

# Integrated Efficient Early Care and Education Systems

REVISITING A STATE-BY-STATE ANALYSIS

By Brittany Walsh, Linda Smith, & Katherine Mercado

January 2023

Bipartisan Policy Center

### STAFF

### Linda Smith

Director, Early Childhood Initiative

#### **Brittany Walsh**

Associate Director, Early Childhood Initiative

### Katherine Mercado

Project Assistant, Early Childhood Initiative

#### Caroline Osborn

Project Assistant, Early Childhood Initiative

### Victoria Owens

Policy Analyst, Early Childhood Initiative

#### Olivia Rotolo

Project Manager, Early Childhood Initiative

### Samantha Aigner-Treworgy

Fellow.

Early Childhood Initiative

### **ACKNOWLEDGMENTS**

The Bipartisan Policy Center would like to thank the Heising-Simons Foundation for its generous support of this report and the staff who contributed to its design and writing. The Early Childhood Initiative would also like to thank the individuals who verified the information contained in this report, including former staff members Suzanne Morris, Frannie Einterz, and Mimi Vance, as well as consultants Grace Reef and Mousumi Sarkar.

## **Table of Contents**

4	FOREWORD
6	INTRODUCTION
9	REVISITING STATE GOVERNANCE OF EARLY CHILDHOOD PROGRAMS
13	STATE-BY-STATE SCORES
15	RECOMMENDATIONS
16	CONCLUSION
17	APPENDIX A: STATE-BY-STATE SCORES
19	APPENDIX B: FEDERAL AND STATE EARLY CHILDHOOD PROGRAM MANAGEMENT
22	APPENDIX C: SCORING METHODOLOGY
24	APPENDIX D: ACRONYM GUIDE
25	ENDNOTES

### **Foreword**

In 2018, the Bipartisan Policy Center set out to examine how states manage federal early childhood programs. Congress and state officials offered different perspectives. Congress claimed that more children and families could be served if the states used federal funds more efficiently, and state officials complained that the federal government was the source of inefficiencies because of over-regulation.

The previous year the <u>GAO issued a report</u> responding to a Congressional concern about the "duplication, fragmentation and lack of coordination" of early care and education programs and the underlying belief that there were sufficient funds to serve children but the long waiting lists were due primarily to inefficiencies.

In taking on this work, BPC wanted to better understand *if* efficiencies were to be gained and where they occurred.

We began by identifying the **primary federal funding sources** as identified by GAO that support actual slots for children. These included CCDBG, CACFP, Head Start, IDEA Part B and C, TANF, and the Preschool Development Grants. We also looked at the State Advisory Councils, and within which state agency the Head Start Collaboration Offices, state licensing offices, and the state's QRIS systems resided. In our research we found that only one program (IDEA Part B) was Congressionally mandated to be housed within the state's corresponding Dept. of Education.

By and large, states have complete discretion over the organization and management of federal funds, thus dispelling the myth that Congress or federal agencies are responsible for where programs are located. Moreover, our primary focus was on the biggest programs, child care, Head Start, Pre-K, and the food program and the degree to which they are housed together. In our rankings, we awarded points for co-location and oversight of programs. Given states' discretion, we found wide variation in state governance structures.

Fast forward to 2020. As the pandemic unfolded and impacted nearly every aspect of our lives, child care moved to the forefront of federal and state policy discussions. In a few short months, child care became a national crisis when essential workers needed to go to work, but child care programs were forced to close because of a loss of enrollment and the lack of stable funding. As programs began to slowly reopen, new health and safety measures were required, adult to child ratios were reduced and mandated closures from COVID

<sup>1</sup> Early Childhood Initiative, Creating an Integrated Efficient Early Care and Education System to Support Children and Families: A State-by-State Analysis, December 2018, p. 14

exposure became a routine way of life. These necessary measures took a deep toll on our nation's early care and education system. Programs scrambled to continue offering services while absorbing additional health and safety costs.

The federal government responded to the pandemic's impact with three successive relief packages, giving the child care industry a much needed boost of more than \$50 billion dollars. However these funds came at a cost, states' management of these funds proved challenging at best, and their governance structures were severely tested. Despite the influx of work—and possibly because of it—many states continued to improve their governance systems and oversight of child care funding.

Now, as we emerge from the pandemic, BPC has revisited the 2018 report to see how states responded. Several states deserve a special shout out for exceptional progress: Arkansas, Colorado, Florida, Michigan, Minnesota, Missouri, New Mexico, North Dakota, and Virginia.

- Arkansas gained points because they became a state-level Early Head Start/ Child Care Partnership grantee.
- Colorado passed significant legislation that established the Department of Early Childhood and consolidated all early childhood programming under a single agency.
- Florida established a State Advisory Council and consolidated early childhood programming.
- Michigan improved its score significantly by drawing down all available federal funds.
- Minnesota's state government empowered its Children's Cabinet to function as a single entity making all early childhood budgetary and policy decisions.
- Missouri consolidated early childhood programming and co-located IDEA Part B, Sec. 619, and Part C.
- New Mexico, while a top scorer in the 2018 report, continued to advance its system with the creation of a cabinet-level position.
- North Dakota consolidated the administration of most early childhood programming through the establishment of an Early Childhood Section.
- Virginia consolidated early childhood programming and are launching their updated QRIS, for which participation is mandatory for programs receiving public funding.

We have heard from state officials that their governance structures were essential to executing federal COVID-19 relief funds. Now, as we continue to advance the delivery of child care and early learning programs, it is our hope that this report will help states as they continue to improve services to our families and children.

