The Case of Nonprofits: NPOs' Partnerships, and their Role in Shaping Early Childhood Education Policy in Washington State

Case Study

Early Childhood Policy

Developed by EarlyEdU at the University of Washington

EarlyEdU Alliance®

Abstract

The essential nature of early childhood education has become more visible throughout and now after the crisis of the COVID-pandemic. Many challenges of early childhood education were highlighted during the pandemic, including the fragmentation of the system, an unstable workforce, families' lack of access to high-quality learning environments, and lack of connection between families and allied services. Many actors help advance ECE policy and tackle these issues. Among those are nonprofit organizations (NPOs). NPOs have a long-standing history in the United States and constitute a considerable sector working toward ameliorating challenges in early childhood care and education. This case study explores the role NPOs have played in shaping early childhood policy in Washington State by looking at:

- the public-private partnerships that developed the state's Quality Rating and Improvement System, Early Achievers,
- the impact of these efforts and advocacy work.

Instructors teaching an Early Childhood Policy course can use this case study to:

- Provide an overview of the historical, political, and social contexts influencing nonprofit organization development in the United States.
- Understand how the nonprofit sector can change ECE policy.
- Examine NPOs' strategies in interorganizational efforts and their results.
- Understand public-private partnerships and the possible outcomes of a successful one.
- Invite students to think critically about the role of nonprofit organizations in education.

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Introduction

Early childhood policy initiatives can create significant changes in the lives of children at their most important developmental age. Early Achievers, Washington State's Quality Rating and Improvement System (QRIS) is an example of how a policy can generate broad educational shifts toward understanding and supporting the quality of early learning within a state. Currently, 4,392 early learning providers are part of the Early Achievers network. This means that about 78% of center-based childcare and Family Child Care providers are enrolled in the state's QRIS, and thus are on a pathway of quality recognition and improvement that benefits child development.

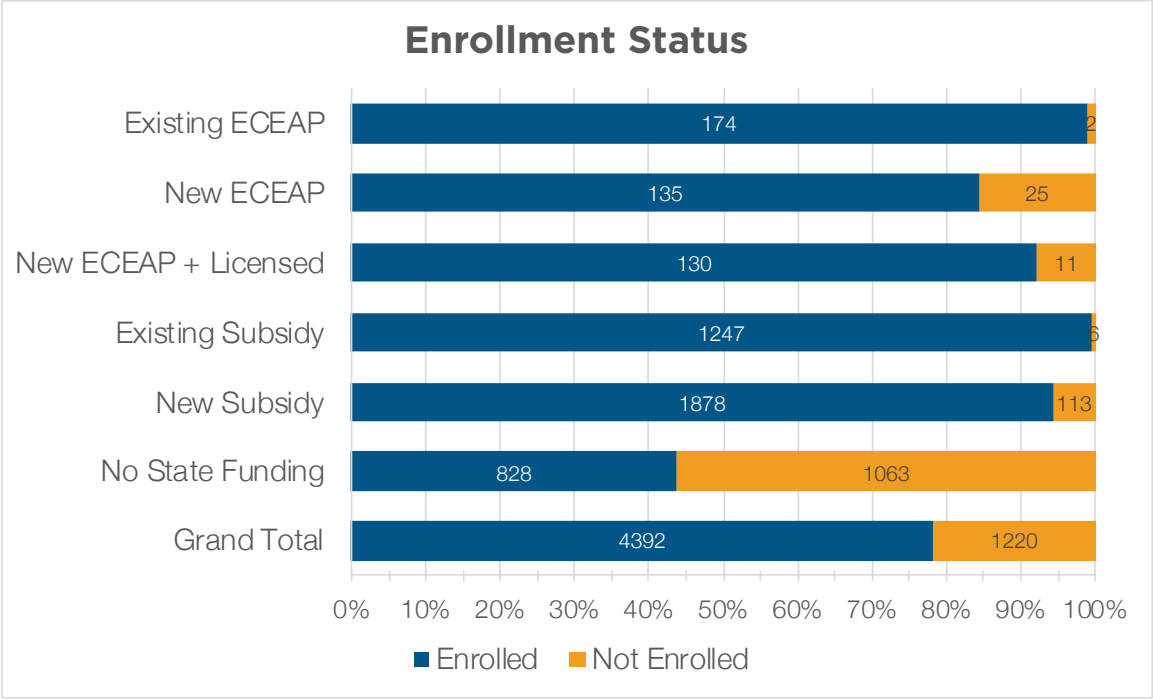


Figure 1. Source: DCYF. Enrollment status of early learning provider sites, classified by their Early Start Act timeline requirements.

While being a state-initiated policy, the development of Early Achievers required the effort of many stakeholders, including the nonprofit (NPO) sector. This case study will examine nonprofits' role in shaping early childhood policy, more specifically, the development of Early Achievers in Washington. This case will begin with an overview of the history of the nonprofit sector in the United States, as well as its status. Section 2 will explain how NPOs can work together for social change. We place a special focus on government-nonprofit partnerships. The last section presents the case of the development and implementation of Washington's QRIS, examining NPOs' role throughout the process.

