



#12 Indiana

IN Score: 44



Average score: 35



IN drew down 100% of federal child care funds

MD	1
DC	1
AR	3
GA	3
NM	3
PA	6
NC	7
LA	8
MT	8
WA	8
MA	11
CA	12
DE	12
IN	12
OR	12
CT	16
ME	16
MN	16
OK	19
RI	20
WI	20
MI	22
IA	23
NE	23
SC	23
UT	23
CO	27
AL	28
AK	28
WV	30
OH	31
FL	32
KY	33
NH	33
IL	35
TN	36
NJ	37
VA	37
ND	39
HI	40
NY	40
AZ	42
NV	42
MS	44
MO	45
ID	46
SD	47
KS	48
WY	49
TX	50

Creating a Coordinated, Integrated Early Care and Education System: State Early Childhood Administration

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 *Indiana*.

STRENGTHS OF INDIANA'S EARLY CARE AND EDUCATION SYSTEM

- Indiana manages five programs serving children—Child Care and Development Fund (CCDF); Head Start Collaboration Office; state Pre-K; IDEA Part C; Temporary Assistance for Needy Families (TANF)—under one agency, which improves efficiency and allows for better alignment of eligibility and monitoring requirements and quality improvement activities.
- Indiana transfers 30 percent of TANF funds to CCDF, which ensures these funds comply with CCDF regulations.