#### Linda K. Smith

### Introduction

In 2018, the Bipartisan Policy Center released the seminal report <u>Creating an Integrated Efficient Early</u> Care and Education System to Support Children and Families: A State-by-State Analysis. This was the first analysis of the governance structure of every state's early care and education system and it offered a window into the opportunities—and challengesin administering comprehensive Early Care and Education (ECE) systems. Prior to COVID-19, the federal government invested billions of dollars each year in programs designed to support early learning and positive development opportunities for children under age five. Most of these funds flow through programs managed by federal agencies—principally the Department of Health and Human Services (HHS) and the Department of Education (ED) —to the states, which have discretion regarding how these funds are administered. Additionally, many states fund prekindergarten (Pre-K) programs and preschool programs using their own state resources.

As the pandemic unfolded and impacted every aspect of our nation's social and economic fabric, ECE programs moved to the forefront of federal and state policy discussions as an essential service. Health and safety measures implemented to prevent the spread of COVID-19 included mandated closures, restricted in person interactions, and limited adult-to-child ratios. These measures took a deep toll on the financial viability of our nation's ECE system, as programs scrambled to replace lost revenues while investing in safe methods to provide ECE service delivery.

In 2020, the federal government responded to the pandemic's impact on early childhood programs with three successive federal relief packages.¹ Collectively, these packages invested approximately \$52.5 billion in the nation's child care system—funding intended to stabilize programs as parents returned to work. This unprecedented influx of funding heightened the

awareness of state administrative structures and the understanding that states must be well-positioned to distribute federal funding efficiently and effectively.

Given how critical the state-federal partnership in ECE is, BPC revisited the 2018 study to learn if states have made significant progress. This issue continues to be important for the two reasons established in the initial report and explored below.

First, support for early childhood programs can only be sustained if the programs are viewed by legislators and the broader public as effective and efficient. At a time when demand for ECE services continues to far outpace available resources—in many states, thousands of families who are eligible for Head Start or child care assistance cannot access these programs—the case for continued and expanded investment must be accompanied by a commitment to efficiency, good governance, and a consistent focus on quality assurance and results.

Second, and equally important, fragmentation, bureaucratic inefficiency, and lack of coordination creates real obstacles to access. Sadly, this often results in many children—including those who are already most vulnerable—missing out on the support they need. When families must apply to multiple programs, housed across multiple agencies, often with duplicative paperwork requirements and inconsistent eligibility criteria, many give up or receive fewer services than their family quality for and would benefit from. Thus, the focus on integration and alignment should not be viewed as an exercise designed to satisfy abstract notions of organizational efficiency. Rather, these issues matter on the ground, in the everyday lives of families with young children who too often have trouble determining what services they might be eligible for, let alone how to go about accessing them.

As part of this review, BPC updated information about each state's specific approaches to organizing, administering, and coordinating ECE programs. Specifically, BPC analyzed:

The number of state agencies and divisions within

state agencies involved in administering ECE programs.

- The institutional "housing" of related programs and the level of coordination and collaboration that takes place across programs.
- Whether the state has a functioning early learning state advisory council and where that council is housed, if it exists, and, similarly, where the Head Start Collaboration Office is housed.
- The integration of early childhood data across programs and implementation of quality rating and improvement systems at the state level.

BPC used a scoring system developed in 2018 that incorporates several measures of programmatic governance and integration. Parameters considered in the scoring system include the number of state agencies involved in administering core ECE programs; whether some funding streams were split across these agencies; and the institutional placement of key offices such as the Head Start Collaboration Office. BPC's scoring system also considered factors such as the presence of an Early Childhood State Advisory Council

(SAC) to provide guidance on ECE issues and efforts to integrate quality metrics, such as a Quality Rating Improvement System (QRIS), with state child care subsidy programs. Finally, our system awarded bonus points if states supplemented federal ECE resources with their own funding; for example, to expand Head Start. Conversely states lost points in our scoring system if they failed to fully draw down federal ECE funds. Previously, BPC also examined the total of state and federal dollars spent on ECE programs.

States were reassessed for their progress across these same categories for this report. States that ranked in the top and bottom 10 are summarized in Table 1. As in the 2018 report, BPC's analysis is grounded in the theory that better program alignment and coordination matters to outcomes because it:

- · affects how readily families can access services;
- maximizes ECE benefits by leveraging scarce public resources more efficiently; and
- promotes better monitoring and oversight to identify service gaps and target continued improvements in program design and delivery.

Table 1. Results of BPC Scoring System for State Integration

STATES RANKED IN TOP 10	STATES RANKED IN BOTTOM 10
1. District of Columbia*	41. Missouri
2. Minnesota	41. Hawai'i
2. Maryland	43. Tennessee
2. Arkansas	44. Arizona
5. Michigan	44. Idaho
5. New Mexico	44. New Jersey
5. Oregon	47. Texas
8. Georgia	48. Mississippi
8. Massachusetts	49. Kansas
10. Maine	50. South Dakota
10. Washington	50. Wyoming

<sup>\*</sup>For the purposes of this report, the District of Columbia was scored as if it were a state, though BPC recognizes it operates as a city-state and therefore has greater flexibility in the administration of its ECE programming.

