

# HEAD START & EARLY HEAD START

## Background

Head Start and Early Head Start take a comprehensive approach to meeting the needs of young children in the nation's most economically disadvantaged families. There are four major components: (1) education; (2) health; (3) parent involvement; and (4) social services. Head Start is a family-child program, supporting families in their children's development and in their own stability and success. Federal resources account for no more than 80 percent of a program and the remainder comes from other resources. Grants are made from the federal Head Start Bureau to local agencies. Current federal appropriations levels allow only 3 in 5 eligible preschool age children to enroll in Head Start; roughly 3% of eligible infants and toddlers are enrolled in Early Head Start.<sup>1</sup> Programs are required to meet the Head Start Program Performance Standards and are guided in curricula and classroom assessments by the Head Start Child Outcomes Framework. In the 1998 reauthorization, Congress required 50 percent or more of Head Start teachers to have a bachelor's degree by September 2003, which was accomplished. Head Start programs undergo reviews of performance and compliance every three years. For the past eight years, Head Start received minimal or no funding increases in the annual appropriation bills.

### **Reauthorization of Head Start Enacted December (enacted 2007) with significant new provisions – highlights below:**

#### NRS and Other High Stakes Assessment

Suspends the implementation and terminates further development and use of the flawed National Reporting System test. The bill also requires the Secretary of Health and Human Services to incorporate the results of a study on developmental outcomes and assessments for young children currently underway by the National Academy of Sciences into assessments and standards used by Head Start programs. It also states that assessments cannot be used for high stakes decisions for children and teachers, or as the sole basis for program evaluation and funding decisions.

#### Early Head Start

Increases Early Head Start in two ways: (1) Head Start agencies can apply to serve additional infants and toddlers if a community assessment demonstrates that eligible Head Start (preschool-age) children are being and will be served, and if the agency can show that it can meet the Early Head Start requirements and standards; and (2) allocates nearly half of all new expansion funds to Early Head Start. Has a "hold harmless" on current funding level if there are no new expansion dollars. Twenty percent of all training dollars are allocated to Early Head Start grants,

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<sup>1</sup> Under the American Recovery & Reinvestment Act (stimulus) enacted February 2009, there is \$1.1 million for Early Head Start and \$1 million for Head Start (which includes the quality dollars) over a 2-year period. The ARRA funds are not part of the "base" funding level.

including state based training and technical assistance system with at least one full-time specialist in infant and toddler development in each state.

#### Conversion to Early Head Start slots

Allows a Head Start grantee that currently operates either a Head Start program alone or a Head Start and an Early Head Start program to propose using a portion of the funds currently used for preschool-age Head Start children instead to serve infant and toddler age children, so long as they meet the Early Head Start requirements and standards.

#### Teacher and other Staff Qualifications

Requires that --

- By September 30, 2010 all teachers providing direct services to children and families participating in Early Head Start center-based programs have a minimum of a Child Development Associate credential, and have been trained (or have equivalent coursework) in early childhood development and all such teachers by September 30, 2012 have been trained (or have equivalent coursework) in early childhood development with a focus on infant and toddler development.
- By 2012 *every* Head Start teacher have an Associate's degree;
- By September 30, 2013, has a goal that 50 percent of center-based teachers in nationally have a Bachelor's degree in early childhood education (or a related area), all education coordinators have a Bachelor's degree; that all teacher assistants have a Child Development Associate credential.
- Each Head Start teacher will be required to attend at least 15 clock hours of professional development per year and each will have a professional development plan.

As of October 1, 2011, Secretary may grant a 3-year waiver of the requirements of paragraph (3)(B) for a Head Start agency that can demonstrate that it unsuccessfully attempted to recruit individuals meeting the qualifications and each Head Start classroom teachers has a CDA credential or state-awarded certificate for preschool teachers that meets or exceeds the CDA credential.

#### Coordination and Collaboration

Each state continues to have a Director of Head Start Collaboration that provides assistance to Head Start programs. Also, the bill requires each governor to establish a State Advisory Council on Early Childhood Education and Care (or designate an existing similar entity to serve as the council) of the various agencies and stakeholders in early childhood education, birth to school, including child care and Head Start representatives, with the purpose of coordinating programs and services, providing a more cohesive workforce system that includes higher education articulation agreements, creating a unified data system, and reviewing early learning and elementary grade standards for alignment.

