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Early Childhood Funding at the Community Level: A Case Study from Illinois

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Abstract

The Early Childhood Block Grant (ECBG) distributes state funding for preschool and birth-to-three programs in Illinois. The authors conducted a case study in Evanston, a city in north Cook County, Illinois, interviewing community representatives and analyzing ECBG program data to discern how ECBG funds are used to provide early childhood services. Evanston's community infrastructure for early care and education encompasses its elementary school district, community service providers, various collaborative initiatives, and an active community foundation. These organizations use multiple funding streams from the ECBG and a variety of other sources. This practice, although it can enhance their ability to serve young children and their families, can also contribute financial instability for community-based providers, as well as discontinuity in services. The authors found that the state's fiscal crisis and related budget cuts have resulted in fewer children served in Evanston, in part because of long delays in ECBG payments. Suggestions are offered for future research and for building a community-focused knowledge base that would support community-level and statewide advocacy for public investment in early care and education.

Introduction

The Early Childhood Block Grant (ECBG) was established by the Illinois General Assembly in 1997 to provide funding for preschool and birth-to-three programs. ECBG combined two separate programs—the Pre-Kindergarten Program for Children At Risk of Academic Failure, instituted in 1985, and the Early Childhood Prevention Initiative Program, established in 1989—into one funding source. The goal of the former program was to increase at-risk children's access to preschool. The latter offered coordinated intensive, comprehensive child development and family support services for at-risk children under age 3 and their families to help build a strong foundation for learning.

Originally, 8% of total ECBG funding was to be used for programs serving children under age 3. The amount set aside for birth-to-three was increased to 11% in 2003. Legislation enacted in 2009 ([Public Act 96-0423](#)) requires raising the set-aside to at least 20% by FY 2015. In 2006, the Pre-K component of ECBG was expanded to include the state's Preschool for All (PFA) initiative, with the goal of eventually offering access to all children whose parents want them to enroll. Priority in grant awards was given to programs serving primarily children who are considered to be at risk. The second funding priority was programs serving primarily children from low- and moderate-income families (incomes below 400% of poverty level). (In 2011, 200% of the federal poverty level was about \$36,200 for a single parent with two children and \$45,600 for a married couple with two children.)

Prior to FY 2012, preschool grantees received separate grants for Pre-K At-Risk and Preschool for All. Subsequently, ECBG funding went to Preschool for All (PFA) for 3- and 4-year-olds and to the Early Childhood Prevention Initiative for child development services for families with infants and toddlers. In FY 2012, 80% of ECBG expenditures went to preschool programs, 18% to birth-to-three programs, and the remainder to statewide infrastructure projects and administrative expenses. The Chicago Public Schools receive 37% of ECBG appropriations. In the rest of the state, grants are distributed on a competitive, request-for-proposal basis. Regional offices of education (ROEs) are ECBG grantees in some parts of the state. In northwestern Illinois, the Carroll/Jo Daviess/Stephenson ROE administers ECBG funds for more than 500 children at 16 PFA sites and about 140 children at three Prevention Initiative sites. In downstate Vermillion County, Danville Community Consolidated School District 118 is the sole ECBG grantee for preschool programs, serving 550 children at 10 sites. The Early Childhood Developmental Enrichment Center in north suburban Cook County is the ECBG grantee in two townships that include the communities of Arlington Heights, Buffalo Grove, Hoffman Estates, Palatine, Rolling Meadows, and Wheeling. The organization serves 60 children at five Prevention Initiative sites and about 1,200 children at 18 different PFA sites, including some public schools.

According to Illinois State Board of Education figures, statewide ECBG funding grew from \$154 million in FY 1999 to almost \$380 million in FY 2009. Over the same period, the number of children served in state-funded preschool programs increased from about 50,000 to more than 95,000. Since FY 2009, however, annual ECBG funding has been cut by more than 20%. In FY 2013, the number of children served in state-funded preschool programs in Illinois was about 20,000 lower than in FY 2009. The cumulative impact of these cuts over four years has been an enrollment decline of more than 50,000 children. The number of children on waiting lists increased from about 12,300 in FY 2009 to almost 19,000 in FY 2011.