As before, there continues to be considerable variation in states' approaches to organizing ECE programs. In eight of the top 10 scoring states, a single agency administered funds from the largest federal programs, including the Child Care and Development Fund (CCDF), the Child and Adult Care Food Program (CACFP), and the state's Pre-K programs. Nearly all these states also housed their Head Start Collaboration Office in the same agency. Overwhelmingly, we found states largely progressed in a positive direction, moving their ECE systems to more consolidated structures that increase efficiency and potential to reduce duplication across services for children and families.

Of importance to note, tribal funding is not included within our analysis, nor was it included in the inaugural 2018 report. BPC's Early Childhood Initiative has undertaken an independent analysis of federal funding for tribal child care programming, as well as a broader dive into the complexities of federal, state, and tribal partnerships and the historical inequities in tribal funding and self-determination. For more on BPC's tribal work, visit the Early Childhood Initiative's tribal resource hub at <a href="https://bipartisanpolicy.org/tribal-child-care-resource-hub/">https://bipartisanpolicy.org/tribal-child-care-resource-hub/</a>.



## Revisiting State Governance of Early Childhood Programs

As BPC established in our 2018 analysis, there are a variety of state agencies and administrative configurations responsible for administering ECE funding and programs. The structure, relationship, and potential to collaborate across programs and services—that may reach the same family—have real implications.

When programs have differing eligibility, monitoring, and quality requirements, a unified agency structure under consolidated leadership more easily supports efficiency. Aligning program standards and monitoring can reduce costs for the state and decrease the administrative burden for small early learning programs and community organizations providing the services. BPC revisited publicly available data sources, and worked with individual states to update information in the following areas:

- The total amount of federal and state funds spent on early childhood development programs.
- How states are responding to federal requirements, including the coordination requirements set forth in various authorizing statutes.
- The number of state agencies, and divisions within state agencies, involved in administering early childhood development programs.
- The institutional "housing" of related programs and the level of coordination and collaboration that takes place across programs.
- Whether the state has a functioning advisory council, where the council is housed, and similarly, where the Head Start Collaboration Office is housed.

 The integration of early childhood data across programs and implementation of QRIS at the state level.

BPC found that more than half implemented a more efficient structure or strategy since BPC's 2018 report was issued. Particular highlights of positive movement include:

- Eight states— Alaska, Colorado, Massachusetts, Minnesota, Missouri, New Mexico, Kentucky, and Wyoming— implemented a consolidated governance structure that decreased the number of agencies responsible for coordinating early childhood programs.
- Four states—Florida, Idaho, Kansas, and Texas— implemented an early childhood SAC.
- Eleven states—Colorado, Illinois, Maine,
   New York, North Carolina, Ohio, Oklahoma,
   Pennsylvania, Vermont, Washington, and
   Wisconsin—now use licensing health and safety
   standards as the foundation of their state's QRIS,
   ensuring inclusion of all early learning programs
   in quality standards.
- Nearly half, or 24 states, increased the amount of the TANF funding transferred to the state's CCDF program, reducing the potential for administrative redundancy.

BPC also found wide variations in the level of ECE program integration at the state level. Some states implemented highly integrated and functional systems to administer these programs, while administration in other states remains quite fragmented. Governors, despite having substantial discretion in terms of assigning programs to state agencies, may not be aware how much leeway they have to make institutional changes that would help better align and coordinate ECE services. Thus, one of the chief recommendations to emerge from this report is that governors should appoint an independent review board to conduct a complete business analysis of state administration and governance of ECE programs.

# NUMBER OF AGENCIES INVOLVED IN ECE AND CLUSTERING OF ECE PROGRAMS IN AGENCIES

Since BPC's first analysis, states have moved in a positive direction toward further integration of ECE programming within agencies. Unlike reported in the 2018 report, 15 out of 51 states have at least three state agencies involved in administering ECE funding, but 23 have consolidated governance to at least two agencies and eight use only one.

Since 2018, Colorado, Missouri and New Mexico created a department focused on early childhood education and consolidated the number of administering agencies. In 2019, Minnesota

relaunched the Minnesota Children's Cabinet and established the Children's Cabinet Advisory Council which is housed within the Children's Cabinet alongside the State Advisory Council for Early Education and Care. The re-launched Children's Cabinet is responsible for cross-agency governance of early education programming, housing budget and policy decisions operationally within a single body.

All four states examples above demonstrate the authority and latitude to which states have the flexibility to restructure the governance or early childhood programming to promote more effective and efficient systems. One notable exception is IDEA, Part B, Section 619 funding, which is required by statute to be administered by each state's department or agency responsible for the delivery of public education.<sup>2</sup>

Table 2: Number of Agencies Administering ECE Programs

Number of Agencies	# of States	Percent	States
TWO agencies or less	31	61%	AK, AR, CA, CT, CO, DC, DE, GA, ID, IN, IA, KY, LA, ME, MD, MA, MN, MI, MT, NE, NC, ND, NH, NM, OR, PA, SC, SD, VT, WA, WV
THREE agencies	15	29%	AZ, FL, HI, IL, KS, MO, NV, OH, OK, TN, RI, UT, VA, WI, WY
FOUR agencies	4	8%	AL, MI, NY, TX
FIVE agencies	1	2%	NJ
TOTAL	51	100%	

<sup>\*</sup>Adjusted agency scores were used.

