



**Committee:** Directly to Council  
**Committee Review:** N/A  
**Staff:** Vivian Yao, Legislative Analyst  
**Purpose:** To receive testimony/final action - vote expected  
**Keywords:** #MMF #ECE

AGENDA ITEM #13  
September 15, 2020  
**Public Hearing/Action**

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## SUBJECT

Special Appropriation to the County Government's Fiscal Year 2021 Operating Budget, Early Care and Education (ECE) Non-Departmental Account, Montgomery Moving Forward - ECE Coordinating Entity Plan, \$75,000 (Source of Funds: General Fund Reserves) and Amendment to FY21 Operating Budget Resolution 19-472 Section G, FY21 Designation of Entities for Non-Competitive Contract Award Status: Nonprofit Montgomery

## EXPECTED ATTENDEES

None

## COUNCIL DECISION POINTS & COMMITTEE RECOMMENDATION

Public hearing and action on special appropriation and action on amendment for the noncompetitive contract award.

## DESCRIPTION/ISSUE

High quality accessible early care and education (ECE) for children 0-5 is an economic imperative, which allows parents to participate in the workforce by providing care for their young children, supports businesses by improving employee productivity, and prepares children to enter kindergarten ready to learn and start on a pathway of success in life.

Efforts to support the childcare sector and improve the ECE system are critical as the COVID-19 public health emergency has placed the sector in crisis. Prior to COVID-19 restrictions, the child care industry struggled with sustainability challenges. Cost of care studies showed the typical child care program operating at a deficit or at best, a break-even situation. Revenue loss resulting from efforts to contain the spread of the COVID-19 and the stringent requirements for reopening have placed great strain on child care businesses. Child care is an essential service to support families as they return to work and is critical to the County's economic recovery.

## SUMMARY OF KEY DISCUSSION POINTS

- Montgomery Moving Forward (MMF) is a collective impact project of Nonprofit Montgomery that has mobilized leaders and experts across sectors to address the need for a better system of Early Care and Education in Montgomery County.

- This special appropriation will allow MMF, as a neutral, cross-sector convenor, to lead an effort to stand up a public-private ECE coordinating body to build an efficient, effective and equitable system of high quality ECE that will meet the needs of children, families and employers in the County.
- The funding will be used to: (1) conduct public convening and awareness activities about the need for a coordinating entity; (2) evaluate potential candidates and recommend the appropriate organization to serve as the entity; (3) identify necessary legislative action to establish the recommended organization as the entity; (4) evaluate best practices and recommend a specific governance structure and board composition for the entity; (5) draft start-up goals and a mission and vision statement for the entity; (6) and evaluate and recommend a plan for fiduciary responsibilities of the entity including how it may receive, manage, and disburse public and private dollars and make recommendations on the best use of funds dedicated to ECE.
- The source of funding is General Fund Reserves.
- This resolution also amends Resolution 19-472, Section G, FY21 Designation of Entities for Non-Competitive Award Status to enter into a contract with Nonprofit Montgomery with the purpose to “develop a plan to identify and structure a public-private early care and education coordinating entity through the Montgomery Moving Forward Initiative” in the amount of \$75,000.
- The public funding appropriated through this resolution requires a \$25,000 private match to support MMF’s work.

**This report contains:**

Proposed Resolution

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Resolution No.: \_\_\_\_\_  
Introduced: July 28, 2020  
Adopted: \_\_\_\_\_

**COUNTY COUNCIL  
FOR MONTGOMERY COUNTY, MARYLAND**

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Lead Sponsor: County Council

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**SUBJECT:** Special Appropriation to the Fiscal Year 2021 Operating Budget  
Montgomery County Government  
Early Care and Education (ECE) Non-Departmental Account  
Montgomery Moving Forward - ECE Coordinating Entity Plan  
\$75,000 (Source of Funds: General Fund Reserves) and Amendment to FY21  
Operating Budget Resolution 19-472 Section G, FY21 Designation of Entities for  
Non-Competitive Contract Award Status: Nonprofit Montgomery

**Background**

1. Section 308 of the County Charter provides that a special appropriation is an appropriation which states that it is necessary to meet an unforeseen disaster or other emergency, or to act without delay in the public interest. Each special appropriation shall be approved by not less than six Councilmembers. The Council may approve a special appropriation at any time after public notice by news release. Each special appropriation shall specify the source of funds to finance it.
2. High quality accessible early care and education (ECE) for children 0-5 is an economic imperative. Parents need access to early care and education for their young children to participate in the workforce, and reliable child care supports employee productivity. Nationwide, absenteeism and lost productivity due to child care issues cost U.S. businesses about four billion dollars each year. Moreover, children in Montgomery County need access to high quality learning experiences so they may enter kindergarten ready to learn and start on a pathway of success in life.
3. Efforts to support the childcare sector and improve the ECE system are critical as the COVID-19 public health emergency has placed the sector in crisis. Revenue loss resulting from efforts to contain the spread of the disease and the stringent requirements for reopening has placed great strain on child care businesses. Prior to COVID-19 restrictions, the child care industry struggled with sustainability challenges. Cost of care studies showed the typical child care program operating at a deficit or at best, a break-even situation. Child care is an essential service to support families as they return to work and

is critical to the County’s economic recovery.

4. Montgomery Moving Forward (MMF) is a collective impact project of Nonprofit Montgomery that has mobilized leaders and experts across sectors to address the need for a better system of Early Care and Education in Montgomery County. MMF has stated that an “improved system of ECE will support today’s working families, address the opportunity gap, and prepare the workforce of tomorrow.”
5. This special appropriation is needed so that MMF, as a neutral, cross-sector convenor, will lead an effort to stand up a public-private ECE coordinating body to build an efficient, effective and equitable system of high quality ECE that will meet the needs of children, families and employers in the County. The funding will be used to: (1) conduct public convening and awareness activities about the need for a coordinating entity; (2) evaluate potential candidates and recommend the appropriate organization to serve as the entity; (3) identify necessary legislative action to establish the recommended organization as the entity; (4) evaluate best practices and recommend a specific governance structure and board composition for the entity; (5) draft start-up goals and a mission and vision statement for the entity; (6) and evaluate and recommend a plan for fiduciary responsibilities of the entity including how it may receive, manage, and disburse public and private dollars and make recommendations on the best use of funds dedicated to ECE.
6. Notice of public hearing was given and a public hearing was held.

**Action**

A special appropriation to the FY21 Operating Budget of the Montgomery County Government, Early Care and Education NDA is approved as follows:

<u>Personnel Expense</u>	<u>Operating Expense</u>	<u>Capital Outlay</u>	<u>TOTAL</u>	<u>Source of Funds</u>
\$0	\$75,000	\$0	\$75,000	General Fund Reserves

This special appropriation must only be used to perform the functions described in paragraph 5. The public funding appropriated through this resolution requires a \$25,000 match to support these functions. The Department of Health and Human Services will administer the funding.

This resolution amends Resolution 19-472, Section G, FY21 Designation of Entities for Non-Competitive Award Status to enter into a contract with Nonprofit Montgomery with the purpose to “develop a plan to identify and structure a public-private early care and education coordinating entity through the Montgomery Moving Forward Initiative” in the amount of \$75,000.

This appropriation is needed to address a public health emergency and to act without delay in the public interest.

This is a correct copy of Council action.

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Selena Mendy Singleton, Esq.  
Clerk of the Council