By state mandate, the first funding priority for ECBG should be programs that primarily serve children considered to be "at risk." The most common risk factors are low family income and home language other than English; others include developmental delays, homelessness, placement in substitute care, and having parents who are teens or school dropouts. Following ECBG funding cuts in FY 2011, programs were required to have an enrollment of 80% or more at-risk children, an increase from 50% previously.

ECBG funds are intended to enable communities to offer high-quality early learning opportunities in a variety of settings, including public schools, child care centers, faith-based organizations, and other community agencies. It has been the funding base for programs for young children as state investments in early care and education fluctuated throughout the Great Recession and the state's prolonged fiscal crisis. ECBG funding alone is rarely sufficient to maintain programming, however, and covers only half-day funding for preschool programs. Early childhood service providers often struggle to find funds from other sources, such as the state's Child Care Assistance Program (CCAP), federal Head Start and Early Head Start grants, and various local public and private resources.

Methods

Purpose of the Study

To gain a better understanding of how communities manage early childhood resources, including ECBG funding, we conducted a case study of Evanston, Illinois, examining the roles of the school district and two major community providers as well as other organizations that serve as important community resources for early childhood.

Setting

Evanston is a city of about 75,000 residents in Cook County just north of Chicago on Lake Michigan. Although Evanston's median annual family income is about \$109,000 (compared with \$68,000 statewide), nearly one-fourth of its children live in households with incomes below 200% of the poverty level. In 2010, Evanston's child population was 51% White, 23% Black, and 15% Latino. In contrast, the child population of north suburban Cook County as a whole was 56% White, 5% Black, and 23% Latino. Between 2000 and 2010, the Latino child population in Evanston increased by 45% while the number of White children declined by 4% and the number of Black children declined by 35%. (See [Appendix 1](#) for background demographic data on Evanston.)

Data Sources

We conducted telephone, in-person, and e-mail interviews with key individuals representing six agencies and organizations in the city of Evanston. The bulk of the statistics and background information about these organizations and agencies outlined in the rest of this article comes from these interviews. We also compiled and analyzed ECBG program data from the Illinois State Board of Education.

Findings

ECBG Program Sites in Evanston

Currently, Evanston has four ECBG grantees and seven different program sites. (For additional details, see [Appendix 2](#).) Evanston School District 65 receives the largest amount of funding for both Preschool for All (PFA) and the Prevention Initiative. The second largest grantee, the Childcare Network of Evanston, distributes PFA funds to five community partners. As shown in Figure 1, 100% of children enrolled in Evanston's PFA slots in FY 2012 met the state's "at-risk" criteria, compared with 83% statewide. Two-thirds of enrolled children in Evanston met PFA low-income criteria (below 185% of poverty level).

FIGURE 1

Profile of Children in ECBG-Funded Programs

In FY 2012, Evanston's percentage of Black and Latino children in ECBG programs was higher than the statewide average.

	PRESCHOOL FOR ALL		PREVENTION INITIATIVE	
	EVANSTON	STATEWIDE	EVANSTON	STATEWIDE
Total Enrollment	307	78,607	109	13,579
Race/Ethnicity				
White	17%	38%	7%	27%
Black	34%	24%	51%	35%
Latino	32%	24%	37%	30%
Asian	7%	3%	1%	2%
Multi-racial	11%	4%	5%	5%
Meets At-Risk Criteria	100%	83%	--	--
Meets PFA Income Criteria	67%	56%	--	--
Home Language Not English	40%	30%	--	--
Spanish	28%	24%	--	--
Other Languages	12%	6%	--	--

Forty percent of children in Evanston's PFA programs in FY 2012 lived in households where English was not the primary language, compared with 30% statewide. Spanish was the home language for 28% of PFA enrollment in Evanston. In School District 65, almost 60% of children in PFA had home languages other than English. This included 39% with Spanish as their home language and 20% in households where 14 other languages were spoken.