The potential for collaboration and coordination increases when programs are located in the same agency. However, some states made changes that decreased the number of programs within a single agency. For example, Wisconsin moved its Head Start Collaboration Office from the Office of Public Instruction where it was co-located with state Pre-K to the Department of Children and Families. California also enacted legislation that directed its state's Pre-K programs to be housed within its state department

of education, while CCDF, Head Start Collaboration Office, and CACFP were separated into another agency.<sup>3</sup>

In other instances, program-level changes within state agencies appear to support greater consolidation. Montana's new Early Childhood and Family Support Division in the Department of Public Health and Human Services brings together CCDF, IDEA Part C, CACFP, the state Head Start Collaboration Office, and the state's early learning advisory council.<sup>4</sup> North

Dakota's Department of Health and Human Services' Early Childhood Section, created in 2021, brings together the administrative functions of CCDF, the Head Start Collaboration Office, and the state's two Pre-K approval processes, along with the state's QRIS and early childhood data systems.<sup>5</sup>

Education departments—either alone or in combination with one or more other agencies—continue to be the most prevalent agency responsible for administering the largest share of ECE programs in states. Other state entities that are frequently involved in ECE programs are health and human services agencies, including family and workforce services. Our findings are shown in Table 3.

Table 3: State Agencies Administering the Greatest Number of ECE Programs in each State

Type of Agency	# of States	Percent	States
Education	25	49%	AK, DC, DE, FL, HI, IA, KS, KY, LA, MA, MD, ME, MI, MN, MO, NE, NJ, NV, OH, OK, OR, SD, TN, VA, WY
Early Care and Education specific	5	10%	CT, CO, GA, MN, NM
Health and Human Services related	9	17%	AR, CA, ID, IL, MT, NC, ND, NH, VT
Family/Social Services related	4	8%	IN, SC, UT, WA
Education AND other agency/ agencies	8	16%	AL, AZ, MS, NY, PA, RI, TX, WI
TOTAL	51	100%	

# PLACEMENT OF STATE ADVISORY COUNCILS AND HEAD START COLLABORATION OFFICES

BPC also looked at the placement of SACs and Head Start Collaboration Offices to better understand how these entities were integrated within state ECE efforts.

- We found that while Head Start Collaboration
   Offices coordinate and collaborate on Head Start,
   child care, and state Pre-K, these offices were not
   always housed with both CCDF and state Pre-K
   programs.
- The Head Start Collaboration Office was housed with both CCDF and state Pre-K programs in 20 states— Arkansas, Connecticut, Colorado, Delaware, District of Columbia, Florida, Georgia, Indiana, Louisiana, Massachusetts, Maryland, Michigan, Minnesota, New Mexico, North Dakota, Oregon, Pennsylvania, Utah, Virginia, and Washington.
- In 11 other states, the Head Start Collaboration
   Office was housed with CCDF but not state
   Pre-K—California, Idaho, Illinois, Kansas,
   Montana, New Hampshire, Rhode Island,
   South Carolina, Vermont, West Virginia,
   and Wisconsin.

 In 11 other states, it was housed with state Pre-K but not CCDF—Alaska, Alabama, Hawai'i,
 Iowa, Kentucky, Maine, Nebraska, New Jersey,
 Nevada, Ohio, and Tennessee

On the issue of SACs to provide guidance on ECE programs, we found that nearly all states (49) and the District of Columbia have established an ECE council based on fiscal year 2019-2021 CCDF state plans submitted to HHS.<sup>6</sup> South Dakota has not implemented a SAC.

## USE OF QUALITY RATING SYSTEMS

In our earlier analysis, BPC found only three states—Colorado, North Carolina, and Oklahoma—had fully integrated QRIS in their statewide ECE systems.

Currently, 11 states have embedded their quality

systems within their state's licensing system to create a seamless approach of continuous quality improvement. There is further movement in states requiring early learning programs receiving child care subsidies, with 14 states requiring subsidized providers to participate in QRIS.

This movement may be related to federal grants encouraging systems integration, including the now-defunct Race to the Top-Early Learning Challenge Grant and the current Preschool Development Birth through Five Grant. These grant programs targeted comprehensive and collaborative systems reforms, including the integration of health and safety standards with QRIS.

Table 4: State Quality Rating and Improvement Systems

Type of QRIS	# of States	Percent	States
Rated License/Require All Programs to be in QRIS	11	22%	CO, IL, ME, NC, NY, OH, OK, PA, VT, WA, WI
Require Providers Receiving	14	27%	AR, DC, FL, GA, KY, LA, MA, MD, NE, NV, RI, SC, UT, VA
Voluntary Participation in QRIS	19	37%	AK, AL, AZ, CA, CT, DE, IA, ID, IN, MN, MT, MS, ND, NH, NJ, NM, OR, TN, TX
QRIS Pilot or County-Level	2	4%	CA, KS, WV
None	5	10%	HI, MO, MS, SD, WY
TOTAL	51	100%	

# **State-by-State Scores**

BY RANK					
State	2022 Rank	Total Score	Base Score (Out of 50)	Bonus Score (Out of 20)	2018 Rank
District of Columbia	1	62	47	15	1
Minnesota	2	59	44	15	16
Maryland	3	57	47	10	1
Arkansas	3	57	47	10	3
Michigan	5	54	44	10	22
New Mexico	5	54	44	10	3
Oregon	5	54	44	10	12
Georgia	8	52	42	10	3
Massachusetts	8	52	37	15	11
Maine	10	50	35	15	16
Washington	10	50	40	10	8
Connecticut	12	49	34	15	16
Colorado	13	48	40	8	27
North Carolina	13	48	40	8	7
Pennsylvania	15	47.5	37.5	10	6
Louisiana	16	47	42	5	8
Vermont	17	45	35	10	-
Wisconsin	17	45	30	15	20
Alaska	19	44	29	15	28
Delaware	19	44	34	10	12
Indiana	19	44	34	10	12
Oklahoma	22	42.5	27.5	15	19
Utah	23	42	32	10	37
Florida	23	42	32	10	23
Virginia	23	42	32	10	32
Nebraska	23	42	32	10	23
Montana	27	39	34	5	8
North Dakota	27	39	34	5	39
Kentucky	29	37	32	5	33
California	29	37	27	10	12

