



#16 Minnesota

MN Score: 42



Average score: 35



MN 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 *Minnesota*.

STRENGTHS OF MINNESOTA'S EARLY CARE AND EDUCATION SYSTEM

- Minnesota manages five programs serving children—Head Start Collaboration Office; state Pre-K; Child and Adult Care Food Program (CACFP); IDEA Part C; IDEA Part B, Section 619—under one agency, which improves efficiency and allows for better alignment of eligibility and monitoring requirements and quality improvement activities.
- IDEA Part C (infants/toddlers) and Part B, Section 619 (3-5 year olds) are administered within the same agency, which can support a smooth transition for parents.

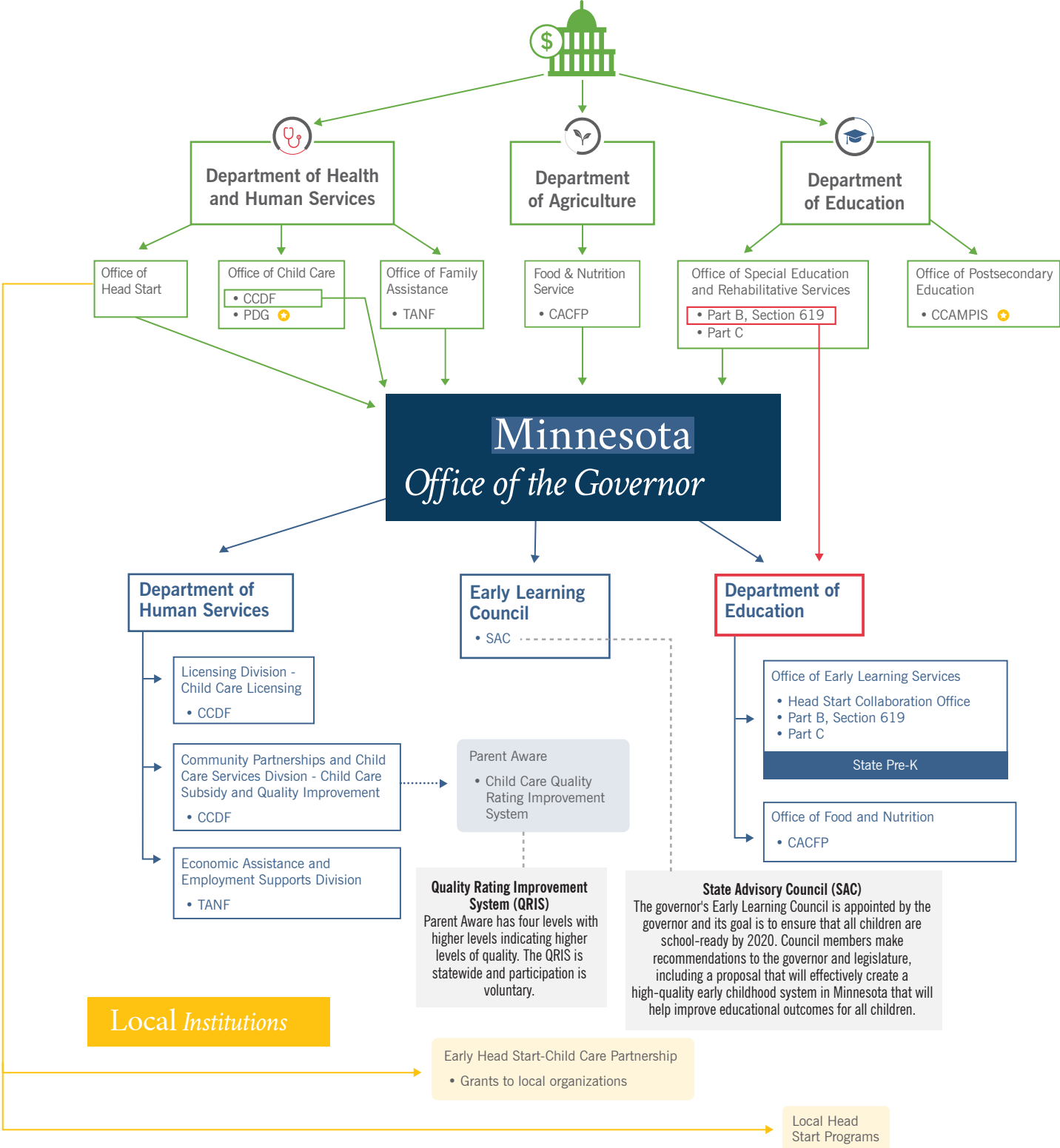
RECOMMENDATIONS FOR MINNESOTA'S EARLY CARE AND EDUCATION SYSTEM

- 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.
- Co-locate Head Start Collaboration Office and state Pre-K with CCDF, which can improve alignment and coordination of programs.
- 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: Minnesota

KEY: → Funding mandated for State Departments of Education → Funding provided directly to local organizations
+ State does not receive funding → Partnership with funding provided by state department or agency



ECE Funding in Minnesota

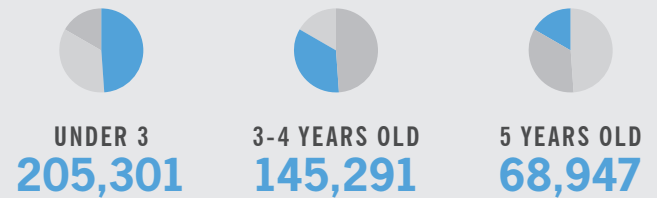
Funding from Nine GAO-Identified Programs	FY 2016 Funding	Numbers Served	
		Children	Programs
CCDF Expenditure	\$163,638,041	20,000	5,131
Transfer from TANF	\$48,000,000 (18.4%)	–	–
Head Start Allocation	\$108,709,138	17,282	64
Head Start		13,683	35
Early Head Start		3,599	29
IDEA Part C, Allocation (infant/toddler)	\$7,610,820	10,385	–
IDEA Part B, Section 619 Allocation (3-5 years)	\$7,213,320	16,586	–
Preschool Development Grant	\$0	–	–
CCAMPIS FY17 Grants	\$0	–	–
Promise Neighborhoods FY16	\$0	–	–
Striving Readers Comprehensive Literacy	\$21,150,093	–	–
Additional ECE Funding Streams	FY 2016 Funding	Numbers Served	
		Children	Programs
TANF Child Care Expenditure (Direct)	\$122,101,573	Not Reported	