The Nonprofit Sector

History and development of the nonprofit sector

Although the term nonprofit sector came into use during the 1960s, voluntary associations have been part of the history of the United States since before the republic was formed. Those efforts occurred either informally in neighborhood groups or with more structured ways of voluntarism through the church[1]. The Elizabethan Statute of Charitable Uses governed charitable giving and organizing in the colonial period. The American Revolution brought on a surge in voluntary activity. The Constitution offered more formal structures for volunteer activity.

Thereafter, the sector has been redefined, transformed, and expanded. Key to the sector's growth was the legal definition of not-for-profit corporations and the expansion of the charitable purposes for which these might receive tax exemption towards the end of the 19th Century. The post-Civil War decades saw a rapid increase in million-dollar donations, mainly towards education. This led to the funding of schools such as Stanford (in 1885) and John Hopkins (in 1873). This surge in giving led to questions about ethically dubious ways of accumulating wealth, how that wealth was distributed, and the influence the benefactors held in the decisions those organizations made. After World War II federal support for nonprofit institutions grew. In the postwar decades, the federal government became the largest source of funding in many domains, displacing private philanthropy as the primary funder[2].

The growth in financial support resulted from a shift in the relationship between NPOs and the federal government. Consequently, that shift also caused growth between 1950 and 1968. The federal government started relying on private nonprofits to deliver publicly financed services and goods, primarily through President Lyndon Johnson's Great Society programs. Those programs allowed federal funds to flow directly into organizations, such as Head Start preschool programs. Additionally, for a long time, nonprofits primarily served those who were wealthy and well-established, organized religious groups, and men more than they served the poor, people of color, or women. However, the civil rights movement pushed the federal courts to more universally apply the First Amendment rights to publish, petition, and assemble in nonprofit organizations, which thus far had been denied to so many[3]. It in turn propelled the creation of organizations pushing for the rights of marginalized communities.

Since then, the sector has continued to grow, especially around human services. Between 1995 and 2016 the number of NPOs nearly doubled. The 21st century has seen an amplification of trends observed before in the sector, such as its expansion, a reflection of the country's changing

1 LeRoux, K. & Feeney, M.K. (2015). Nonprofit Organizations and Civil Society in the United States. Routledge.

2 Soskis, B. (2020). A History of Associational Life and the Nonprofit Sector in the United States. In W. W. Powell & P. Bromley (Eds.), Nonprofit sector: A research handbook (pp. 23–80). Stanford University Press.

3 Perelmann (1988) in Hammack (2002).

demographics, an increase in public-private partnerships, and the absorption of commercial and market-based values and practices into the sector[4].

Nonprofits today

The nonprofit realm includes a diverse collection of organizations and activities. Thus, finding a precise definition for the sector can be difficult. In the United States, many nonprofits are born in response to a social need, sometimes a need neither the private sector nor the government has met[5]. Under the Internal Revenue Code (IRC), the body of law that codifies federal tax laws, most nonprofit organizations are registered under Section 501(c)(3), meaning they are created typically for charitable, religious, educational, scientific, and literary purposes, among others[6]. According to the National Center on Charitable Statistics (NCCS), there are 1.5 million formally registered 501(c)(3) organizations and 1 million unregistered groups.

There are, however, other legal forms of nonprofit organizing. These include other categories for IRC's Section 501(c), such as 501(c)(4), which regulates social welfare and civic organizations, and 501(c)(6) establishing business leagues and professional associations. The main difference is that contributions to these organizations are not tax-exempt. These nonprofits can engage more directly in some political campaigning and lobbying activities. On the other hand, 501(c)(3) organizations are prohibited from political campaigning for any candidate, and their advocacy and lobbying activities are restricted[7].

Beyond their legal categorization, there are certain features that characterize not-for-profit organizations and consequently the nonprofit sector:

- **Tax exempted**: NPOs don't have to pay many forms of tax.
- **Non-distribution constraint**: They are not allowed to distribute any profit to managers, "owners", or board of directors of the nonprofit.
- **Mission driven**: NPOs are expected to work towards the public good in exchange for their tax exemption benefit, meaning they are mission driven, not profit-seeking.

Regarding their mission-driven characteristic, while an organization generally arises in response to an unmet social need, it is important to consider the approach organizations can take. Approaches differ considerably. For example, paternalistic approaches or using certain labels can turn participants of these organizations from citizens with rights to merely participants with needs. But an

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4 Soskis, B. (2020). A History of Associational Life and the Nonprofit Sector in the United States. In W. W. Powell & P. Bromley (Eds.), Nonprofit sector: A research handbook (pp. 23–80). Stanford University Press.

5 LeRoux, K. & Feeney, M.K., (2015). Nonprofit Organizations and Civil Society in the United States. Routledge.

6 Rudder, A. & Main, K. (2023). 501(c)(3) Vs. 501(c)(4): Differences, Pros and Cons. *Forbes Advisor*. **https://www.forbes.com/advisor/business/501c3-vs-501c4/**

7 Casey, J. (2011). Understanding advocacy: A primer on the policy-making role of nonprofit organizations. *Center for Nonprofit Strategy*.

organization can partner with the communities it wants to serve, both supporting, and recognizing the participants' experiences and leadership capabilities, while helping them claim their rights[8].