Rhode Island	29	37	27	10	20
South Carolina	29	37	32	5	23
Illinois	33	35	30	5	35
Ohio	33	35	30	5	31
lowa	35	32	24	8	23
West Virginia	35	32	27	5	30
Alabama	37	31.5	16.5	15	28
New Hampshire	37	31.5	26.5	5	33
New York	39	30	20	10	40
Nevada	40	29.5	19.5	10	42
Missouri	41	25	20	5	45
Hawai'i	41	25	20	5	40
Tennessee	43	24	29	-5	36
Arizona	44	21.5	16.5	5	42
Idaho	44	21.5	26.5	-5	46
New Jersey	44	21.5	11.5	10	37
Texas	47	19	14	5	50
Mississippi	48	17.5	12.5	5	44
Kansas	49	17	22	-5	48
South Dakota	50	15	15	0	47
Wyoming	50	15	15	0	49

<sup>\*</sup>bolded and italicized states indicate those that have improved in their ranking since 2018

### Recommendations

Our review identified distinct coordination challenges at different levels (and branches) of government. For that reason, our recommendations are grouped by actions that can be undertaken by state governors, by Congress, and by federal agencies.

#### FOR GOVERNORS

- Create a family stakeholder group to provide consistent feedback on barriers to services.
- Use allowable set-aside funding to commission an independent review board that develops concrete recommendations for improving ECE program administration and governance.
- Support or create an early childhood integrated data system.
- Review the placement of and requirements for the State Head Start Collaboration Office to ensure maximum alignment of Head Start services with other state ECE efforts.
- Ensure that licensing is the foundation for the state quality rating improvement system.
- Ensure that monitoring efforts are coordinated between the child care licensing agencies, Child and Adult Care Food Programs, and QRIS systems.
- Ensure that the SAC for early education and care is conducting a statewide needs assessment on the quality and availability of early care and learning programs.

#### FOR CONGRESS

- Align eligibility requirements by defining consistent income ranges and by requiring states to serve those with the highest need first, while still giving them latitude to serve additional children in low-wage families up to 150% of State Median Income.
- Conduct hearings on current programs that serve infants, toddlers and preschool children with disabilities under the Individuals with Disabilities Education Act, Parts B and C, to identify barriers that families transitioning from one program to another are facing, and consider a birth-to-age-five alignment whereby families with young children can maintain eligibility until school entry.
- Allow governors the flexibility to move the administration of IDEA Part B Section 619 to align with other early education agencies or departments to create a more seamless system.
- Require all funds spent on child care under TANF whether the funds are direct or transferred—to meet CCDBG requirements, including requirements for data reporting.
- As part of Head Start reauthorization, conduct hearings on the effectiveness of the Head Start Collaboration Offices and on how these offices can help better align Head Start with other state ECE programs.
- Request a Government Accountability Office study of activities undertaken by SACs, including a review of whether these councils are meeting their statutorily defined objectives, and offer recommendations about ways to improve SAC effectiveness.
- Increase federal appropriations for the Preschool
  Development Grants Birth through Five program to
  enable additional states to fully utilize grant funding
  to implement actions that better support efficient
  state governance structures.

### FOR FEDERAL AGENCIES

- Encourage states to fully allocate the maximum allowable set-aside for administration in CCDF.
- Identify lessons learned from the Early Head Start Child Care Partnership grants that were awarded to states, and issue a report identifying barriers to better alignment of federal and state efforts.
- Evaluate the Preschool Development Grants Birth through Five program to assess both its impact on state administration and the extent to which states sustained the work as indicated in their grant applications.

### Conclusion

With the lingering impacts of the pandemic still being felt by local economies and household functions, the concept of early childhood programming as an essential service continues across Congress and state legislatures. States are still administering emergency resources to ensure the stability of early care and education programs. It is more important than ever for states to be well-positioned to meet the needs of children and parents with efficiency and fidelity.

Reducing administrative burdens, eliminating duplication, and easing families' entry into multiple programs will increase access for those that need early care and education services the most. State policymakers should focus efforts on the governance of ECE systems to promote transparency and accessibility for families, while maintaining processes that uphold accountability. Federal funds issued under the Preschool Development Grant Birth through Five program can support initiatives to improve state governance structures, as can the administrative set-aside in federal programs, such as CCDF and Head Start. Further, BPC found Preschool Development Grant Birth through Five funding served a vital role in the intervening years, especially throughout the pandemic, in supporting state efforts to train and upskill ECE staff, as well as support efforts to consolidate and restructure state systems.

In the past few years, state administrations have made great progress in decreasing the fragmentation of their ECE systems. Governors continue to have considerable discretion to determine how federal and state funds will be administered within their jurisdictions, and it is clear many are using their authority to move toward a more seamless integration of services for families with young children.