Two-thirds of Black children and 60% of Latino children in Illinois are from low-income families (below 200% of poverty level), while one-fourth of White children and Asian children are low-income.¹ In FY 2012, PFA enrollment in Evanston was 34% Black, 32% Latino, and 17% White. Eleven percent of Evanston PFA students were identified as multiracial compared with 4% in the state as a whole. The racial-ethnic composition of birth-to-three programs in Evanston was 51% Black, 37% Latino, and 7% White.²

Impact of ECBG Funding Trends

In FY 2009, providers in Evanston received just more than \$1.9 million in ECBG funds. About two-thirds of those funds supported PFA; the remainder supported birth-to-three programs. By FY 2013, however, Evanston grantees received 20% less than they had four years earlier. School District 65 had a 10% reduction, while funding for community providers was cut by 36%. Cuts for preschool programs (22%) were larger than cuts for the Prevention Initiative (13%). The number of PFA sites dropped from 15 to 7, and 80 ECBG-funded preschool slots were lost in Evanston.

Effects of ECBG funding cuts have been compounded by long delays in payments from the state. In FY 2010, School District 65 did not receive its first scheduled ECBG payment until the last week of the fiscal year, and its final payments arrived more than four months after the start of the next fiscal year. Delays in first payments from ECBG gradually declined from 328 days in FY 2010 to 153 in FY 2013.

School District 65 had substantial unrestricted resources to help it manage ECBG payment delays. Community

providers struggled, however. Delayed payments from the state caused cash-flow problems for community agencies already under financial strain. For example, the Childcare Network of Evanston, grantee for five PFA sites, experienced ECBG payment delays averaging 138 days over four years. Delays in its first payments were more than a month longer in FY 2013 than in FY 2011. For Puerta Abierta Preschool, which received ECBG funding directly from the state, delays averaged 189 days over four fiscal years. In FY 2011 and FY 2012, its first payments were at least seven months behind schedule. In FY 2013, the delay was five months. Payment delays for the Infant Welfare Society of Evanston averaged 208 days over four years. In FY 2011, the organization received its three final payments four months after the end of the fiscal year. In FY 2013, its first payment from the state was nearly seven months late.

Funding and Services in Three ECBG Programs

Evanston School District 65

School District 65, the largest PFA site in Evanston, received \$640,000 in PFA funding in FY2013. This supported four classrooms with two half-day sessions of about 20 children each—a total of 160 program slots. Two of the classrooms (80 slots) were bilingual Spanish/English. The school district also had preschool classrooms that relied on other funding sources. State and federal special education funds supported five special education preschool classrooms serving more than 90 children. An additional 20 children with disabilities were enrolled in PFA classes. Federal Head Start funds supported five preschool classrooms serving more than 200 children. The school district used its own funds for the required Head Start match.

In addition, the School District 65 Family Center offered several programs for younger children. In FY 2013, the district received almost \$460,000 in ECBG funds to provide services to more than 100 at-risk infants, toddlers, and their families. The Family Center also served 24 children in its federal Early Head Start program.

School District 65 was among the districts receiving a portion of a \$15 million “Investing in Innovation” grant from the U.S. Department of Education to the University of Minnesota. With its share (\$1.3 million over five years), District 65 is expanding its Child-Parent Center program to provide educational and family support services for 200 low-income children from preschool through third grade. The initial phase of the project began in fall 2012 with preschool programs at both District 65 and the Child Care Center of Evanston and will involve four elementary schools as the project expands (“District 65 selected,” 2012). The Evanston community raised about \$450,000 in local matching funds for the overall project. Local funders include the Evanston Community Foundation, Foundation 65 (the school district’s educational foundation), Northwestern University, the Lewis-Sebring Family Foundation, and the Finnegan Family Foundation (“District 65 selected,” 2012).

