

Worksheet: Federal Funding and Other Funding Sources for Early Childhood

This tool was prepared for the Early Learning Challenge (ELC) States that attended the Peer Learning Exchange, *Financing and Sustaining Quality Programs and Systems*, in October 2017. This Peer Learning Exchange was a collaborative effort by ELC TA, CEELO, and PDG TA.

The tool includes the following sections:

- A. Information about [Federal funding sources](#) for early childhood;
- B. Additional information about [non-Federal funding sources](#) for early childhood;
- C. A [team worksheet](#) for decision making about follow up activities, and
- D. A list of selected [resources](#) to help with the completion of the worksheet.

One suggested strategy for using this tool is to have individuals fill it out Parts A and B prior to a team planning meeting. During the meeting, the team can use the results from individuals to create one sheet representing the flow of the funds in the State and the key contact person for each program in the State. Part C is a follow-up activity to prioritize areas of interest and determine next steps.

Date Click or tap to enter a date.

State Click or tap here to enter text.

Individual Click or tap here to enter text.

State Team Members Present Click or tap here to enter text.

A. Federal Funding Sources for Early Childhood

Federal Funding Sources for Early Childhood Education*					
Federal Program	Overview	Federal Administrator	Flow of Federal Funds in the State	Key contact person for Program in State	Explore Further? Y/N
<p>Example:</p> <p>Child Care and Development Block Grant (CCDBG), also referred to as the Child Care Development Fund (CCDF)</p>	<p>Example:</p> <p>It is the primary source of Federal funding for child care subsidies for low-income working families. It also provides funds to improve child care quality.</p>	<p>Example:</p> <p>U.S. Department of Health and Human Services, Office of Child Care</p>	<p>Example:</p> <p>Name of State Department or Agency that administers these funds in your State.</p>	<p>Example:</p> <p>Person in the State Agency or Department that you would need to work with in your State. Note: This may or may not be the lead of the agency or Department.</p>	
<p>Child Care and Development Block Grant (CCDBG), also referred to as the Child Care Development Fund (CCDF)</p>	<p>It is the primary source of Federal funding for child care subsidies for low-income working families. It also provides funds to improve child care quality.</p>	<p>U.S. Department of Health and Human Services, Office of Child Care</p>			

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Federal Program	Overview	Federal Administrator	Flow of Federal Funds in the State	Key contact person for Program in State	Explore Further? Y/N
Head Start/ Early Head Start	Head Start is a federally funded preschool program that provides comprehensive services to support the social, emotional, physical, and cognitive development of 3- and 4-year-old children. Early Head Start serves infants and toddlers.	U.S. Department of Health and Human Services, Office of Head Start	Note: Federal funds go directly to local Head Start grantees.		
Temporary Assistance for Needy Families (TANF)	TANF is designed to help low-income families achieve self-sufficiency. States receive block grants to design and operate programs that focus on parental employment and child and family well-being.	U.S. Department of Health and Human Services, Office of Family Assistance			
Maternal Infant, and Early Childhood Home Visiting Program (MIECHV)	MIECHV supports pregnant women and families and helps at-risk parents of children from birth to kindergarten entry access to resources and develops the skills needed to raise physically, socially, and emotionally healthy children.	U.S. Department of Health and Human Services, Health Resources and Services Administration, Maternal and Child Health Bureau			

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<p>Social Services Block Grant (SSBG) also known as Title XX</p>	<p>Through the SSBG States provide essential social services that help achieve a myriad of goals to reduce dependency and promote self-sufficiency; protect children and adults from neglect, abuse and exploitation; and help individuals who are unable to take care of themselves to stay in their homes or to find the best institutional arrangements.</p>	<p>U.S. Department of Health and Human Services, Office of Community Services</p>			
<p>Title IV-B and Title IV-E of the Social Security Act</p>	<p>Both Titles IV-B and IV-E of the Social Security Act (SSA) provide major components of what we know as child welfare. Title IV-B addresses the provision of child welfare services that can be used for prevention of and response to child abuse and neglect. It does so by funding services and programs which:</p> <p>Protect and promote the welfare of all children</p> <ul style="list-style-type: none"> • Prevent the neglect, abuse, or exploitation of children • Support at-risk families through services which allow children, where appropriate, to remain 	<p>U.S. Department of Health and Human Services, Children’s Bureau</p>			