# Appendix A: Stateby-State Scores

BY RANK					
State	2022 Rank	Total Score	Base Score (Out of 50)	Bonus Score (Out of 20)	2018 Rank
District of Columbia	1	62	47	15	1
Minnesota	2	59	44	15	16
Maryland	3	57	47	10	1
Arkansas	3	57	47	10	3
Michigan	5	54	44	10	22
New Mexico	5	54	44	10	3
Oregon	5	54	44	10	12
Georgia	8	52	42	10	3
Massachusetts	8	52	37	15	11
Maine	10	50	35	15	16
Washington	10	50	40	10	8
Connecticut	12	49	34	15	16
Colorado	13	48	40	8	27
North Carolina	13	48	40	8	7
Pennsylvania	15	47.5	37.5	10	6
Louisiana	16	47	42	5	8
Vermont	17	45	35	10	-
Wisconsin	17	45	30	15	20
Alaska	19	44	29	15	28
Delaware	19	44	34	10	12
Indiana	19	44	34	10	12
Oklahoma	22	42.5	27.5	15	19
Utah	23	42	32	10	37
Florida	23	42	32	10	23
Virginia	23	42	32	10	32
Nebraska	23	42	32	10	23
Montana	27	39	34	5	8
North Dakota	27	39	34	5	39

Kentucky	29	37	32	5	33
California	29	37	27	10	12
Rhode Island	29	37	27	10	20
South Carolina	29	37	32	5	23
Illinois	33	35	30	5	35
Ohio	33	35	30	5	31
lowa	35	32	24	8	23
West Virginia	35	32	27	5	30
Alabama	37	31.5	16.5	15	28
New Hampshire	37	31.5	26.5	5	33
New York	39	30	20	10	40
Nevada	40	29.5	19.5	10	42
Missouri	41	25	20	5	45
Hawai'i	41	25	20	5	40
Tennessee	43	24	29	-5	36
Arizona	44	21.5	16.5	5	42
Idaho	44	21.5	26.5	-5	46
New Jersey	44	21.5	11.5	10	37
Texas	47	19	14	5	50
Mississippi	48	17.5	12.5	5	44
Kansas	49	17	22	-5	48
South Dakota	50	15	15	0	47
Wyoming	50	15	15	0	49

 $<sup>^{\</sup>star}$ bolded and italicized states indicate those that have improved in their ranking since 2018

# Appendix B: Federal and State Early Childhood Program Management

### FEDERAL AGENCY MANAGEMENT

Federal agencies oversee multiple ECE programs providing direct funding to states, and in the case of Head Start, directly to local organizations. The following overview provides a review of the most significant early childhood federal programs.

### U.S. Department of Health and Human Services

The Child Care and Development Fund is administered by the Office of Child Care within Department of Health and Human Services' Office of the Administration for Children & Families. Child Care and Development Fund grants funding to states to subsidize child care expenses for low-income families and increase the quality of child care.

Head Start, including Early Head Start and Early Head Start-Child Care Partnerships, is administered by ACF's Office of Head Start. Grants go to local organizations to implement Head Start for 3- and 4-year-old children and Early Head Start for infants and toddlers. Grants to form Early Head Start-Child Care Partnerships for infants and toddlers are awarded to local community organizations and states.

Temporary Assistance for Needy Families is administered by ACF's Office of Family Assistance. TANF provides state grants to help

meet the needs of low-income families. States can transfer up to 30% of TANF funding to CCDF and can spend an unlimited amount of TANF funding directly to help low-income families cover child care expenses.

### U.S. Department of Education

Early Intervention for Infants and Toddlers with Disabilities was established under Part C of the Individuals with Disabilities Education Act. It is administered by the Department of Education's Office of Special Education Programs and provides funds to states to support early intervention services for infants and toddlers with developmental delays or disabilities.

Preschool Grants for Children with Disabilities is a program established under IDEA Part B, Section 619. It is also administered by the Office of Special Education Programs and provides grants to states to meet the needs of preschool-age children with disabilities.

### U.S. Department of Agriculture

The Child and Adult Care Food
Program is administered by the U.S.
Department of Agriculture's Food and
Nutrition Service. It provides funds to
states to support nutritious meals and
snacks for low-income children in early
care and education programs.<sup>7</sup>

### **Competitive Grant Programs**

Since the release of BPC's prior report, Congress increased funding for several competitive grant programs that increase access, improve quality, and create efficiencies for

early learning programs. Grants are awarded to states, organizations, universities, and communities. The current competitive grant programs with an ECE focus include:

- Early Head Start-Child Care Partnership grants, administered by HHS
- 2. Child Care Access Means Parents in School, administered by ED
- 3. Preschool Development Grants Birth through Five, or PDG B-5, administered by HHS

### **ASPECTS OF STATE ECE SYSTEMS**

States have far-reaching abilities to administer federal funds, yet specific aspects of state systems demonstrate commonalities, such as state-funded Pre-K programs. Here we provide an overview of the recognized features of state early childhood systems.

#### **State Advisory Councils**

Authority to create or designate a SAC to support high quality child care is included in the Improving Head Start for School Readiness Act of 2007 (P.L. 110-134).8 The responsibilities of a state SAC under the Head Start statute include conducting a periodic statewide needs assessment and identifying opportunities for coordination among federally funded and state-funded ECE programs and services.9

### State Pre-K Programs

In the 2019-2020 school year, 44 states funded Pre-K programs. Only six states did not report any such spending—Idaho, Indiana, Montana, New Hampshire, South Dakota, and Wyoming. While Indiana did not report any state spending in 2019, the state does operate a grant program that provides preschool slots in high quality ECE programs for low-income 4-year old children.