The school district’s early childhood programming nonetheless suffered from state budget cuts. Between FY 2009 and FY 2013, the district lost \$120,000 (16%) in PFA funding, which caused the loss of one PFA classroom (40 program slots). The district attempted to put children with the greatest risk factors into Head Start, but it could not compensate for all lost slots, according to Ellen Fogelberg, assistant superintendent for elementary schools and early childhood education programs.

The number of children eligible for preschool remains greater than the number of available slots. In both 2011 and 2012, the school district had a waiting list for PFA classrooms of about 20 children. The cuts to ECBG have also affected birth-to-three funding. In FY 2013, the district lost \$40,000 (4%), but it was able to absorb the loss without reducing services to at-risk families.

Access to other unrestricted funds enabled the district to cope with the previously mentioned payment delays. It receives more than \$90 million in property taxes and other local revenue annually, as well as about \$4 million in General State Aid, compared with about \$1 million from ECBG. During this period, school districts typically received monthly General State Aid allocations on schedule, in contrast to the long delays for ECBG payments.

Child Care Center of Evanston

The Child Care Center of Evanston is an ECBG subgrantee that receives \$76,000 in PFA funding through the Childcare Network of Evanston. The Child Care Center’s two preschool classrooms serve about 40 children, with 30 slots funded through ECBG and the remainder supported by families paying full fees. The organization also has one Montessori classroom and a classroom for children ages 2 to 3. Both are supported by full-pay families and the state’s Child Care Assistance Program (CCAP), which offers subsidies for low-income families.

The Child Care Center runs a “Family Child Care Connections” program with 11 providers, each at a different site, that offer child care to 44 children. The organization also serves 16 children in three Early Head Start sites. This program is funded through federal Early Head Start funds and CCAP.

As a result of ECBG cuts, the Child Care Center lost 20 preschool slots. It also has been affected by CCAP policy changes, such as elimination of infant add-on payments, cancellation of scheduled rate increases, and tightening of eligibility criteria. In 2012, the income eligibility threshold was lowered from 200% to 185% of the poverty level. Required family co-payments were increased substantially in 2011 and 2012. For a single-

parent family with two children at 150% of poverty level, co-payments rose from \$85 to \$180 per month.

The Child Care Center has also coped with long delays in ECBG payments from the state. Increased private donations around Christmas time each year historically enabled the Child Care Center to forgive unpaid balances owed by struggling families, but the delayed ECBG payments made this more difficult. In FY 2012, the Child Care Center also lost \$20,000 when the North Shore United Way shifted its funding priorities. Two other preschools in Evanston, the Reba Place Day Nursery and Evanston Day Nursery, each lost more than \$15,000 in United Way funding.

These state funding trends, particularly the reduced access to CCAP subsidies and the declining value of the subsidy, led the Child Care Center to fill some of its child care slots with families that could pay full fees. However, according to executive director Lindsay Percival, the center's ability to attract full-tuition families was challenged when, in fall 2012, a nationwide for-profit child care program opened a facility in Evanston with a capacity for 308 children ages six weeks to 6 years old. Northwestern University, a major employer in Evanston, reserved 60 of these slots ("Downtown Childcare Center Holds Open House," 2012). The for-profit center does not provide slots for children with state subsidies for preschool or child care. After the for-profit center opened, the Child Care Center of Evanston reported having about 10 fewer full-pay families.

Infant Welfare Society of Evanston

The Infant Welfare Society of Evanston (IWSE) receives part of the Child Care Network of Evanston's PFA grant, as well as a direct ECBG grant for birth-to-three services. In 2013, its Baby Toddler Nursery, a full-day child care and early education program, had a total capacity of 70. Its preschool classroom enrolled 14 children, including 10 PFA slots. Services for children under age 3 were funded primarily through Early Head Start, as well as by full-pay families and CCAP subsidies.