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	<p>with their families or return to their families in a timely manner</p> <ul style="list-style-type: none"> Promote the national goals of safety, permanence and well-being of children in foster care and adoptive families Provide training, professional development and support to ensure a well-qualified workforce Promote and support adoption <p>Additionally, the legislation sets aside other funds for evaluation, research, training and technical assistance projects, and court improvement programs. The Child and Family Services Improvement and Innovation Act (P.L.112-34), enacted September 30, 2011, reauthorized or amended programs funded under title IV-B and added provisions that address the impact of emotional trauma from child maltreatment.</p>				
Medicaid	Medicaid provides health coverage to low-income people. In addition, Medicaid rules offer possibilities for	U.S. Department of Health and Human Services,			

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	supporting home visiting and early screening efforts for children and families.	Center for Medicaid and CHIP Services			
The State Child Health Insurance Program (SCHIP)	CHIP provides Federal matching funds to States to provide health coverage to children in families with incomes too high to qualify for Medicaid, but who cannot afford private coverage. States have broad flexibility to design programs that meet their needs, including setting eligibility criteria regarding age, income, residency and duration of coverage. In addition to providing health insurance, States can also fund home visiting as a special category of SCHIP preventive services.	U.S. Department of Health and Human Services, Center for Medicaid and CHIP Services			
Preschool Development Grants	Preschool Development Grants are competitively awarded to support States to build or enhance preschool program infrastructure to enable the delivery of high-quality preschool services to children.	U.S. Department of Health and Human Services, Administration for Children and Families in coordination with the Department of Education, Office of Early Learning			

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IDEA Section 619 Preschool Funding (Special Education Preschool)	IDEA Section 619 awards formula grants to States, the District of Columbia and Puerto Rico to make available special education and related services for children with disabilities aged 3 through 5.	U.S. Department of Education, Office of Special Education Programs			
IDEA Part C —Grants for Infants and Toddlers (Special Education Early Intervention Services)	IDEA Part C awards formula grants to assist States and Territories in implementing statewide systems of coordinated, comprehensive, multidisciplinary, interagency early intervention programs and making early intervention services available to children with disabilities, age birth through age 2.	U.S. Department of Education, Office of Special Education Programs			
Transformation Zones	Promise Neighborhood grants are awarded competitively to provide funds to non-profit, community-based organizations to support development of comprehensive neighborhood programs, modeled after the Harlem Children’s Zone, designed to combat the effects of poverty and improve education and life outcomes for children, birth through college.	U.S. Department of Education, Office of Innovation and Improvement			

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Child and Adult Care Food Program (CACFP)	CACFP provides aid to child care institutions and family or group day care homes for the provision of nutritious foods that contribute to the wellness, healthy growth, and development of young children.	U.S. Department of Agriculture, Food and Nutrition Service			
Supplemental Nutrition Assistance Program (SNAP)	SNAP offers nutrition assistance to eligible, low-income individuals and families and provides economic benefits to communities.	U.S. Department of Agriculture, Food and Nutrition Service			
The Special Supplemental Nutrition Program for Women, Infants and Children (WIC)	WIC supports the health of low-income pregnant, post -partum and breast-feeding women; and infants and children up to age 5 who are at nutritional risk. It provides nutritious foods to supplement diets, information on healthy eating, and referrals to health care.	U.S. Department of Agriculture, Food and Nutrition Service			

*Adapted from North Carolina Early Childhood Foundation. [Section 2: Federal and State Funding Streams](#). Table 2.1. 2017 and from Louise Stoney. [Financing Early Care and Education: A Primer for County Leaders](#). 2003.

B. Additional Funding Sources for Early Childhood

Additional Sources of Funding Sources for Early Childhood Education					
Strategy	Overview	Administrator	Flow of Funds Within Your State/ Locality	Key Contact person for These Funds in Your State.	Explore Further Y/N
Dependent Care Assistance Plans (DCAP).	DCAP, also referred to as a dependent care flexible spending account (FSA), is a Federal individual tax benefit. It is an employee benefit plan that helps employees pay for the care of a qualifying dependent. The IRS limits the amount a DCAP can provide to \$5,000 tax free.	Internal Revenue Service (IRS) DCAP			
Child and Dependent Care Tax Credit (DCTC)	DCTC is a Federal individual tax benefit. It is an amount of money a taxpayer is able to subtract from taxes owed to the government if the taxpayer paid someone to care for their child, spouse, or dependent during the tax year.	Internal Revenue Service (IRS) DCTC			
State Tax Credit for families using high-quality child care (e.g., Louisiana)	Tax credits are direct dollar-for-dollar reductions in the tax liabilities owed by taxpayers who have used qualified high-quality early care and education for their dependent .	See Tax Credits for Early Care and Education: Funding Strategy in a New Economy.			