#### Performance Standards

Secretary may review and revise as appropriate, in consultation with experts, the Performance Standards. Maintains all domains of the Performance Standards. Secretary will use the

recommendations of the National Academy of Sciences panel on Developmental Outcomes and Assessments in providing guidance for measures. The Office of Head Start anticipates making a revision of the standards available for public comment in spring 2010.

#### Transition and Alignment with Local Schools

Head Start grantees will enter into Memorandum of Understanding with the agency in its community that administers the state prekindergarten program (if one exists). Head Start grantees will work with schools to enhance the transition of children and families and to shared communication and strategies around curriculum objectives and teaching practices.

#### Governance and Accountability

Increases the responsibilities of the board of directors particularly on fiscal and fiduciary matters and maintains the parent policy councils. Each agency must conduct a comprehensive self-assessment of its effectiveness and progress in meeting program goals. Grantees will make annual reports on the program available to the public.

#### Income Eligibility

Grantees may serve up to 35% of their enrollment with children whose family income is between 100-130% of poverty. To do so, grantee must show how it has met the needs of low-income children and annually report to the Secretary.

# CHILD CARE & DEVELOPMENT BLOCK GRANT (CCDBG/CCDF)

## Background

The Child Care & Development Block Grant (known in Washington, DC as CCDBG but in your states as CCDF for Child Care and Development Fund) provides funds for child care assistance and child care quality for low-income working families with children ages birth to thirteen years old. Current funding levels allow only 1 in 7 eligible children to receive child care assistance.

Since 1996, CCDBG is related to the TANF (Temporary Assistance to Needy Families or welfare) block grant reauthorization for purposes of the mandatory funds. The elements of the federal law are authorized in separate committees from the committees that determine the mandatory funding levels.

States may use TANF money directly on child care or may transfer up to one-third of their TANF grant to CCDBG.

CCDBG grants to states are intended to provide child care assistance for children from birth through age 13 from low-income working families and for TANF working families. Under CCDBG, each state must use at least 4% of its grant for quality efforts, such as T.E.A.C.H., professional development, resource and referral agencies, and licensing activities. The federal law allows states wide latitude in determining eligibility for assistance, reimbursement rates, quality support, and family copayments.

At the federal level, CCDBG is funded by a combination of two funding streams:

- 1) **Mandatory** (guaranteed) funding – decided at the time of the reauthorization of CCDBG, it sets the guaranteed amount of funds for each of the next five years.
- 2) **Discretionary** funding – decided each year, this is optional and CCDBG competes for money against other discretionary funded programs, such as Head Start, K-12 education, health research, and job training.

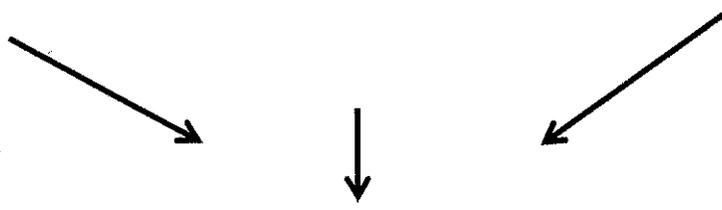
The state receives the combination of the mandatory funding and the discretionary funding.

### **Mandatory (guaranteed)**

For each of 5 years decided at  
time of reauthorization

### **Discretionary (annual decision)**

Decided each year in appropriations



Grant state receives

Funding increases for CCDBG have been minimal on the mandatory side, with an increase of \$1 billion in mandatory spread over 5 years in 2006, and no increase in the discretionary funding since fiscal year 2002. The American Recovery & Reinvestment Act (stimulus) provided an additional \$2 billion in discretionary funding for CCDBG to be spent by states over a two-year period.

As a result of no additional federal funding over several years, several states have made changes to their child care policies such as lowering eligibility, raising co-pays, freezing rates, or making other reductions to quality initiatives.

