**Background:**

Many states, including Iowa, are involved in various activities to improve the availability and quality of early care and education programs. States are increasingly using state and federal funds to create a Quality Rating and Improvement System (QRIS). ECI area boards are encouraged by the ECI State Board to invest in quality programs, services and activities. When applicable, the ECI State Board strongly encourages investments in evidence-based strategies.

Iowa is moving to a new QRIS called Iowa Quality for Kids (IQ4K). IQ4K promotes continuous quality improvement activities and services that are supported by evidence for effective outcomes to increase the number of higher quality environments for children.

In a collaborative approach and effort to strive towards efficiencies and investments in higher quality, the ECI State Board supports the new statewide ‘Business Investment Program’ established by Iowa Child Care Resource and Referral. The program begins July 1, 2018.

ECI area boards may invest their funds in the Business Investment Program based on the board’s assessment of community strengths, needs and gaps in services.

**Definitions:**

**Iowa Child Care Resource and Referral (CCR&R)** is the statewide system for child care resource and referral services to support quality child care throughout the state of Iowa. CCR&R assists families in selecting child care businesses who best meet the needs of a child and their family and provides on-site consultation to licensed preschools, child care centers, nonregistered Child Care Home businesses and Child Development Home businesses.  
https://iowaccrr.org/

**Start-Up** – Potential child care business that may be located in either a center or a home. This includes businesses that have not yet opened their doors for business and those that have been in operation for up to three years.

**Expansion** – An existing child care business that is moving to another location, adding an additional location, or remodeling the existing location. The intent is to create additional slots, improve the quality of the environment for child care, and/or implement a child care business plan.
**Business Investment Program:**

The Business Investment Program is an incentive program that allows area boards to invest in early care and education businesses by promoting higher quality practices. Area boards may use both School Ready and Early Childhood funds to support the Business Investment Program. In collaboration with CCR&R, area boards can use funding to support any of the following three categories:

- Start-up costs
- Business, educational, health and safety improvements
- Iowa Quality for Kids (IQ4K) specific items

The Business Investment Program assists area boards to increase the quality of early care and education businesses based on where they are with regards to quality services, operations, etc. Area boards determine the amount of funding the board wants to invest in the Business Investment Program and amounts for eligible early care and education businesses. Contact your CCR&R regional director for more information about the Business Investment Program.

**Performance Measures:**

ECI state-required performance measures for the Business Investment Program implemented through CCR&R are found in Tool O, ECI Statewide Performance Measures Matrix. ECI area boards are required to report the data annually.

Failure to report state-required performance measures or comply with the guidance provided in this guidance may jeopardize the ECI area board’s designation and may trigger the ECI State Board to enact the Expenditures and Reporting Policy.

**Contractual Agreements with Programs:**

The ECI area board will determine the contractual agreements at the local level with the CCR&R regional director that serves their area.

**Technical Assistance Contact:**

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