Some interesting statistics on the nonprofit sector:

- It employs 10% of the U.S. workforce, becoming the third largest workforce behind manufacturing and retail.
- It represents 5.7% of the U.S. Gross Domestic Product (GDP).
- 10.2% of the companies in the U.S. are nonprofits.
- Government grants represent 80% of all nonprofit revenues[9].
- Within the sector, around 34.4% of all the registered 501(c)(3) organizations are related to education (i.e., classified as "Education", "Higher Education", or "Other Education")[10].

Nonprofits and working for social change

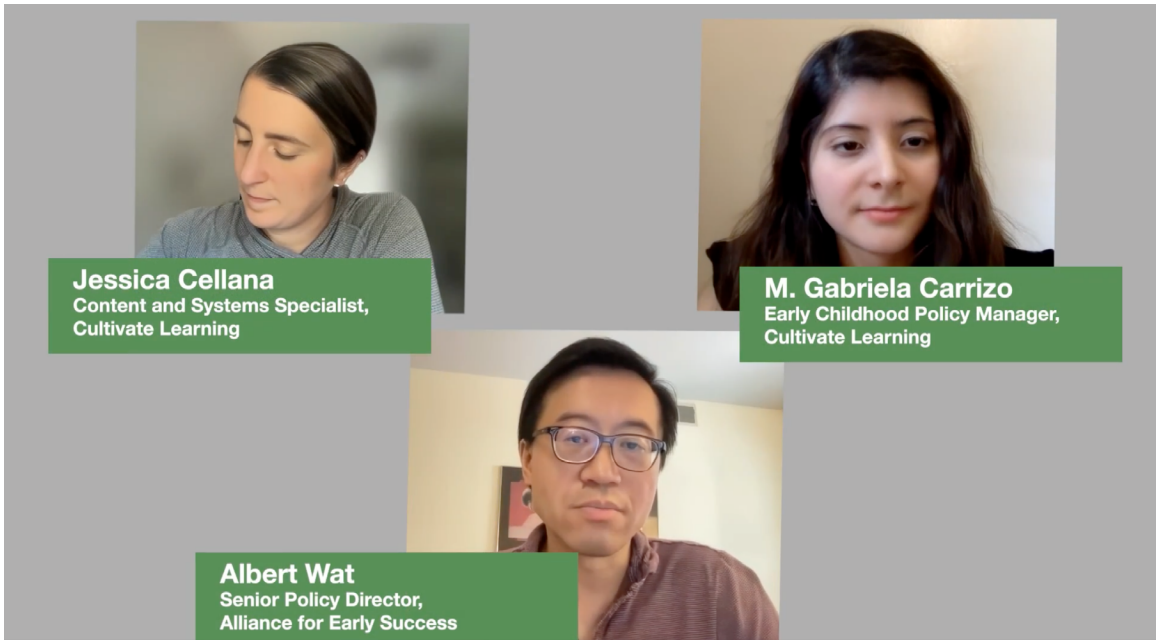
Nonprofits in the policy process

Understanding the broad range of nonprofit work, this section focuses on these organizations' roles and the influence they might have on the policy process. For Albert Wat, senior policy director at Alliance for Early Success, the sector can be defined from an advocacy perspective by looking at the different areas or levels where NPOs tend to work.

8 Benjamin, L. M. (2022). How Helping Can Reinforce or Attenuate Status Inequalities: The Case of Nonprofit Organizations. *The Russell Sage Foundation Journal of the Social Sciences*, 8(7), 210–227.

9 Ariella, S. (2023). 26 Incredible Nonprofit Statistics [2023]: How Many Nonprofits Are In The U.S.?. Zippia. **https://www.zippia.com/advice/nonprofit-statistics/**

10 NCCS. (2020, June). The Nonprofit Sector in Brief 2019. Urban Institute. National Center for Charitable Statistics. **https://urbaninstitute.github.io/nccs-legacy/briefs/sector-brief-2019**



[VIDEO] Albert Wat Interview Clip (3 minutes 12 seconds): As Wat describes a big part of NPOs' work to advance policies is to educate and advocate for the early childhood issues they identify as relevant. Those issues include direct policymakers, such as legislators, and business, education, and even faith-based leaders, as well—all who might influence the policymakers. Additionally, nonprofits that center their work at a local community level are both educating and learning from the parents and providers who are usually most impacted by the policies that get developed.

A key aspect mentioned is collaboration. Nonprofit organizations often consider entering or forming coalitions to push for significant policy reforms. Buffardi et al. (2017) found that organizations that collaborate are viewed as more effective for enacting proactive policy changes than those that are not[11].

