American families are faced with the challenge of finding and affording quality child care. Parents must navigate a patchwork system of providers, and for many, the system (or lack thereof) can make finding, accessing, and affording this care a nightmare. This is especially true for low-income families who must also navigate the subsidy system. And once in a program, dealing with the fragmentation of services further costs parents time and money. For example, when children age out of Early Head Start at age 3, parents are required to reapply for Head Start.

While Congress allocates billions of dollars to federal agencies for ECE, state governments are tasked with coordinating and combining the many different ECE funding streams allocated to them. The way states administer these funds can result in inconsistencies in program implementation and monitoring, leading to even more frustration for families. Requests for studies from the U.S. Government Accountability Office (GAO) dating back to 1994 show a consistent belief that there would be sufficient funding to serve most children if duplication and overlap of ECE funds were reduced and states aligned programs more efficiently. States, on the other hand, frequently point to the federal government as the reason for the duplication.

Congress, however, intended for states to be more aggressive in coordinating ECE programs with the creation of the State Advisory Council (SAC) for Early Childhood Education and Care in the Improving Head Start for School Readiness Act of 2007. SACs are responsible for supporting state efforts in identifying opportunities for collaboration and coordination among ECE programs and facilitating the development of high quality ECE systems. Despite SACs being required by law, only 45 states and the District of Columbia have functioning SACs.

Additionally, while GAO reports have provided more information on administration at the federal level, there remains little information about administration at the state level. A 2017 GAO report on the topic of fragmentation and overlap in ECE found that, at the federal level, there was improved coordination resulting in more efficient administration of funds. The report identified nine major programs with an explicit purpose of providing support to early learning or child care programs. To date, however, GAO has not looked at state implementation of the nine federal funding streams.

The Bipartisan Policy Center set out to examine in greater depth the issues of administration (governance), coordination, and integration by reviewing the requirements set forth in the various authorizing statutes and followed by federal agency requirements, as well as how the states were administering ECE funds. For all but one federal program, governors have wide discretion with regard to the administration and coordination of these funds.

With this in mind, BPC is making recommendations at the federal and state level with an eye towards further reducing duplication and improving results for families. These recommendations are summarized in the full report. The following summarizes the findings for Massachusetts.

### STRENGTHS OF MASSACHUSETTS’S EARLY CARE AND EDUCATION SYSTEM
- Massachusetts’ Quality Rating and Improvement System (QRIS) is mandatory for providers receiving subsidy, which can ensure quality care for all children.

### RECOMMENDATIONS FOR MASSACHUSETTS’S EARLY CARE AND EDUCATION SYSTEM
- Increase efficiency and cost-effectiveness of monitoring and oversight by aligning administration of the Child Care and Development Fund (CCDF) with state Pre-K and the Child and Adult Care Food Program.
- Ensure the State Advisory Council for Early Education and Care, mandated by the Improving Head Start for School Readiness Act of 2007, is fulfilling its required activities, including conducting a statewide needs assessment on the quality and availability of early care and learning programs.
- Include licensing as the entry level for state QRIS to ensure program quality.
Flow of Federal Early Childhood Funds: Massachusetts

**KEY:**
- Funding mandated for State Departments of Education
- Funding provided directly to local organizations

### Massachusetts Office of the Governor

**Department of Health and Human Services**
- Office of Head Start
- Office of Child Care
- Office of Family Assistance

**Department of Agriculture**
- Food & Nutrition Service

**Department of Education**
- Office of Special Education and Rehabilitative Services

**Department of Early Education and Care**
- Board of Early Education and Care
- Early Education and Care - Child Care Licensing, Subsidy and Quality Rating Improvement System
  - CCDF
  - Head Start Collaboration Office
  - PDG
  - State Pre-K

**Department of Transitional Assistance**
- TANF

**Department of Public Health, Early Intervention Division**
- Part C

**Department of Elementary and Secondary Education**
- Special Education Planning and Policy
- Part B, Section 619
- Part C

**Office of Food and Nutrition Programs**
- CACFP

**State Advisory Council (SAC)**
- The Board of the Department of Early Education and Care sets policies and regulations related to early education and care programs and services in the Commonwealth.

**Quality Rating Improvement System (QRIS)**
- Massachusetts Quality Rating and Improvement System (MA QRIS) has four levels with higher levels indicating higher levels of quality. The QRIS is statewide and participation is voluntary, except for providers who accept subsidy payments.

**Local Institutions**

- Early Head Start-Child Care Partnership
- Grants to local organizations

- To Institutions of Higher Education in the State

- Local Head Start Programs
ECE Funding in Massachusetts

<table>
<thead>
<tr>
<th><strong>Funding from Nine GAO-Identified Programs</strong></th>
<th><strong>FY 2016 Funding</strong></th>
<th><strong>Numbers Served</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>Children</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Programs</strong></td>
</tr>
<tr>
<td>CCDF Expenditure</td>
<td>$278,640,582</td>
<td>28,100</td>
</tr>
<tr>
<td>Transfer from TANF</td>
<td>$91,874,223 (18.2%)</td>
<td></td>
</tr>
<tr>
<td>Head Start Allocation</td>
<td></td>
<td>15,365</td>
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<tr>
<td>Head Start</td>
<td>$135,372,279</td>
<td>12,568</td>
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<tr>
<td>Early Head Start</td>
<td></td>
<td>2,797</td>
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<tr>
<td>IDEA Part C, Allocation (infant/toddler)</td>
<td>$8,008,366</td>
<td>39,552</td>
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<tr>
<td>IDEA Part B, Section 619 Allocation (3–5 years)</td>
<td>$9,605,645</td>
<td>17,468</td>
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<tr>
<td>Preschool Development Grant</td>
<td>$15,000,000</td>
<td>752</td>
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<tr>
<td>CCAMPIS FY17 Grants</td>
<td>$69,479</td>
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<tr>
<td>Promise Neighborhoods FY16</td>
<td>$0</td>
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</tr>
<tr>
<td>Striving Readers Comprehensive Literacy</td>
<td>$0</td>
<td></td>
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</table>

