff must complete the tracking tools and the process for inputting data into various funders' databases or reporting templates.



FINANCIAL SYSTEMS

- Include a brief description of how your *Coordinated Financing Plan* aligns with existing financial practices and systems.
- Indicate where the *Coordinated Financing Plan* requires additional practices or systems and include protocols for those.
- Address potential need for segregating your funding in your accounting systems. This is critical for many public funding sources, and particularly important if you are a faith-based organization.



CONTRACTING

- Include an explanation of your contracting system (pre-approved providers, fixed price contracts, capitated contracts, case-rate contracts for multiple services, performance based contracts).
- Include an explanation of your reporting requirements to ensure contractors provide sufficient information to meet reporting needs.



QUALITY CONTROL AND STAFF TRAINING

- Describe quality control measures to ensure continued compliance with funding source requirements throughout the implementation of the program.
- Describe the plan to train and support staff who will be implementing the *Front Door* and *Back Door* of the program.
- Address staff turnover.

Early Childhood Education Program and Eligibility Requirements

Programs	Local Implications and Eligibility
Child Care Subsidy	<p>Federal and State funds are allocated to the Local Department of Social Services (LDSS) to support eligible families so their children can attend child care programs. In addition to Federal and State funds, county districts contribute towards the subsidy program. To be eligible for Guaranteed Child Care Subsidy, families must meet one of the following categories to be eligible for Guaranteed Child Care Subsidy:</p> <ul style="list-style-type: none"> - <u>First Category</u>: Families are on public assistance (TANF). - <u>Second Category</u>: Families under 200% of poverty and have left public assistance (TANF) in the prior year, including low-income working families and teenage parents who are completing high school. - <u>Third Category</u>: Families eligible for public assistance (TANF) but choose only to receive a child care subsidy. <p>Note: Guaranteed Child Care Subsidy is different than who may be eligible.</p> <p>The Local Department of Social Services (LDSS) has some flexibility in administering their Child Care Subsidies programs. Therefore, it is important to review the Child and Family Services Plan for the LDSS in which the family resides, because the Plan details how the child care subsidy program is administered beyond and within the three identified categories and child care regulations. In addition, it is extremely important to work with the LDSS to understand the districts eligibility requirements for receiving a child care subsidy as the Child and Family Services Plan can be difficult to interpret.</p> <p>For more information regarding eligibility in your county contact your LDSS.</p>
Early Head Start and Head Start	<p>Federal funds are provided directly to the Early Head Start grantee.</p> <ul style="list-style-type: none"> - <u>Early Head Start</u> Provides home-based services and full-day child care to eligible families with children birth to age 3. The program promotes healthy prenatal outcomes for pregnant women and enhance children's health and development from birth to 3 years of age. The Early Head Start program enhances a child's social and cognitive development through the provision of educational, health, nutritional, social and

Programs	Local Implications and Eligibility
	<p>other services to enrolled children and their families. They engage parents in their children's learning and help them make progress toward their educational, literacy and employment goals. Significant emphasis is placed on parent involvement. Also, the program promotes healthy prenatal outcomes for enrolled pregnant women.</p> <ul style="list-style-type: none"> - <u>Head Start</u>: Promotes school readiness for children age 3-5 by enhancing the social and cognitive development of children through the provision of educational, health, nutritional, social and other services for enrolled children and families. This program includes a parent engagement component so parents can actively participate in their child's learning and help them make progress toward their educational, literacy and employment goals. Significant emphasis is placed on the parent involvement in the administration of local Head Start programs. Children who live in low-income families, are homeless or on TANF can be eligible for participation. <p>Federal funds are provided directly to the Early Head Start and/or Head Start grantee. The programs may provide home base services and all-day child care to eligible families.</p> <p>In general, families are eligible if:</p> <ul style="list-style-type: none"> ✓ The family's income is equal to or below 100 percent of the Federal poverty line; ✓ The family is eligible, or in the absence of child care would be potentially eligible, for TANF, including Temporary Assistance for Needy Families (TANF) child-only payments; ✓ The child is homeless; or ✓ The child is in foster care. <p>Note that there are several additional allowances for program eligibility that are not listed.</p> <p>Contact your local Early Head Start provider.</p>
Early Intervention	<p>State funds are used to reimburse the LDSS for services provided to children birth to three years of age who may not be making progress like other children because of a developmental delay or disability. The Early Intervention (EI) Program is a statewide service delivery system for infants and toddlers with developmental delays, disabilities, or both providing supportive services to the families. The goal is to identify and evaluate those children whose healthy development is compromised and provide appropriate interventions</p>