Interorganizational pathways to social change

The complex landscape posed by the amount and variety of nonprofits specializing in advocacy efforts and participating in the policy process might be the main reason collaboration efforts have become key to approaching policy issues. Nonprofits can organize among themselves, which usually takes the form of coalitions. Organizations agree to work toward a common goal or goals, while each maintains their autonomy. This means they might have diverse purposes or missions, but they decide to work toward a common goal. NPOs can also form partnerships. In this form

11 Ward, K. D., Mason, D. P., Park, G., & Fyall, R. (2022). Exploring Nonprofit Advocacy Research Methods and Design: A Systematic Review of the Literature. *Nonprofit and Voluntary Sector Quarterly*, 1–22.

of collaboration, as few as two organizations can join their capacities, resources, and expertise, aligning their objectives and strengths to achieve a mutually beneficial goal[12].

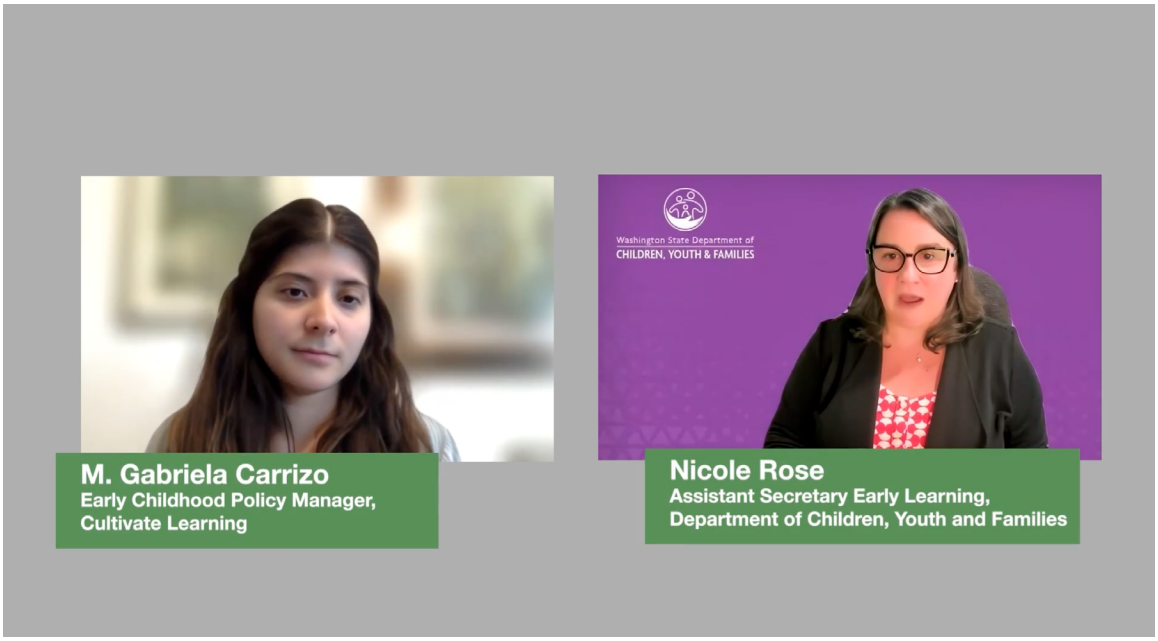
However, another type of collaboration has become increasingly relevant—nonprofit organizations and the government. As mentioned before, there was a point in history when the federal government started relying on NPOs to privately deliver publicly financed goods and services. Since then, this public-private relationship has expanded with government support outdistancing private philanthropic support. These relationships can take many forms and may include contracts, grants, third-party payments, tax deductions and exemptions, privatization, joint ventures (public-private partnerships), advocacy, and policy change[13].

The interdependence theory explains how these patterns of collaboration formed as a natural consequence and emphasizes the interdependence between the state and various other social actors. In other words, the government depends on the NPO sector to deliver certain services, while the NPO sector depends on the government for funding. In this way, it sees the strengths of the nonprofit sector as a provider of goods or services as a complement to the limitations of government in originating and delivering those same goods, while considering the strengths of government as a generator of revenue and rights to benefits as a complement to the limitations of the NPO sector in those areas[14].

12 Mizrahi, T., Rosenthal, B. B., & Ivery, J. (2012). Coalitions, Collaborations, and Partnerships: Interorganizational Approaches to Social Change. In Weil, M., Reisch, M. S., Ohmer, M. L., & Ohmer, D. M. L. (Eds.), *The Handbook of Community Practice* (2nd ed., p. 383–402). SAGE Publications. **https://doi.org/10.4135/9781412976640.n17**

13 Mason, D. P. (2022). *Introduction to the Nonprofit Sector*. University of Oregon. **https://opentext.uoregon.edu/intrononprofit/**

14 Salamon, L. M., & Toepler, S. (2015). Government-Nonprofit Cooperation: Anomaly or Necessity?. *Voluntas: International Society for Third-Sector Research*, 26, 2155–2177.



[VIDEO] Interview Clip (53 seconds): Nicole Rose, assistant secretary of early learning at the Department of Children, Youth, and Families (DCYF), offers her take on why nonprofits are key actors for the state to be able to do their work.

Rose states nonprofit organizations can become vital partners, not just because of the services or goods they can deliver, but also as key connections between the communities and the government and as advocators who can hold them accountable. These public's needs and challenges are so big and complex that they rarely can be addressed alone. Multiple actors and resources must solve them. In this way, partnerships can develop strategic direction and coordination to achieve a scale and integration of services that would be otherwise impossible alone[15].