### **CCDBG Reauthorization**

The CCDBG law has not been reauthorized (amended) since 1996. A coalition of state and national advocates have met over the past three years to design together an ambitious agenda for a significant revision of the law. Together, these organizations are working on a set of priorities for agenda to put before Congress for a reauthorization in 2010. A steering committee meets regularly to discuss strategies and content for a reauthorization. These organizations are NAEYC, NACCRRA, National Women's Law Center, Center for Law & Social Policy, National Council of La Raza, Zero to Three, SEIU, AFSCME, Early Care & Education Consortium.

To read the agenda, please go to [www.nwlc.org/pdf/ChildCareAgenda.pdf](http://www.nwlc.org/pdf/ChildCareAgenda.pdf) for the full version and to [www.nwlc.org/pdf/ChildCareAgendaSummary.pdf](http://www.nwlc.org/pdf/ChildCareAgendaSummary.pdf) for the summary version.

## Early Learning Challenge Fund

### Background

The Early Learning Challenge Fund is the name of the legislation that represents the President's call for a Zero to Five Plan to improve the quality of early childhood development and learning across all sectors of the field. The U.S. House of Representatives has passed its version of the bill. The Senate has not yet introduced its bill (as of January 20, 2010)

The Early Learning Challenge Fund is a separate title in a much larger bill, the Student Aid and Fiscal Responsibility Act (SAFRA) that would change the higher education student loan system. The changes would lead to federal savings, of which \$8 billion in mandatory funds in the House bill would be directed to an Early Learning Challenge Fund to be spent over 8 years. Without this link the Early Learning Challenge Fund would have to be funded through annual discretionary appropriations.

The Fund would establish two types of competitive grants to states: Quality Pathways Grants and Development Grants. The Secretary of Education and the Secretary of Health and Human Services will jointly administer the program.

*Quality Pathways Grants* would be available to states that already have made significant progress toward establishing systems for improving the quality of early learning settings. These grants would be awarded for five years and would be renewable. In the first year, up to 65 percent of the Fund would be used for these grants. This percentage increases to 85 percent by the fourth year. States designated the lead state agency but also must coordinate this grant with the state early childhood advisory council plans for statewide quality improvement and data.

*Development Grants* would be available to states with some elements of an early learning system to support planning efforts. These grants would be awarded for three years and would not be renewable, with the expectation that after three years, developing states would have made enough progress to apply for Quality Pathways Grants.

**To compete for a grant, States must submit an application that would address these system improvements, including:**

- Goals and benchmarks for increasing the number or percentage of disadvantaged children in high-quality settings in each age group.
- Early learning standards that address children's cognitive, social-emotional, and physical development and that are applied in early learning settings.
- A program rating system that builds on licensing with progressively higher levels of program quality, includes financial incentives and other supports to help programs meet and sustain higher levels of quality, professional development, increased public awareness of quality programs, and how states will encourage programs across all

settings (child care, Head Start, Title I, special education) to participate in the program rating system, along with other monitoring or review to improve program and instructional practices.

- A process for integrating instructional and programmatic practices that include developmentally appropriate, ongoing classroom based assessments in all domains to guide practice and professional development, aligned with curricula used in the program and aligned with the state early learning guidelines or Head Start Child Outcomes Framework as applicable.
- Minimum pre-service education and training requirements for providers.
- A professional development system for the early learning workforce that includes professional preparation, ongoing development, and improved compensation tied to a credential or degree.
- Parent outreach.
- Coordination with health, mental health, disability, and family support services.
- A process for evaluating children's school readiness across developmental domains that is used to guide practice and improve programs.
- Data systems to track the quality of early learning programs.

**States would use the funds for two or more of the following quality improvements:**

- Improving the credentials and compensation of the early childhood workforce.
- Helping programs meet higher quality standards.
- Implementing classroom observation assessments tied to improvements in instructional practices.
- Making financial incentives available to programs for quality improvements.
- Providing information to communities and families about program quality and encouraging family engagement.
- Supporting screenings and referrals for health, mental health, family support, and other services.
- Developing and implementing data systems.

In addition, funds would be used to implement or enhance a state data system, the state's oversight system (including the program rating system) and developing measures of school readiness reflecting all domains that inform the quality improvement process.

Starting in the second grant year, if the state can show sufficient progress, the state may request to use up to 25 percent of the state's grant to increase the number of disadvantaged children with access to high-quality programs that provide full-day services.