Programs	Local Implications and Eligibility
	<p>to improve child development. To be eligible for services, infants and toddlers must have a delay in one or more areas of development (physical growth or development, learning skills, speech and language development) or a physical or mental diagnosis that impacts on development (such as, cerebral palsy, Autism or Down Syndrome). Administered in collaboration with the 57 counties and New York City with NYS Department of Health (DOH) as the state lead.</p> <p>For more information contact New York State Department of Health or your local EI program.</p>
Gifted Money	<p>Often, child care centers enroll families who cannot pay the full costs for child care or additional educational programming hours resort to fundraising (through an Annual Charitable Gifts campaign) to support costs that are not covered by other funding sources.</p>
Preschool Special Education	<p>State and county funds support Preschool Special Education Services, which serves children with disabilities between the ages of 3 to 5 with developmental disabilities, as determined by the Committee on Preschool Special Education. Often, Preschool Special Education Services serve as a bridge between the Early Intervention program (from birth to 3 years old) and a formal Individualized Educational Program (IEP) in a school setting.</p> <p><u>Preschool Special Education Class in an Integrated Setting:</u> requires a special education teacher and one or more supplementary school personnel in a class. School day has no less than five hours of instruction.</p> <p><u>Special Education Itinerant Teacher (SEIT):</u> Services provide specialized individual or group instruction, indirect services or both to preschool students with disabilities. Indirect services mean consultation provided by a certified Special Education teacher to assist the child's teacher in adjusting the learning environment and modifying their instructional methods to meet the child's individual needs. Special Education Itinerant Services must be provided to a preschool student with a disability for whom such services have been recommended as follows: (1) service is recommended by the Committee on Preschool Special Education and included in the student's Individualized Education Plan (IEP); (2) the level of this service should not be less than two hours per week; (3) the total number of students with disabilities assigned to the Special Education teacher should not exceed twenty hours.; (4) related services shall be provided in addition to Special Education Itinerant Services, in accordance with the student's IEP; and (5) in the event that the board of education selects a special service or</p>

Programs	Local Implications and Eligibility
	<p>program that will be provided in the preschool student's home or another care setting to which the parent has made or subsequently decides. Through Itinerant Services, therapists that are available in such disciplines as psychology, social work, occupational therapy, physical therapy, and speech. In addition, teachers of the deaf and hearing impaired and teachers of the blind and visually impaired services are offered.</p> <p>The LDSS can make payments to a service provider for Preschool Special Education Services.</p> <p>For more information contact your school district.</p>
Universal Prekindergarten	<p>State funds and School taxes support the School Districts that administer Universal Prekindergarten programs through an allocation from the New York State Education Department to support 2.5 hours per day of prekindergarten programing. Four-year-old students are allowed access to prekindergarten programs that will provide them with the foundation to help prepare for future school success. There is no income eligibility related to enrollment, however some school districts may require students to provide proof they live in the school district.</p> <p>Note: Of the seven NYS State Education Department Prekindergarten programs, this guide will use the Universal Prekindergarten program as an example of how to braid and blend funds. For more information regarding the other six prekindergarten programs contact your local school district or the NYS Education Department.</p> <p>Note: Of the seven NYS State Education Department Prekindergarten programs, this guide will use the Universal Prekindergarten program as an example of how to braid and blend funds. For more information regarding the other six prekindergarten programs contact your local school district or the NYS Education Department.</p>
Parent Pay	<p>Families who are not eligible for federal, state or county programs to support their child care fees must pay for their child's child care.</p>

Your Notes