<table>
<thead>
<tr>
<th><strong>Additional ECE Funding Streams</strong></th>
<th><strong>FY 2016 Funding</strong></th>
<th><strong>Numbers Served</strong></th>
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<tr>
<td></td>
<td></td>
<td><strong>Children</strong></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Programs</strong></td>
</tr>
<tr>
<td>TANF Child Care Expenditure (Direct)</td>
<td>$242,735,981</td>
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<tr>
<td>TANF Pre-K / Head Start Expenditure</td>
<td>$4,110,780</td>
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<tr>
<td>CACFP Allocation</td>
<td>$61,734,344</td>
<td>84,011</td>
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<tr>
<td>Race to the Top, Early Learning Challenge</td>
<td>$50,000,000</td>
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</tr>
<tr>
<td>Early Head Start-Child Care Partnership</td>
<td>$5,400,000</td>
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</tr>
</tbody>
</table>

**BPC Reviewed**

BPC reviewed the following federally-funded programs to assess the efficiency and integration of Massachusetts’s early care and education system.

- Child Care and Development Fund (CCDF)
- Head Start
- Child Care Access Means Parents in School (CCAMPIS)
- Early Intervention Program for Infants and Toddlers with Disabilities (IDEA Part C)
- Preschool Development Grants (PDG)
- Preschool Grants for Children with Disabilities (IDEA Part B, Section 619)
- Promise Neighborhoods
- Striving Readers Comprehensive Literacy
- Child and Adult Care Food Program (CACFP)
- Temporary Assistance for Needy Families (TANF)
- Early Head Start - Child Care Partnership (EHS-CCP)
- Race to the Top, Early Learning Challenge

**Number of Children Under Age 6**

- **UNDER 3**: 207,087
- **3-4 YEARS OLD**: 152,288
- **5 YEARS OLD**: 72,404

**Percentage of Children in Poverty**

15.5%

**Median Family Income**

- **2-PERSON FAMILY**: $78,508
- **4-PERSON FAMILY**: $121,280
Understanding and Aligning Eligibility Across Programs

Eligibility Requirements Set by State

Child Care And Development Fund

Children through age 12 are eligible, unless child turns 13 during the school year; children with documented special needs and those in protective services are eligible through age 15. Each parent must have an approved activity for a minimum of 20 hours per week. Approved activities include employment, education (high school, GED, or post-secondary education up to bachelor’s degree), ESL classes, and training programs that lead to employment. Job searching may be approved for a limited time. For initial eligibility, a family must be at or below 50 percent of the State Median Income ($3,112 for a family of two and $4,591 for a family of four in FY18).

<table>
<thead>
<tr>
<th>CCDF Allocation</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>$76,330,733</td>
<td>$76,939,623</td>
</tr>
<tr>
<td>Federal</td>
<td>$111,931,262</td>
<td>$140,939,934</td>
</tr>
</tbody>
</table>

State Pre-K (FY17)

3- and 4-year-olds, regardless of household income, are eligible for Universal Pre-Kindergarten and Inclusive Preschool Learning Environments Grant, the state’s Pre-K programs.

Total State Spending on Pre-K: $41,634,101
Local Match: No
Total State Head Start Spending: $9,100,000
Total FY 2017 Enrollment: 9,805

IDEA Part C (infant/toddler)

Children birth to 36 months with 1.5 standard deviation developmental delay in at least one of five developmental areas, a developmental delay condition or other relevant condition diagnosed by a professional, or those at-risk of developmental delay are eligible.

Eligibility Requirements Set Federally

CACFP

Public or private nonprofit child care institutions which are licensed or approved may participate. For profit centers must receive title XX funds for at least 25 percent of enrolled children or licensed capacity or at least 25 percent of the children in care must be eligible for free and reduced price meals. A family or group day care home must sign an agreement with a sponsoring organization to participate and must be licensed or approved.

Head Start

Children birth to age five living in poverty are generally eligible. Children with disabilities, children whose families receive TANF or SSI, children whose families are homeless, or children who are in foster care are categorically eligible.

IDEA Part B, Section 619 (3-5 years)

Children three to five years, who have any of the qualifying IDEA Part B overall conditions (Developmental Delay, Deaf-Blindness, Emotional Disturbance, Hearing Impairment, Mental Retardation, Multiple Disabilities, Orthopedic Impairment, Other Health Impairment, Specific Learning Disabilities, Speech and Language Impairment, Visual Impairment, Autism and Traumatic Brain Injury) are eligible.

Preparing our children for future success should be an American issue, not a partisan issue. BPC is working to bring together voices from both parties to empower and support children and working families.

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