#### **Head Start Collaboration Offices**

Under the Improving Head Start for School Readiness Act of 2007, state Head Start Collaboration Offices are charged with assisting, coordinating, and adopting approaches that address the needs of a state's Head Start

agencies.<sup>11</sup> These offices are also tasked with promoting partnerships between Head Start agencies, state and local governments, and the private sector to help ensure that Head Start children are receiving comprehensive services to prepare them for elementary school.

### Early Head Start-Child Care Partnerships

HHS competitively awards Early Head Start-Child Care Partnership grants to states and local organizations to support high quality early learning programs for infants and toddlers. <sup>12</sup> Six states—Alabama, Arkansas, California, Delaware, Georgia, and Pennsylvania receive funding to administer Early Head Start-Child Care Partnership grants at the state level. <sup>13</sup>

### Child Care Licensing and Quality Rating Improvement Systems

The enforcement of health and safety standards, as required by CCDF, is managed through a state's child care licensing systems.<sup>14</sup> Licensing may be connected to systems that support continuous quality improvement known as QRIS. QRIS provides program-level standards that promote developmentally appropriate settings that, when added to health and safety standards, rate the quality of child care programs. In some states, providers must participate in QRIS to be eligible for child care subsidies. QRIS ratings can be a source of information for parents and create incentives for providers for continued quality improvement.

### **Data Systems**

Congress has provided federal funds to help states develop and integrate ECE data systems. For example, 28 states have received federal funding to incorporate ECE data into their State Longitudinal Data Systems database or to enhance their early childhood data systems. States can target these dollars to improve and integrate data systems across multiple early childhood programs.

### Programs for Young Children with Special Needs

The Individuals with Disabilities and Education Act provides early intervention services to infants and toddlers with disabilities, birth to age 3, through Part C. IDEA Part B, Section 619 provides special education services to preschool-age children with disabilities. Funding for Part B, Section 619 is required by statute to be administered by state education agencies and distributed across local educational agencies.

These programs are flexible, and state policies are not uniform regarding IDEA administration. Part B, Section 619 and Part C may be administered by separate agencies at the state level and are not necessarily aligned with early childhood programs. This misalignment can create significant challenges for families. For example, infants and toddlers may receive services under Part C but must requalify when they turn 3 as part of the Part B, Section 619 program.

## Appendix C: Scoring Methodology

The following summarizes the scoring metric used by BPC to compare ECE integration across states.

### **Base Score**

BPC scored and ranked how effectively each state aligned programs serving children to create an integrated ECE system. States can receive a maximum of 50 points for their base score.

To determine the base score, BPC looked at the following:

- The number of agencies involved in administering the major federal programs—CCDF; TANF; IDEA Part C; IDEA Part B, Section 619; and CACFP—and state Head Start Collaboration Offices and state preschool programs:
  - a. Because the governor cannot choose where to place Part B, Section 619 of IDEA, the agency score was adjusted if an additional agency was involved solely for administration of Part B (i.e. the major federal programs and state pre-K were spread across three agencies in a state and Part B, Section 619 was located in a fourth agency, the state would be scored as having three agencies involved in administration).

- Because TANF does not have an exclusive focus on ECE, the agency score was adjusted if an additional agency was involved solely for administration of TANF.
- c. While states were scored on whether or not they had functioning State Advisory Councils, SACs were not included in the agency count, as they are not a funding stream.
- 2. If CCDF, CACFP, and state Pre-K programs are under the same agency or are split across agencies;
- If the Head Start Collaboration Office is housed within the same agency as CCDF;
- 4. If the Head Start Collaboration Office is housed within the same agency as the Pre-K program;
- 5. If the state has a Quality Rating Improvement System and:
  - a. Licensing is required for entry into the QRIS;
  - b. QRIS participation is required for programs receiving subsidies, but voluntary for all else;
  - c. QRIS is statewide but voluntary; and
  - d. QRIS is being piloted or administered at a county level.
  - e. If the state has a functioning State Advisory Council

BPC deducted points from the base score for states that split CCDF subsidy and quality across agencies.

### **Bonus Score**

BPC also reviewed how states do or do not contribute state dollars to ECE programs. States could receive a maximum of 20 bonus points. Pre-pandemic data was collected to reflect typical state funding in any given year.

To determine the bonus score, BPC considered the following:

- 1. If the state spent its own money on preschool programs;
- If the state spent its own money on Early Head Start or Head Start programs;
- 3. If the state applied for, and received, a state-level Early Head Start-Child Care Partnership grant; and
- 4. If the state transferred TANF money to its CCDF program.

BPC deducted points from the bonus score of states

that did not draw down all federal child care dollars.