Government-Nonprofit partnerships

The development of a government-nonprofit partnership involves substantial transaction benefits and costs to both parties, with complex interdependencies at play[16]. In a very simple way, it can be defined as a dynamic relationship that entails reciprocal obligations and mutual accountability, a sharing of investment (not only financial), reputational risks, and collective responsibility in the design and execution of common goals. These collaborative mechanisms have allowed for the

15 Brinkerhoff, J. M. (2002). Government-Nonprofit Partnership: A Defining Framework. *Public Administration and Development*, 22(1), 19–30.

16 Smith, S.R. & Grønbjerg, K.A. (2006). Scope and Theory of Government-Nonprofit Relations. In Powell, W.W. & Steinberg, R. (Eds.) *The Nonprofit Sector: A Research Handbook*. (pp. 221–242). Yale University Press.

expression of power in the community, an exercise of engaged civil society, and the creation of business opportunities[17].

To analyze if an interorganizational relationship is operating as a partnership, look at two of its defining dimensions: mutuality and organizational identity. The first points to the respective rights and responsibilities of each actor to the other, a mutual commitment to the partnership's goals, and the assumption that these are consistent and support each organization's own mission and objectives, leading to equality in decision-making. The latter refers to those characteristics that are distinctive and enduring in an organization. Each actor maintaining its core values and beliefs across time and contexts is essential to the partnership's long-term success[18].

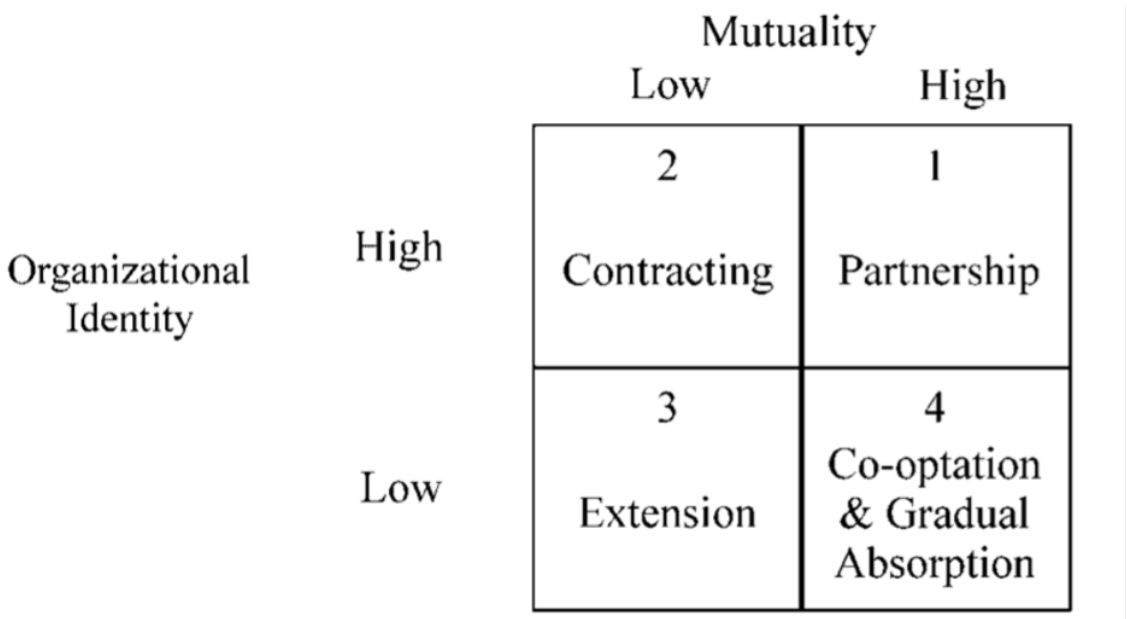


Figure 2. Source: Brinkerhoff (2002). Partnership model.

Brinkerhoff (2002) provides a graphic model that can help understand and examine interorganizational relationships (Figure 2). When there is a high level of mutuality, accompanied by high organizational identity among the actors, a collaborative effort can be said to be a partnership. However, because all relationships are dynamic, subtle leanings toward other types of alliances can occur, especially over time.

*If you're interested in diving deeper into the theory behind the model, Brinkerhoff (2002) provides further definitions and examples of each type of alliance.

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17 Mendel, S. C. & Brudney, J. L. (2012) Putting the NP in PPP: The role of nonprofit organizations in public-private partnerships. *Public Performance & Management Review*, 35(4), 617–642.

18 Brinkerhoff, J. M. (2002). Government-Nonprofit Partnership: A Defining Framework. *Public Administration and Development*, 22(1), 19–30.

Developing Early Achievers, a joint effort

Timeline of Events

Early Achievers Timeline

Key events that led to the development and state-wide implemenatation of WA's QRIS

2006

- **The Department of Early Learning (DEL)** founded as a cabinet-level state agency.
- **Thrive by Five Washington** launched as a public-private partnership to coordinate early learning investments.
- DEL created through **HB 2964** which also instructs the DEL director to "actively participate in a non-governmental public-private partnership focused on supporting government's investments in early learning and promoting school readiness and success" (2SHB 2964 Report, 2006).