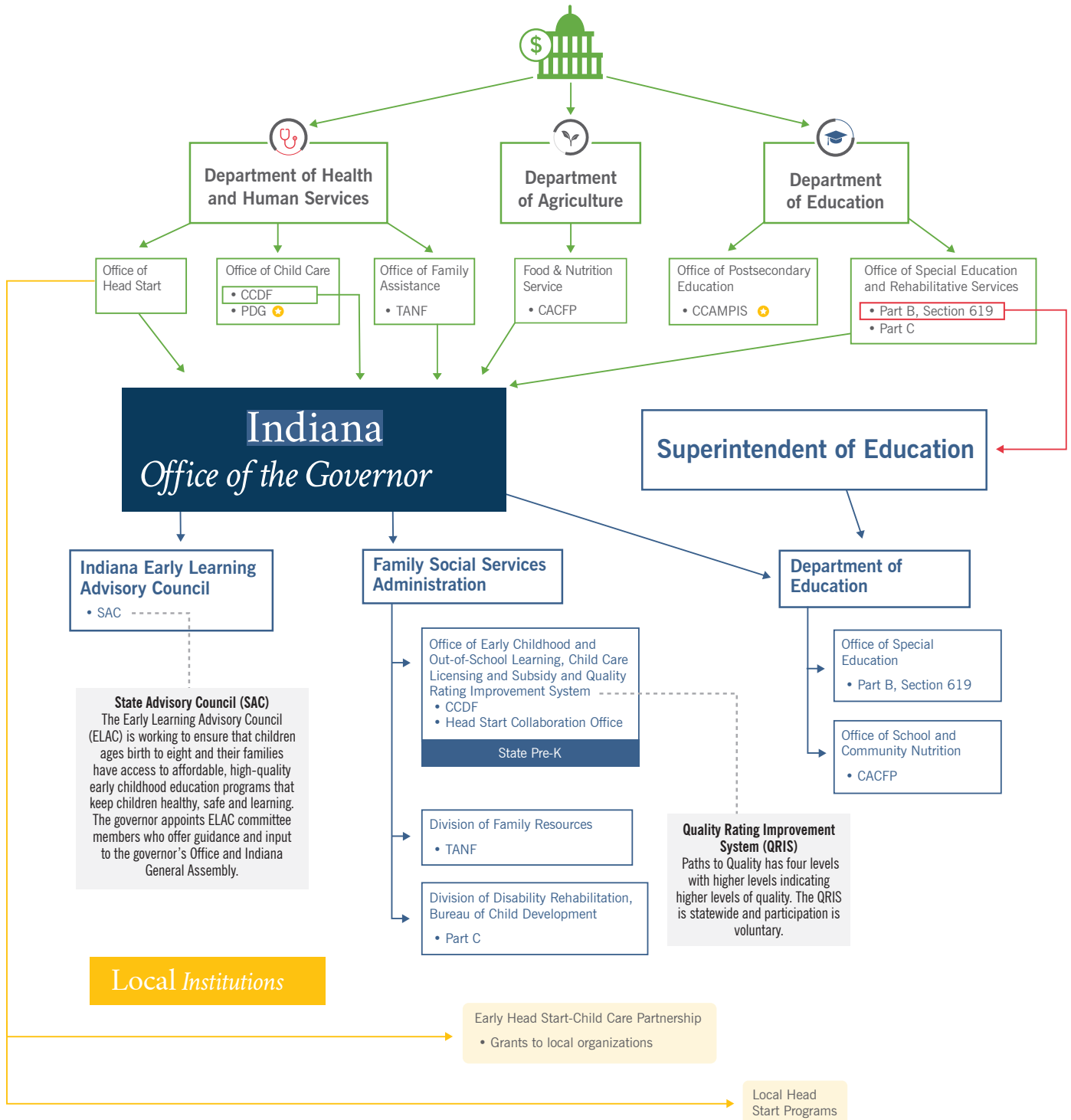
RECOMMENDATIONS FOR INDIANA'S EARLY CARE AND EDUCATION SYSTEM

- Facilitate cross-agency communication to ensure seamless coordination and transition for IDEA Part C (infants/toddlers) and Part B, Section 619 (3-5 year olds).
- 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 Quality Rating and Improvement System to ensure program quality.



Flow of Federal Early Childhood Funds: Indiana

KEY: → Funding mandated for State Departments of Education → Funding provided directly to local organizations
 * State does not receive funding



State Advisory Council (SAC)
 The Early Learning Advisory Council (ELAC) is working to ensure that children ages birth to eight and their families have access to affordable, high-quality early childhood education programs that keep children healthy, safe and learning. The governor appoints ELAC committee members who offer guidance and input to the governor's Office and Indiana General Assembly.

Quality Rating Improvement System (QRIS)
 Paths to Quality has four levels with higher levels indicating higher levels of quality. The QRIS is statewide and participation is voluntary.

Local Institutions

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

Local Head Start Programs

ECE Funding in Indiana

Funding from Nine GAO-Identified Programs	FY 2016 Funding	Numbers Served	
		Children	Programs
CCDF Expenditure	\$208,699,477	32,700	3,564
Transfer from TANF	\$62,039,733 (30.0%)	–	–
Head Start Allocation	\$126,877,245	18,661	65
Head Start		15,208	37
Early Head Start		3,453	28
IDEA Part C, Allocation (infant/toddler)	\$9,137,737	18,757	–
IDEA Part B, Section 619 Allocation (3–5 years)	\$8,640,784	18,108	–
Preschool Development Grant	\$0	–	–
CCAMPIS FY17 Grants	\$0	–	–
Promise Neighborhoods FY16	\$0	–	–
Striving Readers Comprehensive Literacy	\$0	–	–
Additional ECE Funding Streams	FY 2016 Funding	Numbers Served	
TANF Child Care Expenditure (Direct)	\$41,522,015	Not Reported	
TANF Pre-K / Head Start Expenditure	\$0	Not Reported	
CACFP Allocation	\$54,934,729	86,470	–
Race to the Top, Early Learning Challenge	\$0	–	–
Early Head Start-Child Care Partnership	\$9,100,000	Not Reported	

BPC Reviewed

BPC reviewed the following federally-funded programs to assess the efficiency and integration of Indiana'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



Median Family Income



Understanding and Aligning Eligibility Across Programs

Eligibility Requirements Set by State

Child Care And Development Fund

Children through age 12 are eligible; children with mental and physical disabilities and those in protective services are eligible through age 17. No minimum required parental work hours. Training, education (high school, GED, ESL classes, postsecondary education), and working are approved activities for eligibility. Job searching is approved only for continuing eligibility for a limited time. For initial and continuing eligibility, respectively, a family of two must earn \$1,686 and \$2,257 or less per month; a family of four must earn \$2,566 and \$3,435 or less per month, respectively. In 2018, states will begin to see an increase in CCDF funding due to the \$2.37 billion increase to the Child Care and Development Block Grant (CCDBG) passed in the Consolidated Appropriations Act of 2018.

CCDF Allocation	2017	2018
State	\$33,362,636	\$34,680,034
Federal	\$126,974,337	\$176,917,520

State Pre-K (FY17)

4-year-olds at or below 127 percent federal poverty level are eligible for On My Way Pre-K, the state's Pre-K program.

Total State Spending on Pre-K: \$10,079,418

Local Match: Yes

Total State Head Start Spending: \$0

Total FY 2017 Enrollment: 1,792

IDEA Part C (infant/toddler)

Children birth to age 3 with developmental delay in at least one of five developmental areas, developmental delay condition, or 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.



BIPARTISAN POLICY CENTER

bipartisanpolicy.org | 202-204-2400

1225 Eye Street NW, Suite 1000

Washington, D.C. 20005

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