

## **Trying Together Shared Service Alliance Financial Services Service-Provider RFP**

### **Why we are issuing this RFP**

Childcare programs rest on a precarious business model that is highly regulated for health and safety, includes rigorous standards for quality, requires a mix of public and private funding, and requires maintaining the delicate balance of the Iron Triangle (full fee collection, full enrollment, tuition covers the full cost of care). Unfortunately, limited state reimbursement rates and parent views on affordability have meant that maintaining a profitable child care has been near impossible for at least the last couple decades. Lingering challenges from the COVID19 pandemic, especially those around maintaining quality staff - a challenge prior to the pandemic that is reaching crisis levels - mean that child care businesses and nonprofits are facing crushing challenges to their business model.

One potential solution to remediate some of the administrative burdens of a child care is through a Shared Service Alliance. Shared Service Alliances are groups of child care programs that come together to network and pay dues in order to achieve economies of scale in purchasing goods and services. Trying Together will help to create a City of Pittsburgh Shared Service Alliance in 2021-2022 that offers services in the areas of marketing, human resources, and financial services. Trying Together is seeking service-providers to offer these services to a diverse mix of 12 childcare programs during the pilot year, roughly November 2021 through November 2022.

The objective of a Shared Service Alliance in Child Care is for child care organizations to reduce costs and improve the strength of management and the quality of their services by sharing administrative functions with other organizations that provide the same types of services. Effective Shared Service Alliances can improve all participants' long term financial strength and management capacity, and their ability to provide a high-quality service. More information about Shared Service Alliances in Child Care is available at:

[https://www.bostonfed.org/-/media/Documents/cb/PDF/Stoney\\_Poppick\\_early\\_education.pdf](https://www.bostonfed.org/-/media/Documents/cb/PDF/Stoney_Poppick_early_education.pdf) and  
<https://files.eric.ed.gov/fulltext/ED583847.pdf>.

### **What we are looking for**

- I. What's important to us - Trying Together is seeking a financial services service-provider who:
  - understands the business model and context of child care programs
  - is willing to meet child care professionals where they are at in their current business practices,
  - has knowledge of best practices in the industry, including financial record-keeping and reporting
  - offers flexibility and individualized support in their services in order to conveniently support child care programs in completing financial tasks
  
- II. Abilities and competencies - The ideal service-provider will:
  - Have a thorough knowledge of industry standards in accounting and finance, including best practices for bookkeeping, financial reports, financial advising, and legal aspects of financial services
  - have a high degree of responsiveness to the needs of child care professionals, recognizing the many competing priorities on their time
  - offer some evening and weekend availability in addition to having flexibility to work around the schedules of child care directors, board members, and staff
  - have a strong ability to listen and ask questions that seek to understand and meet the needs of the child care programs
  - value relationships and seek to lead with empathy and build trust when working with child care professionals

- commit to continuous quality improvement, incorporating learning from child care programs and applying that new knowledge to future service provision, as well as welcome feedback from the Trying Together team

III. What we do not want - Trying Together is not looking for a service-provider that:

- takes a cookie cutter approach to service provision or is inflexible in their approach
- seeks to make providing services convenient to them rather than seeking to adapt to the needs of the child care programs
- is focused exclusively on the business outcomes to the exclusion of human-centered (including staff, family, and child) outcomes
- is unresponsive to feedback from child care programs and/or Trying Together

## Implementation

Trying Together will identify 12 child care programs to participate in the pilot year of the Shared Service Alliance, running from November 2021-November 2022. It is envisioned that this will include roughly 3 large child care centers, 3 small child care centers, and 6 home-based (family child care or group child care) programs. Participating child care programs will convene for networking purposes, and receive both group and individualized services in the areas of marketing, human resources, and financial services.