In 2013, the IWSE's Teen Baby Nursery served 16 children of teen parents who were current or former students at Evanston High School. This program uses funds from a variety of sources, including Head Start, Early Head Start, CCAP, the city of Evanston, and Evanston Township High School District 202. Because these sources do not cover the full cost of the program, the IWSE has raised funds from private donors. In 2013, IWSE's home visiting program, the Family Support Program, was funded through ECBG birth-to-three grants (19 slots), Early Head Start (34 slots), and the Evanston Community Foundation.

As with the other community providers, state budget cuts have affected the IWSE. Between FY 2009 and FY 2013, its ECBG birth-to-three funding was cut by more than \$75,000 (44%), and the number of children served was reduced by half. The IWSE was also affected by a reduction in CCAP subsidies for low-income families, elimination of the CCAP infant add-on, and cancellation of a rate increase for service providers.

The CCAP eligibility changes precluded access to child care subsidies for many families. Cass Wolfe, IWSE executive director, said "Herculean efforts" were often required to get families approved for CCAP. Budget cuts at the Illinois Department of Human Services have resulted in inadequate staffing levels for program eligibility determination. Local Child Care Resource & Referral (CCR&R) agencies are also understaffed. Moreover, CCAP's complex eligibility requirements are often not family-friendly. For example, a family could have a 4-year-old child enrolled in a state-funded preschool program during the entire school year, but they could lose their child care subsidy because of a change in employment status or earnings.

Many of IWSE's funders are on different fiscal years, adding complexity to budgeting. Multiple funding streams require complex cost-allocation plans and attention to spending restrictions by the various funders. In addition, contracts often require preparation of specialized monthly and quarterly financial reports.

Community Collaborations Supporting Early Childhood

Childcare Network of Evanston

The Childcare Network of Evanston has played a key advocacy role on early childhood issues, professional development services for early childhood providers, and parent referral services to early childhood resources in Evanston and surrounding communities. The organization also offers some direct services.

The Childcare Network distributes ECBG funds to five preschool partners: the Child Care Center of Evanston, the Infant Welfare Society of Evanston, Evanston Day Nursery, Reba Place Day Nursery, and Toddler Town Child Care. ECBG supported 80 preschool slots at these five sites in FY 2013, down from 120 slots at 11 sites in FY 2009. The Childcare Network also manages a large Early Head Start grant, providing home visiting and related support services to families in Evanston and several other North Shore communities, as well as distributing federal funds for both center-based and home-based services to four Early Head Start partners. Early Head Start expansion was initially funded by a 2010 federal American Recovery and Reinvestment Act grant. In 2013, the Childcare Network's grant supported nearly 200 early learning slots.

The Community-Wide Scholarship program, administered by the Childcare Network, assists working families who can no longer receive CCAP subsidies because their incomes were slightly above eligibility limits. In 2012,

more than 60 scholarships were awarded with funds from the city of Evanston's Mental Health Board and other sources, which helped offset the loss of CCAP subsidies for families. For instance, where a child was enrolled in both half-day preschool and half-day child care at the same facility, the loss of child care assistance could create logistical issues (e.g., transportation) that prevented the child from staying enrolled in preschool.

The Childcare Network's Learning Together program provides mental health and developmental services to children with special needs in low-income families. The program offers on-site services at seven Evanston early childhood programs, including the Child Care Center of Evanston and District 65 Head Start.

Evanston Community Foundation

The Evanston Community Foundation (ECF) makes grants for a variety of purposes related to early childhood. Between 2004 and 2006, with support from the Grand Victoria Foundation, ECF developed a community impact plan to address achievement gaps between low-income children and their more affluent peers. In 2007, ECF established the "Every Child Ready for Kindergarten, Every Youth Ready for Work" initiative, which seeks to connect early learning with workforce development and economic growth. The Grand Victoria Foundation provided a \$2 million direct grant and a \$2 million matching grant to build an endowment to support this project. The core of the Every Child initiative is ECF's funding for home visiting and other family support programs operated by School District 65, IWSE, and the Child Care Center of Evanston.

