

CED: Strategies for Engaging State and Local Business Leaders

- I. Build on Community Assets
 - A. Itasca Project—a statewide group of business leaders seeking to make Minnesota a great place to live.
 1. Early Childhood Development Task Force—chaired by President Robert Bruininks of UofM; staffed by McKinsey.
 2. Conclusions:
 - a. Weak buyers: 5 years of center-based care averages \$51K; Prices many, especially at risk kids, out of the market.
 - b. Weak suppliers: fragmented market, with about 1000 Centers, 13,000 licensed homes and about 150,000 FFN Caregivers; no common thread of quality.
 - c. Weak information: no outcomes-based data on care Providers, which implies no informed decision-making.
 - d. Weak accountability: no clear performance standards.
 3. Recommendation: support the MELF approach.
 - B. Minnesota Business Partnership—the group representing large employers.
 1. Priority: education and workforce readiness has been a top Priority since its founding in 1977.
 2. Recommendation: support the MELF approach.
 - C. Minnesota School Readiness Business Advisory Council, which has been renamed Minnesota Business for Early Learning.
 1. Three task forces: Recognition (what businesses currently are doing); Awareness (raising understanding of the issue); and Policy (developing public policy recommendations). I chaired the Policy Committee.
 2. Recommendation: create MELF.
- II. What is MELF?
 - A. Grounded in research findings: kindergarten assessments show that half of Minnesota children are not ready for K; at risk children are up to 8 times more likely not to be ready; while some catch up, many do not; so our goal is to see that “no child starts behind.”
 - B. Conclusions.
 1. While the case for quality early childhood development is Compelling, how best to deliver it and to fund it in Minnesota is neither clear nor compelling.
 2. Cost-effective approaches are critical to sustainable public Support that can ride out the ups and downs of state revenues.
 - C. MELF stands for the Minnesota Early Learning Foundation, a 501 c 3 private foundation created in 2005. Its initial \$2.5 million in funding came from Cargill, McKnight Foundation and Twin Cities United Way.

1. Structure: a Board of Directors of CEOs from major businesses and other community leaders. Staff of 2—a former legislator and business leader and a senior civil servant familiar with both education and human services programs.
2. Mission: in a limited time period (3 to 5 years) to develop a statewide cost effective strategy for school readiness, make the best possible case for it and then disband; important to have a time-limited mission for credibility in fundraising.
3. Guiding principles:
 - a. prevention over rehabilitation—so coverage is from pre-natal to pre-school (0-5).
 - b. focus public resources on at risk kids—this is the area of greatest need and largest payback.
 - c. involve, empower and “inskill” parents—they are the first and most important decision-makers for and teachers of their kids.
 - d. set standards, measure outcomes and publish results—all of these are necessary to put market forces to work promoting competition, innovation and continuous improvements in quality.

D. MELF Progress Report

1. Original plan—join with the State in a public-private partnership; the state legislature appropriated \$1 million for the start-up but also imposed some conditions about board membership and procedures; the MELF board decided to turn back the state money and go ahead on its own; is still actively working with the legislature and executive branch.
2. Honest broker—MELF has positioned itself as a tester, evaluator and demonstrator of sound approaches. Both state agencies and the legislature seem to be deferring to MELF in this role, as are many of the providers and the business groups mentioned earlier.
3. Collaborations.
 - a. With the University of Minnesota, MELF is developing an outcomes-based Quality Rating System (QRS) by which to judge providers and an integrated series of child evaluations to ensure that kids are “on track” in their development.
 - b. Partnering with county and city governments, school districts, chambers of commerce, Rotary clubs, churches, charter schools and others to test ideas, provided the partners agree to measure their outcomes against our performance criteria.
 - c. Partnering with Twin Cities United Way to raise funding for MELF projects (the goal is to raise \$10 million immediately and up to \$30 million over five years) and to implement MELF-developed ratings systems/evaluations

and resulting lessons learned starting with TCUW agency funding next year.

d. Funding effort is CEO to CEO.

E. Next steps.

1. Complete the funding for key pilot projects. Will need to find some major partners for a full-blown test of whether scholarships and nurse-based mentoring of parents can correct the “weak market” problems Itasca noted in areas of concentrated poverty.
2. May be building a model for business involvement and leadership that could also work for other social issues with complex solutions: that approach is to study, then strategize, then experiment and finally scale up the best practices identified.

By: Robbin Johnson