- I. Role of Trying Together - Trying Together staff will facilitate periodic meetings of the Shared Service Alliance for networking and discussion of common experiences and challenges. Trying Together will also facilitate communication as needed between the service-providers and the child care programs to meet shared milestones. Trying Together will be responsible for monitoring and evaluation of the overall program. Trying Together will be in regular contact with service-providers for ongoing support and troubleshooting.
- II. Role of service-provider - The financial services service-provider will be responsible for assessing the needs of each child care program and offering up to the following services to each child care program:
  - Develop bookkeeping and records management system for each child care program
  - Input revenues and expenditures into financial software or spreadsheet format
  - Prepare financial reports - monthly and annual
  - Interpret financial reports and flag trends and discrepancies
  - Assist and advise on cash management
  - Advise on adherence to internal controls and methods to enhance operating performance
  - Offer advice regarding opportunities to minimize expenditures and maximize revenues
  - Complete payroll services for providers
  - Complete local tax documents
  - Complete local, state, and federal business and/or individual (for family child care programs) tax returns
  - Produce year-end financials including preparation of W2s and 1099s
  - Provide audit support, as needed
  - Provide supporting financial documents to assist with grant applications, as needed
- III. Role of child care programs - Child Care programs commit to make themselves or the appropriate administrative staff designated to work with each service-provider available a minimum of 5-8 hours per month. Child care programs will work to respond in a timely manner and communicate with Trying Together and service-providers reasonable expectations for project milestones. Child care programs will pay nominal dues to the Shared Service Alliance for the first year, with dues expected to rise in year 2 and beyond.

## **Budget considerations**

Proposers should give a realistic estimate of what the service will cost. Proposers should provide a year one budget and budget narrative for services provided to 12 child care programs that will help Trying Together understand the thinking and assumptions behind the proposed budget. Depending on the needs of the final participants in the pilot program, Trying Together will negotiate with the successful service-provider on final budget numbers.

## **Evaluation Criteria**

Proposals should address qualifications by responding to the specific questions on the response form. The following criteria will be used to evaluate proposals:

- I. **Experience & Qualifications** - demonstrated experience in providing the services described above under “role of service-provider”, proven methods and results with past clients. Track record of engaging, building trust, and supporting clients.
- II. **Organizational Structure and Staffing** - appropriate organizational structure and staffing to provide the range of services necessary. Demonstrated capacity to implement the service provision to the full range of child care programs, and plan for consistency and reliability of staff and continuity of services. This may include relationships with additional entities or subcontractors. Experience hiring quality, racially diverse staff and training that emphasizes cultural competency and an emphasis on relationships.
- III. **Understanding of the child care field** - Personal experience may be considered in addition to prior experience providing services to child care programs.
- IV. **Mission & commitment** - clear reasoning why the proposer feels it is the best candidate to offer these services and explains how supporting a Shared Service Alliance of Child Care programs fits into the individual or organization’s mission and/or market niche.
- V. **Budget & Cost** - budget reflects a realistic estimate of the costs necessary to implement and sustain services. Budget narrative describes assumptions about rates and staff necessary and demonstrates fiscal responsibility.

## **How to submit a proposal**

After reviewing this RFP in its entirety, proposers should use the attached Response Form to develop a Proposal. Typed answers are not to exceed 1,500 words (excluding the budget attachment), and may be able to address all elements of the questions in significantly fewer words.

Proposals should be submitted electronically via email to [sharedservices@tryingtogether.org](mailto:sharedservices@tryingtogether.org) by Tuesday, October 12, 2021 at 5:00 p.m. Eastern Standard Time. You will receive an email confirmation of receipt of your proposal. If you do not receive this notification within 48 hours of submission, please contact [lissa@tryingtogether.org](mailto:lissa@tryingtogether.org).

Should proposers be invited to advance, they may be asked to provide documentation of Minority/Women Owned Business status, audited financial reports, and/or W-9s.

### **Service-Provider Response Form:**

1. What is the name of your organization and who is the primary contact person submitting or responsible for this proposal?
2. Describe your organization, including the typical scope of services that you provide and how it benefits your clients.
3. Describe how your organization's work and/or mission aligns with the goals of this project.
4. What unique elements of your business make you a good fit for this project?
5. Describe your understanding of the financial services most critical to child care programs - be sure to address both center and home-based programs.
6. Describe the staffing structure you are proposing - how many individuals will work on the project, what are their experiences and qualifications, and what is the plan for consistency and reliability (keeping in mind that this project is relationship-based work).
7. Please attach a project budget, not to exceed two pages. This may be submitted as a separate attachment.
8. Budget Narrative: Please describe any line items in your budget that are not self-explanatory, including any assumptions about staffing, hours, or rates used.
9. Please list three potential references and their contact information (phone and email).