2007

- Public funds are allocated to **pilot a voluntary Quality Rating and Improvement System (QRIS)** and to develop a state Early Learning Plan.
- The responsibilities of the DEL-Thrive by Five **private-public partnership** are outlined.
- **HB Report E2SSB 5828** tasks DEL to develop the QRIS.

2008

- The economic recession led to public funding for the QRIS pilot being cut.
- The Gates Foundation steps in to fund a modified QRIS pilot (now called **Seeds to Success**) and to continue the development of the state Early Learning Plan.

2010

- The state adopts **10-year Early Learning Plan**. Along with Seeds to Success, these became the building blocks for the **state's application to the Race to the Top Early Learning Grant**.

2011

- The state wins $60 million from the federal Race to the Top Early Learning grant.
- 71% of the money ($42.6 million) was allocated to support the development of the QRIS over the next 4 years.

2012

- The state transitions to **Early Achievers**, an improved QRIS.
- DEL contracts with **Cultivate Learning** from the University of Washington and with **Child Care Aware**, a Tacoma-based NPO, to help develop Early Achievers based on lessons from Seeds to Success and other national models.

2015

- The **Early Start Act** is signed, increasing the DEL budget by 25%. The bulk of the money was to strengthen Early Achievers.
- The new law also required all licensed or certified childcare providers who receive state funding to participate in Early Achievers beginning in August 2017, and to meet quality standards by January 2020 to continue receiving funds.

Figure 3. Early Achievers development timeline. Created with data from Olson (2019) In pursuit of quality: A case study of Early Learning in Washington State.

For Washington State, developing a Quality Rating and Improvement System (QRIS) was a long process. It started with the creation of a new agency, the Department of Early Learning (DEL), and a government-nonprofit partnership with a newly created organization, Thrive by Five Washington. Early Achievers received consistent legislative support throughout its creation. Its development was characterized by the notion that creating a more cohesive and integrated, high-quality early learning system required a collaborative effort.

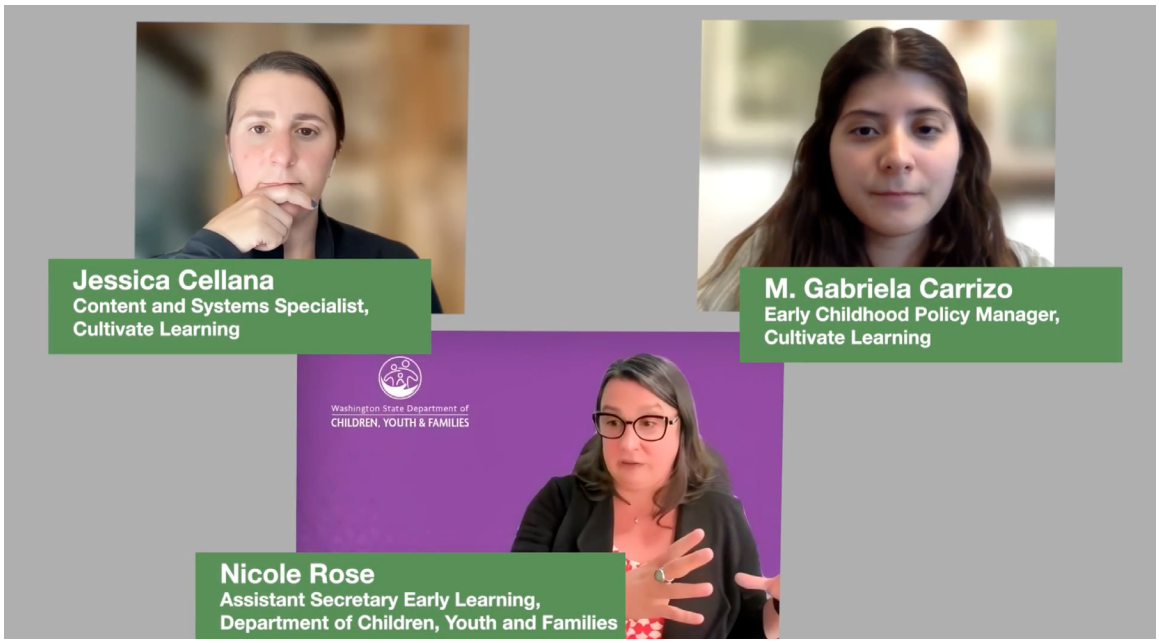
However, the partnership met challenges and setbacks. One challenge that it faced was the development of strong and strategic partnerships. As a new organization, Thrive by Five seemed to have a very ambitious mandate: align and coordinate public and private investments, manage and oversee demonstration communities, pilot test evidence-based programs (e.g., home visiting), and advance early learning statewide. Additionally, it had a board that, albeit influential, knew little about early learning. Also, its executive director's leadership style clashed with that of the DEL's director at the time[19]. Although these leadership positions eventually changed, and greater collaboration was accomplished, the initial hopes for this partnership weren't realized in practice.