The ECF has also made grants in support of outreach to families of at-risk children, scholarships for low-income children, and staff resources necessary to support children with special needs in an inclusive classroom. Another collaborative effort, called ABC Boosters, involves the ECF, Evanston Public Library, and Youth Job Center. ABC Boosters trains six teenagers to each spend 12 hours a week during the summer helping 3- and 4-year olds—some of whom have not attended preschool—improve their literacy skills and increase their love of reading before entering kindergarten ("ABC Boosters Give Young Children Tools to Succeed," 2012).

These grants have helped to expand the early learning supports available in Evanston and to mitigate some negative effects of budget cuts. For instance, when the IWSE and District 65 lost state support for mental health consultants for their home visiting programs, the Evanston Community Foundation provided a small grant to keep the consultants.

Findings

Five key points emerged from analysis of data from interviews and documents: 1) Evanston's diversified early childhood infrastructure appeared to have significant advantages for providers of early childhood services in the community. 2) Budget cuts at the state level negatively impacted provision of early childhood services in Evanston. 3) Delayed ECBG payments created financial strain for Evanston's nonprofit community providers. 4) While the use of multiple funding streams to support early childhood programming enabled programs to provide services, it also presented challenges. 5) Federal funding has been crucial to local efforts to provide early childhood services in Evanston.

Evanston's Diversified Early Childhood Infrastructure

Purposeful community investments have created a robust set of early childhood services in Evanston. Its diversified infrastructure included School District 65, community providers, private funders such as the Evanston Community Foundation, and collaborative efforts such as the Childcare Network of Evanston. All of our interviewees emphasized strengthening the continuum of services from birth through kindergarten and beyond. The engagement of the school district in the years before kindergarten was particularly notable. District 65 formally imbedded early childhood in its management structure by having an assistant superintendent for elementary schools and early childhood education. The district's key role and its relationships with others in the early childhood community were consistent with growing public recognition of the importance of early learning from birth through third grade.

Effects of State Budget Cuts

Deep cuts in ECBG funding between FY2009 and FY2013 has had a negative impact in Evanston. Between FY 2009 and FY2013, the total ECBG allocation for Evanston was reduced by 20%—including 10% for School District 65 and 36% for community providers. The number of ECBG-funded preschool slots dropped from about 360 in FY 2009 to 280 in FY 2013. Not only were there fewer slots, but the average state funding per slot decreased from about \$4,000 to less than \$3,500. The economic downturn also weakened the ability of private funders to reduce the impact of the cuts.

Effects of Delayed ECBG Payments

The state's backlog of unpaid bills during its long-term fiscal crisis has affected early childhood programs in Evanston. For School District 65, the impact of late ECBG payments has been mitigated by the availability of

unrestricted funds from property taxes and General State Aid. However, delayed ECBG payments have put severe financial strain on Evanston's community providers, those relatively small nonprofit organizations with limited resources. While the payment cycle for District 65 steadily improved from FY 2009–2013, processing bills for community providers did not. An unexpected revenue surge in 2013 enabled the state comptroller to process three months of overdue bills for ECBG grantees during April, but the backlog began to accumulate again during FY 2014.³

Challenges of Multiple Funding Streams

In 2006, the Illinois Early Learning Council articulated a vision of a coherent early childhood system that included accessible programs, coordinated services, and blended funding streams (p. 4.). Progress toward these goals has been limited, however. All organizations we studied used multiple funding streams (including government and private sources) to support their array of early childhood services, but services continued to be fragmented. Many Evanston service providers received funding through both ECBG and CCAP. Preschool for All sites screen children for eligibility based on the state Board of Education regulations and guidelines. CCAP enrollment is administered through the Illinois Department of Human Services (DHS), although CCAP eligibility standards are partly determined by federal regulations. Community providers in Evanston reported difficulty in helping parents obtain CCAP subsidies, largely because of understaffing at DHS. Moreover, CCAP eligibility is generally redetermined every six months, whereas PFA eligibility is maintained for an entire school year.

