SAN FRANCISCO EARLY LEARNING ALLIANCE, CALIFORNIA

For childcare providers in San Francisco, the high cost of living and real estate makes it difficult to deliver services to low-income families, forcing them to operate on very tight margins. In 2015, the Mimi and Peter Haas Fund worked with the Alliance for Early Childhood Finance to determine the best way to address the challenges faced by childcare providers in the region. The recommendation was to start a small Shared Services Alliance with three existing childcare providers, financially supported by the California Resource and Referral Network, and the Mimi and Peter Haas Fund, which also acted as the centralized location for alliance operations.

In 2015, the San Francisco Early Learning Alliance (SFELA) was founded. SFELA sought to assist childcare businesses operating with public funding by offering solutions to provide high-quality and highly efficient back office services. Now entering its fourth year, SFELA has grown to include 12 sites representing both nonprofit and for-profit centers. Its suite of services includes enrollment management, attendance tracking, subsidy and grant management, accounting, financial reporting, audit and tax returns, and personnel and benefits management.

For the providers who joined the Alliance, it is already paying dividends. Outsourcing functions has enabled centers to diversify their revenue streams so that they can accept families of varying socioeconomic status. Additionally, the savings that centers have made through the Alliance have enabled the Alliance to move toward a membership model based on sliding scale fee for service. To date, the Mimi and Peter Haas Fund is financing SFELA, which now has a staff of four. While it would like to break off and establish its own 501(c)(3), the cost of real estate in San Francisco is prohibitive. Also, SFELA now finds itself at a pivotal point in need of assistance with strategic business planning.

Key Takeaway:
The Creating a Shared Services Alliance means being able to offer high-quality, affordable childcare to families who need it most because of the cost savings involved in grouping childcare centers together with varying socioeconomic clients.
THE CHAMBLISS CENTER FOR CHILDREN, CHATTANOOGA, TENNESSEE

In Chattanooga, one of the longest-established examples of a Shared Services Alliance began almost by accident. The Chambliss Center for Children (previously known as the Chambliss Children’s Home and the Chambliss Shelter) provides administrative services to multiple nonprofits. Then called the Chambliss Children’s Home, it opened its doors in 1872, originally providing housing and care for orphaned boys and girls. In 1969, the home expanded and began to offer 24 hour child care in addition to its residential services, serving 200 children in this program. By 1983, the organization was serving 200 children in childcare in addition to its residential services. Therefore, when the government began looking for organizations to take over the Chambliss Shelter, the Chambliss Center’s reputation of being a well-managed enterprise made them an ideal candidate to take over responsibility for the shelter.

Several years later, the success of this venture was not lost on the local United Way, which in 1986 called the Chambliss Center regarding a struggling early childhood program. A Shared Services Alliance was born, and the Chambliss Center took on all licensing and financial requirements, staff management, admissions, and board relations. It also acted as the executive director for these programs.

The Chambliss Center has continued to expand and has recently been able to fill a need in its local school district, offering care for working parents in the education industry who would have otherwise left the workforce owning to a lack of access to childcare. Today, the Chambliss Center has 12 locations in public school buildings in addition to six off-site locations.

Key Takeaways:

By merging operations, the Chambliss Center was able to preserve small, community-based nonprofits. In addition, by serving the missions of these nonprofits and individual small businesses and allowing them to remain autonomous, it has resulted in a creative and cost-effective solution that works for everyone involved.

The Chambliss Center’s most recent project encompasses the larger Chattanooga community. It is partnering with a local real estate developer to imbed childcare in the planning and urban design conversation. The Chambliss Center will operate multiple childcare locations that support a new community yet to be developed. Such forethought enables families in the community to reap the economic benefits of high-quality childcare, made possible by the Shared Services Alliance that the Chambliss Center created. Because of the Center’s continued community involvement, it’s now the largest childcare provider in Chattanooga outside of Head Start.

For all the nonprofits that have joined this Shared Services Alliance, their ability to remain autonomous as their own 501(c)(3) has enabled them to continue operating with the specific needs of their community top of mind.
It’s often easy to overlook childcare providers as part of the business community. Shared Services Alliances provide business leaders with a distinct opportunity to support childcare providers for the betterment of their communities. Here’s how to help:

**Front the cost of shared services:**
Invest in creating and developing Shared Services Alliances.

**Offer space to promote quality:**
Fund or offer your own space to centralize Alliance operations.

**Champion better policy:**
Push for solutions to long-standing barriers around policy and offer a fresh approach to sustained solutions.

**Donations:**
Provide time, office supplies, furniture, or services (e.g., bookkeeping, training, taxes, or auditing) to lessen financial burdens being carried by a Shared Services Alliance.

**Get involved with a collective:**
Pool contributions and reach out to your business allies and let them know about the importance of supporting childcare.