19 Olson, L. (2019). In pursuit of quality: A case study of Early Learning in Washington State. *Bill & Melinda Gates Foundation*. **https://docs.gatesfoundation.org/documents/in-pursuit-of-quality.pdf**

According to Juliet Taylor, at the time the director at DEL, a pilot program was started in 2007 that felt chaotic and lacked consistency. A reason for this? Multiple agencies were implementing the pilot program at the community level, depending on geographic location. The state determined they needed a more consistent system approach in every region of the state. A major setback was the funding cuts resulting from the economic recession. At this point, teams had been hired and trained but now, even with the Thrive by Five funding, DEL had to scramble to keep this program afloat. The 2008 funding cuts brought a slowdown, and it became a time of learning and determination. During this period DEL and Thrive by Five needed to figure out what they would want for the next run of the QRIS based on what they learned from the execution of the pilot. During this time, Thrive by Five took on a more passive role, and after RttT, changed its focus to other issues.

Taking Early Achievers to the next level

Once the state earned the Race to the Top grant in December 2011, work around the QRIS was reactivated with $42.6 million allocated to its development over the next four years. The idea that the DEL had been working on for the past couple of years, now had the funding to become a reality, but again, it couldn't be accomplished in isolation. The DEL contracted with Child Care Aware (CCA), a Tacoma-based nonprofit organization, and Cultivate Learning, from the University of Washington. Child Care Aware had a direct programmatic role, of technical assistance, and Cultivate Learning was hired to support coach training and to collect and evaluate data. That helped include evidence-based indicators and practices into the QRIS.



[VIDEO] **Interview Clip (1 minute 51 seconds)**: Nicole Rose, assistant secretary of early learning at the DCYF, explains how RttT was about taking Early Achievers to scale and the role Child Care Aware and Cultivate Learning played during certain decision-making processes surrounding its implementation.

Rose said there was an apparent dichotomy between focusing on what was most important for providers and achieving positive child outcomes. According to Deeann Puffert, of Child Care Aware, it was also about the ideal notions of what was expected for Early Achievers and all the challenges it had in practice; it required broad cultural shifts and many concessions from the government towards providers. Puffert recalls that getting to "winning spots" required them to work hard together, making her feel that, in time, it became a more established, hard-won partnership than what they started with. This apparent differentiated focus led to certain tensions that in the end proved to be necessary. Rose also concludes, you can't have positive child outcomes without establishing support for providers.

"I feel like we ended up in a winning spot because we both played our role with respect for one another and what each of us brought to the table resulted in good wins for the children of Washington State" – Deeann Puffert

Getting providers on board

At the same time as these decisions were being discussed, there was the matter of achieving high levels of participation from providers, considering the QRIS started as a completely voluntary system. Child Care Aware, along with other regional community-based nonprofit organizations, mediated the relationship between childcare providers and workers, who were at some points opposing the development of a QRIS, and the government. While some community organizations cast doubt, they widely accepted the intent of the "improvement" (I) of QRIS and the supports to help programs and educators do great work with children and families. During the first years, the work was heavily focused on getting providers to volunteer and wanting to be a part of it. Thanks to these advocacy efforts, enough consensus was able to be built around all the benefits the QRIS would provide.

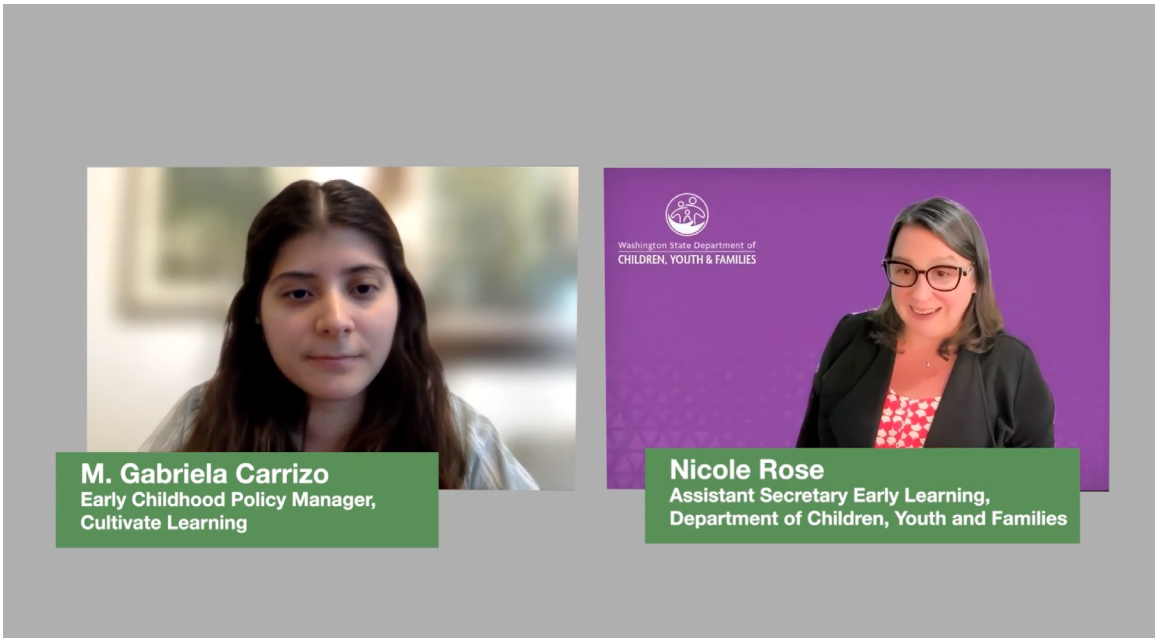


[VIDEO]: **Early Achievers provider video (14 minutes 12 seconds)**, published in 2013 by the then Department of Early Learning as part of its effort to get providers to voluntarily sign up for the QRIS.