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State Tax Credit for individuals and businesses	State tax credits are deduction in tax liabilities to individual or companies donating to early education.	See Tax Credits for Early Care and Education: Funding Strategy in a New Economy.			
State and Local Tax Incentive to support State or local driven early childhood initiatives (e.g., Boston; Chicago; Dayton; Denver; Fresno, CA; Holyoke, MA; Indianapolis; Lowell, MA; New York City; Oakland, CA; Philadelphia; San Antonio; Seattle; San Francisco; Springfield, IL; Washington, DC).	Taxes specifically to provide early childhood education programs. In some cities, this began as a tax on a single item; in others, public support, indicated through referenda, have allowed significant development to occur quickly. In many cities, there is some combination of funding and other support from private and philanthropic entities as well.	See How Are Cities Paying for UPD? .			
Local Tax Incentive Local Tax Levy (E.g., Children’s Services Councils in 10 Counties in Florida)	The creation of a local Children’s Services Council begins with the vision and commitment of citizens of a county. It is through the efforts of local citizens that the creation of a Children’s Services Council is	See Florida Children’s Council A Children’s Services Council is a local government body that oversees			

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	written on a ballot for all county citizens to cast their vote. Once approved by voters, a Children’s Services Council is officially created by a county commission through a local ordinance.	funding for programs and services that improve the lives of children and their families. Chapter 125 of Florida Statutes (passed in 1986) governs the creation and operation of a Children’s Services Council, commonly referred to as a CSC. Florida is the only State in the nation that empowers communities to create a local government with the sole purpose of investing in the well being of families.			
School Funding Formula and Pre-K	School funding formulas establish the basic amount of public funds to be allocated to each district and	See 50-State Review: State Pre-K Funding 2016-17			

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.	designate the State and local share of total revenue. School funding formulas for Pre-K are a strategy to ensure State education dollars are being distributed fairly to ensure that students in poor districts have the same educational opportunities as their peers in wealthier communities.	Fiscal Year: Trends and Opportunities			
Social Impact Bonds (SIBS) or Pay for Success	Private funders such as foundations, banks, and businesses provide upfront capital to a high-performing social service provider that is helping a specific at-risk target population. Government repays private funder’s initial investments only if project is successful in achieving positive outcomes. Private-sector capital and insights allow government to identify what works before deploying tax dollars on an intervention.	See Pay for Success			

*Adapted from North Carolina Early Childhood Foundation. [Section 2: Federal and State Funding Streams](#). Table 2.1. 2017 and from Louise Stoney. [Financing Early Care and Education: A Primer for County Leaders](#). 2003.

C. Team Worksheet for Early Childhood Funding Streams

Identify the Top Funding Sources Your Team Would Like to Explore Further	What Questions or Issues Do You Need to Consider?	Who Do You Need to Contact to Find Out More?	What Are Your Next Steps?
1.			
2.			
3.			
4.			
5.			

Resources

- Blank, Susan and Louise Stoney. [Tax Credits for Early Care and Education: Funding Strategy in a New Economy](#). 2011
- Center on Enhancing Early Learning Outcomes (CEELO). [Directory of State Early Learning Contacts](#). Updated June 2017.
- Child Care Aware of America. [Checking In: A Snapshot of the Child Care Landscape: Child Care Aware of America's Annual State Fact](#). 2017.
- Early Childhood Action Collective. [How Are Cities Paying for UPD?](#). 2016.
- Early Learning Challenge Technical Assistance. [Financing Quality Programs and Systems](#). 2017.
- Education Commission of the States. [50-State Review: State Pre-K Funding 2016-17 Fiscal Year: Trends and Opportunities](#). 2017.
- [Florida Children's Council](#). [Website].
- National Association of Counties. [Financing Early Care and Education: A Primer for County Leaders](#). 2003.
- National Institute for Early Education Research (NIEER). [Key Facts About the Early Care and Education Funding Landscape](#). [PowerPoint]. 2017.
- North Carolina Early Childhood Foundation. [Local Funding for Early Learning: A North Carolina Community Toolkit](#). [Webpage].
- U.S. Department of Education Office of Planning, Evaluation and Policy Development, U.S. Department of Education. [Pay for Success Feasibility Tool Kit](#). 2017.

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