TANF Pre-K / Head Start Expenditure	\$5,700,000		
CACFP Allocation	\$57,200,525	90,896	–
Race to the Top, Early Learning Challenge	\$44,858,313	–	–
Early Head Start-Child Care Partnership	\$6,200,000	Not Reported	

BPC Reviewed

BPC reviewed the following federally-funded programs to assess the efficiency and integration of Minnesota'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, including some children in protective services; children with mental and physical disabilities are eligible through age 14. If working, the parent must work a minimum of 20 hours per week (or 10 hours per week if also a full-time student). Training, education (high school, GED, ESL classes, postsecondary education), job searching, and working are approved activities for eligibility. For initial eligibility a family of two must earn \$2,560 or less per month and a family of four must earn \$3,766 or less. For continued eligibility at redetermination a family of two must earn \$3,651 or less per month (eligible up to \$4,631 per month during 12 month period) and a family of four must earn \$5,369 or less per month (eligible up to \$6,811 per month during 12 month period).

CCDF Allocation	2017	2018
State	\$49,500,941	\$49,940,628
Federal	\$91,479,311	\$121,753,752

State Pre-K (FY17)

3- and 4-year-olds at or below 100 percent of federal poverty level are eligible for Minnesota Head Start; 3- and 4-year-olds regardless of income are eligible for Voluntary Pre-Kindergarten.

Total State Spending on Pre-K: \$28,982,528

Local Match: Yes (MN Head Start only)

Total State Head Start Spending: \$11,682,528

Total FY 2017 Enrollment: 4,603

IDEA Part C (infant/toddler)

Children age 0-2 with 1.5 standard deviation developmental delay in at least one of five developmental areas, developmental delay condition, those at-risk of developmental delay, or based on informed clinical opinion 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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Learn more about our work at bipartisanpolicy.org/early-childhood