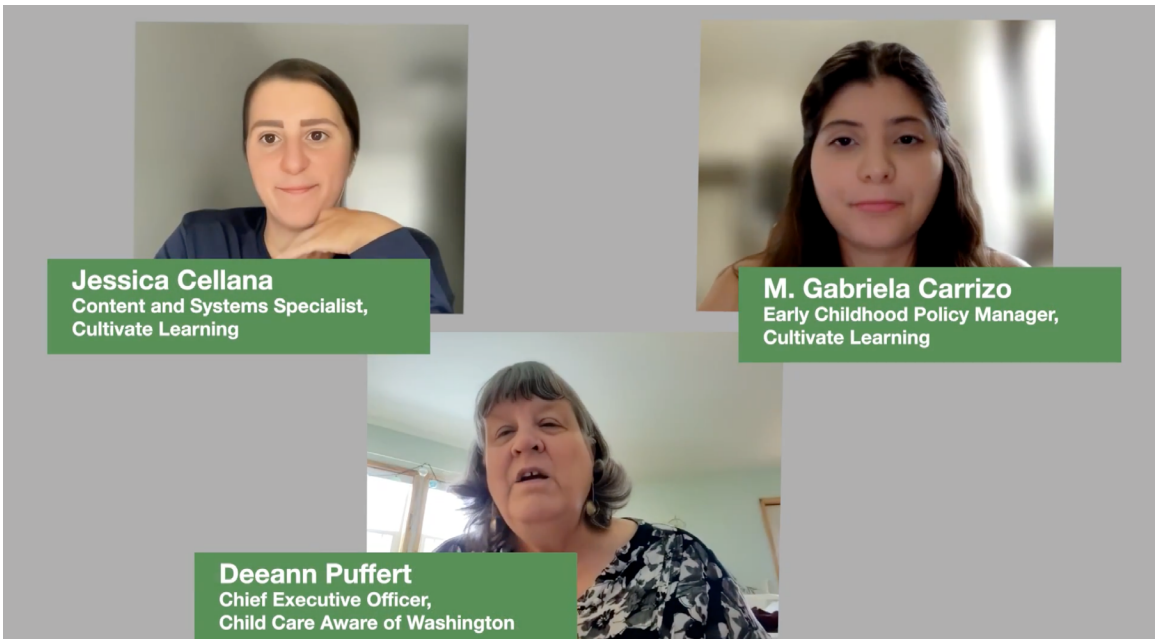
Nicole Rose also recognizes the partners' role in shaping the pathways for providers to participate, especially Head Start and ECEAP, who already had quality standards. These issues shifted after the passing of the Early Start Act in 2015, which mandated participation in the QRIS for any provider that was receiving state funding. Rose highlights how these community partners and what she called "trusted messengers" became even more important supports then, mediating between what the state established should happen and what was actually going on in these educational communities. Other partners included Voices of Tomorrow, Washington Communities for Children Coalitions, and the Washington State Association for Head Start and ECEAP.

Advocating in a way government can't

While having nonprofit organizations as partners can help in thinking about design pathways, it's necessary to recognize the role of "trusted messengers," not only from the government to the providers but also the other way around. Because the state can't advocate, NPOs played an important advocacy role throughout the development of Early Achievers. Nicole Rose mentioned a strategic decision to establish relationships with groups that can advocate, to make the space for those conversations that will help "push the envelope."



[VIDEO] Interview Clip (1 minute 8 seconds): Nicole Rose expands on the idea of establishing strategic relationships to move things forward and present varying perspectives that will yield better policies.



[VIDEO] Interview Clip (1 minute 19 seconds): Deeann Puffert gives an example of how nonprofits advocated for support for educators when educational requirements were being discussed.

Puffert and Rose agree on how interorganizational collaborative efforts require the capacity to understand and reflect on the other side's perspective and needs. Both government and nonprofit partners must recognize the value the other is bringing to the work, define what is negotiable, and accept that you'll disagree on some issues.

Conclusion

The pathway that led to the development of Early Achievers was long and winding, not without its share of challenges. However, Washington State's well-established QRIS is the result of collaborative efforts from many actors who continue implementing the policy. The distinctive nature of NPOs, their historical role in addressing societal needs, and their deep connections with the communities they serve significantly contributed to the collaborative development of this policy. In this case, nonprofits and the government, despite different perspectives and priorities, were able to work together to create a system that will continually improve in providing high-quality early learning for all the children in Washington.