Families that pay full tuition were another important source of revenue for community-based providers. For example, the Child Care Center of Evanston typically received more than \$500,000 in full-fee tuition, or about 28% of its total budget. However, as several of our interviewees mentioned, this source of revenue for nonprofit groups could be eroded by loss of full-pay families to a new for-profit child care facility in Evanston.

Multiple funding streams require significant administrative capacity to secure and oversee. Providers must deal with a variety of restrictions on funding uses, fiscal years that do not align, and a range of reporting requirements. Many funders demand rigorous cost-allocation plans to account for how funds are spent. Small nonprofit providers with limited staff often struggle to meet these myriad funding requirements while trying to maintain quality services for children.

Andrea Densham, executive director of the Childcare Network of Evanston, emphasized that the complex patchwork of resources for early learning programs produces great instability and lack of continuity in services for children and families. Many community-based service providers operate on a very thin financial margin, and even small changes in enrollment can create problems for an organization's budget. In recent years, the Childcare Network has provided two of its preschool partners with emergency loans to meet payroll obligations. These community agencies were facing a "perfect storm" of delayed payments from the state, declining numbers of full-pay families, reduced private giving, and increased family needs.

Importance of Federal Funding

Federal funding is vital to early childhood efforts in many communities, including Evanston. All providers we studied receive either Head Start or Early Head Start funding. School District 65, for instance, received more than \$700,000 in federal Head Start funds in FY 2012, slightly more than it received in state PFA funds. The Child Care Center and Infant Welfare Society also receive significant Early Head Start funding for their birth-to-three programs.

The federal American Recovery and Reinvestment Act enacted in 2009 temporarily increased Head Start and Early Head Start funding, but the 2013 "sequestration" of funds resulted in deep cuts to wide swaths of the federal budget. Nationwide, Head Start and Early Head Start grants were cut by more than 5% in federal FY 2013. Illinois' portion of the federal Head Start cut was estimated to be more than \$14.5 million (Federal Funds Information for States, 2013; Hamm, 2013). In the FY 2014 federal budget, Head Start received an increase of more than \$1 billion. However, this reprieve may not last; sequestration is set to return in FY 2016. If federal supports continue to decline, early childhood services in Evanston and other communities will be further curtailed.

Conclusion

Early childhood education in Illinois is at a crossroads. Until recently, the state was a nationwide leader in expanding access to early learning opportunities. In 2008, Illinois ranked first among states in participation of 3-year-olds in state-funded preschool and 11th in participation among 4-year-olds (Barnett, Epstein, Friedman, Boyd, & Hustedt, 2008). The number of Illinois children served by ECBG-funded preschool programs peaked at more than 95,000 in FY 2009. In FY 2013, this figure dropped below 75,000, eliminating all of the gains since the advent of Preschool for All in 2006. The cumulative impact of funding cuts over four years was enrollment declines of more than 50,000 children statewide.

A comprehensive research review has highlighted the short-term and long-term benefits of early childhood education (Barnett, 2013). For instance, Nobel laureate James Heckman, professor of economics at the

University of Chicago, has emphasized that investing in early childhood development is the most cost-effective strategy for enhancing children's cognitive and social-emotional skills, reducing social costs, and promoting economic growth (Heckman, 2013). And economist Timothy Bartik asserts that early childhood investments can yield substantial economic development benefits for both states and local communities (Bartik, 2011). The recent erosion of the state's investments in early learning could have negative effects on future state budgets and the state's economy, according to an analysis of state-funded preschool in Illinois (Chase, Diaz, & Valrose, 2011).

Though Illinois has significantly reduced its investments in early childhood, significant expansions have been proposed at the federal level. In his 2013 State of the Union Address, President Obama proposed a major expansion of federal investments in early childhood education. In November 2013, the "Strong Start for America's Children Act," a 10-year initiative that would include federal formula grants for preschool for 4-year-old children from low-income families, was introduced in both the House and Senate. States would be able to reserve up to 15% of their allocations to serve infants and toddlers. While the future of these efforts is uncertain, a substantial increase in federal investments in early childhood education would undoubtedly help communities such as Evanston increase children's access to early learning opportunities. Renewed state-level investments in early childhood education through both ECBG and CCAP also would help to sustain local Illinois programs.