### Appendix D: Acronym Guide

The nation's early childhood system, and the administration of federal funding at the state level, consists of intersecting relationships among multiple programs. For reference, throughout the document, the following acronyms are used:

Child and Adult Care Food Program
Child Care Access Means Parents in School
Child Care and Development Block Grant
Child Care and Development Fund
Early Care and Education
Early Childhood Integrated Data System
Department of Education
Early Head Start-Child Care Partnership
Family and Child Education
Government Accountability Office
Department of Health and Human Services
Individuals with Disabilities Education Act
Preschool Grants for Children with Disabilities
Early Intervention Program for Infants and Toddlers with Disabilities
Federal Early Learning Interagency Policy Board
Local Educational Agencies
Preschool Development Grants
Quality Rating Improvement System
Race to the Top-Early Learning Challenge
Early Childhood State Advisory Counsel
State Longitudinal Data Systems
Technical Assistance
Temporary Assistance for Needy Families
U.S. Department of Agriculture

### **Endnotes**

- 1 Cody Uhing, "Timeline of COVID-19 Relief for the Child Care Industry and Working Families," First Five Years Fund, March, 2021. Available at: https://www.ffyf.org/timeline-of-covid-19-relief-for-the-child-care-industry-andworkingfamilies/.
- U.S. Department of Education, Individuals with Disabilities Education Act, "Statute Chapter 33," 2019, November 7. Available at: <a href="https://sites.ed.gov/idea/statute-chapter-33">https://sites.ed.gov/idea/statute-chapter-33</a>.
- 3 Early Childhood Development Act of 2020, California Assembly Bill 393 (2021). Available at: <a href="https://leginfo.legislature.ca.gov/faces/">https://leginfo.legislature.ca.gov/faces/</a> billTextClient.xhtml?bill\_id=202120220AB393.
- 4 Montana Department of Public Health and Human Services, "Early Childhood and Family Support Division," 2021. Available at: <a href="https://dphhs.mt.gov/ecfsd/AboutUs">https://dphhs.mt.gov/ecfsd/AboutUs</a>.
- 5 North Dakota Department of Human Services, "Introducing the New Early Childhood Division," 2021. Available at: <a href="http://www.nd.gov/dhs/services/earlychildhood/">http://www.nd.gov/dhs/services/earlychildhood/</a>.
- 6 U.S. Department of Health and Human Services, Administration for Children & Families, Office of Child Care, "Approved CCDF Plans (FY 2019-2021), National Summary Tables," 2021. Available at: <a href="https://www.acf.hhs.gov/occ/resource/state-plans">https://www.acf.hhs.gov/occ/resource/state-plans</a>.
- 7 U.S. Department of Agriculture, Food and Nutrition Service, Child Nutrition Tables, 2021. Available at: <a href="https://www.fns.usda.gov/pd/child-nutrition-tables">https://www.fns.usda.gov/pd/child-nutrition-tables</a>.
- 8 Improving Head Start for School Readiness
  Act of 2007, Public Law 110-134, U.S. Statutes
  at Large 121 (2007): 1363-1449. Available at:
  <a href="https://www.congress.gov/110/plaws/publ134/PLAW-110publ134.pdf">https://www.congress.gov/110/plaws/publ134/PLAW-110publ134.pdf</a>.
- 9 Ibid.

- 10 A. Friedman-Krauss, W. Barnett, et al, *The State of Preschool 2020: State Preschool Yearbook*,
  National Institute for Early Education
  Research, 2021. Available at: <a href="https://nieer.org/statepreschoolyearbooks/yearbook2020">https://nieer.org/statepreschoolyearbooks/yearbook2020</a>.
- 11 Improving Head Start for School Readiness
  Act of 2007, Public Law 110-134, U.S. Statutes
  at Large 121 (2007): 1363-1449. Available at:
  <a href="https://www.congress.gov/110/plaws/publ134/PLAW-110publ134.pdf">https://www.congress.gov/110/plaws/publ134/PLAW-110publ134.pdf</a>.
- 12 U.S. Department of Health and Human Services, Administration for Children and Families, Early Head Start-Child Care Partnerships: Growing the Supply of Early Learning Opportunities for More Infants and Toddlers, 2016. Available at: http://users.neo.registeredsite.com/0/8/7/11474780/assets/Early\_Head\_Start\_Child\_Care\_Partnerships\_Lessons\_Learned\_Report\_Year\_1.pdf.
- 13 U.S. Department of Health and Human Services, Administration for Children and Families, "Early Head Start-Child Care Partnerships," 2020. Available at: Early Head Start Child Care Partnerships | The Administration for Children and Families (hhs. gov)
- 14 U.S. Department of Health and Human Services, Administration for Children and Families, Early Childhood Training and Technical Assistance System, "Standards and Licensing, Health and Safety Requirements," 2021. Available at: <a href="https://childcareta.acf.hhs.gov/ccdf-fundamentals/health-and-safetyrequirements">https://childcareta.acf.hhs.gov/ccdf-fundamentals/health-and-safetyrequirements</a>.
- 15 National Center for Education Statistics, "Statewide Longitudinal Data System Grant Program," 2019. Available at: <a href="https://nces.ed.gov/programs/slds/grant\_information.asp.">https://nces.ed.gov/programs/slds/grant\_information.asp.</a>



1225 Eye St NW, Suite 1000 Washington, DC 20005

bipartisanpolicy.org

202 - 204 - 2400

The Bipartisan Policy Center (BPC) is a Washington, D.C.-based think tank that actively fosters bipartisanship by combining the best ideas from both parties to promote health, security, and opportunity for all Americans. Our policy solutions are the product of informed deliberations by former elected and appointed officials, business and labor leaders, and academics and advocates who represent both ends of the political spectrum.

BPC prioritizes one thing above all else: getting things done.



facebook.com/BipartisanPolicyCenter

instagram.com/BPC\_Bipartisan

### **Policy Areas**

**Business** 

**Campus Free Expression** 

**Economy** 

**Education** 

**Elections** 

Energy

Governance

Health

Housing

**Immigration** 

Infrastructure

Technology



1225 Eye Street NW, Suite 1000 Washington, D.C. 20005

IDEAS. ACTION. RESULTS.