This case study focuses on early childhood resources in one community, highlighting key elements of its community infrastructure and significant challenges to providing services for young children. This research can serve as a template and basis of comparison for studies of early childhood funding in other communities. Additional community-level research could promote sharing of successful strategies for leveraging and managing early childhood resources. Building a community-focused knowledge base, along with statewide analysis of early childhood program and budget data, would help support both community-level and statewide advocacy for restoring and expanding public investments in early learning in Illinois.

This study can also serve as a clarion call for renewed attention on the effects of state and federal funding cuts on early childhood education as well as the challenges faced by providers who must navigate an increasingly complex patchwork of resources and funding streams. Evanston is a distinctive community, with a median family income 60% higher than the statewide median, a financially stable school district that has the flexibility to maintain many services, an active community foundation, and various collaborative initiatives to support early childhood programs. Yet amid all this, we still found significant challenges for Evanston's service providers. If a community such as Evanston is struggling, the challenges must be even greater for communities with far fewer resources and larger concentrations of at-risk children.

Acknowledgements

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Notes

1. U.S. Census Bureau, American Community Survey, 2011.
2. Data from Illinois State Board of Education.
3. This surge of revenue, a nationwide phenomenon, is believed to have resulted from people taking capital gains ahead of anticipated federal income tax increases, some of which were enacted by Congress at the beginning of 2013. The selling of taxable assets at the end of 2012 caused both federal and state revenue to increase.

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Appendix 1

Profile of Evanston, 2011

	Evanston	Statewide
Median family income	\$108,902	\$67,892
Median home value	\$361,500	\$191,100
Children below poverty level	12%	20%
Children below 200% of poverty level	23%	41%
Child population (Census 2010)		
White	51%	53%
Black	23%	17%
Latino	15%	23%
Asian	4%	4%
Other	7%	3%
Educational attainment (25 years and over)		
High school graduate	11%	27%
Bachelor's degree	29%	19%
Graduate or professional degree	36%	12%
Language spoken at home (5 years and over)		
English only	79%	78%
Spanish	9%	13%
Other languages	12%	9%
Household living arrangements for children		
Living with parents	92%	89%
Married couple	73%	63%
Single mother	15%	21%
Single father	4%	5%
Living with other relatives or nonrelatives	8%	11%

Source: American Community Survey, 2011 (three-year pooled data)

Appendix 2

ECBG Grantees in Evanston

	Preschool programs			Birth-to-three programs	
	Evanston School District	Childcare Network of Evanston	Puerta Abierta Preschool	Evanston School District	Infant Welfare Society of Evanston
ECBG funding (in thousands)					
FY 2008	\$746.6	\$373.6	\$124.8	\$472.5	\$165.7
FY 2009	\$759.1	\$378.7	\$127.3	\$477.8	\$169.0
FY 2010	\$683.2	\$344.8	\$114.6	\$430.0	\$152.1
FY 2011	\$683.2	\$330.0	\$114.6	\$454.7	\$111.0

FY 2012	\$695.5	\$240.0	\$120.0	\$500.0	\$101.7
FY 2013	\$639.8	\$220.7	\$110.4	\$459.8	\$93.5
FY 2012 enrollment	157	109	41	91	17
Enrollees meeting at-risk criteria	157	109	41	91	17
Enrollees meeting PFA income criteria	76	102	27	NA	NA
Home languages					
English	64	101	19	NA	NA
Spanish	62	5	19	NA	NA
Other	31	3	3	NA	NA
Race/ethnicity					
Black	36	67	2	44	11
Latino	71	16	10	40	0
White	27	10	15	5	2
Asian	17	3	0	1	0
Multiracial	5	13	14	1	4
Other	1	0	0	0	4

Source: Illinois State Board of Education



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