States would be expected to maintain their current funding levels to child care, Head Start, prekindergarten, and other early learning programs.

In addition, the Secretary will set aside funds to be used for research and evaluation between the U.S. Department of Education and the U.S. Department of Health and Human Services.

## Elementary & Secondary Education Act/NCLB

### Background

The Elementary & Secondary Education Act (ESEA) was enacted in 1965 as federal assistance to states to close the achievement gap for low-income children. Every five years, ESEA is reauthorized with new programs and changes to the existing law. Today, more than 90 percent of the nation's school districts receive ESEA funding.

The standards-based focus for Title I and other parts of ESEA began with the 1994 reauthorization, a year after Congress passed Goals 2000 to provide states with grants to develop academic content standards and assessments for all children. The 1994 ESEA reauthorization required states to develop standards at least in math and language arts; to develop performance standards for partially proficient, proficient, and advanced levels in those content areas; to develop and use assessments aligned with the content and performance standards at grades 3-5, 6-9, and 10-12; and to use the same standards and assessments for Title I students.

The most recent reauthorization was enacted in 2002, and has been known as No Child Left Behind (NCLB). The NCLB is the most prescriptive reauthorization to date.

NAEYC's Call to Action includes several areas for attention in the ESEA reauthorization for children birth through third grade.

[www.naeyc.org/files/naeyc/file/policy/federal/Calltoaction111th.pdf](http://www.naeyc.org/files/naeyc/file/policy/federal/Calltoaction111th.pdf)

With the Race to the Top grants under ARRA, we anticipate seeing a replication of the reform focus of Race to the Top in the Administration's request for changes to the ESEA. Those reform areas are:

- Adopting standards and assessments that prepare students to succeed in college and the workplace and to compete in the global economy;
- Building data systems that measure student growth and success, and inform teachers and principals about how they can improve instruction;
- Recruiting, developing, rewarding, and retaining effective teachers and principals, especially where they are needed most; and
- Turning around our lowest-achieving schools.

In addition, in a speech Secretary Duncan said that he also urges these reforms:

- Ensure that students—especially disadvantaged students—are taught by an effective teacher and that all policies related to the teaching profession promote effective teaching;
- Offer high-quality alternative certification routes to becoming teachers for military veterans and career changers;
- Give districts the ability to increase learning time by extending the school day or school year; and

- Expand the number of charter schools and increase accountability so bad charter schools are shut down.

## Title I

More than 50,000 public schools across the country use Title I funds to provide additional academic support and learning opportunities to help low-achieving children meet state standards in core academic subjects. Title I is the largest federal program for elementary and secondary education, and since its inception in 1965, can be used at local school district's discretion for serving children from birth. Title I funds may also be used for joint professional development between school staff and community-based early childhood education providers, for comprehensive services, or for a program that meets the Head Start program performance standards. Roughly 300,000 children receive Title I funded preschool, sometimes in conjunction with Head Start or other preschool programs to create a full day program.

Title I grants flow to states by a formula, and within states, most of the funds go to school districts with high numbers or high percentages of poor children to help ensure that all children meet state academic standards. School districts target the Title I funds they receive to schools with the highest percentages of children from low-income families. Unless a participating school is operating a schoolwide program, the school must focus Title I services on children who are failing, or most at risk of failing, to meet state academic standards. Schools in which poor children make up at least 40 percent of enrollment are eligible to use Title I funds for schoolwide programs that serve all children in the school.

Title I requires states to set rigorous content standards for all children and to assess children, with the use of accountability assessment – known as Adequate Yearly Progress (AYP) – for grades three through eight. This information is disaggregated to ensure that the equity goals of Title I in supporting every child's learning can be determined and then met.

Title I also has requirements for teachers. NCLB uses the term “highly qualified” teachers which means that teachers must have a bachelors' degree, be fully certified, and demonstrate their knowledge and skills in the subjects they are teaching by having sufficient academic coursework in their field or by passing a state test. Under Race to the Top, states are required to recruit, reward and develop “effective” and “highly effective teachers” which is a different definition than “highly qualified.” Highly effective teachers are determined by multiple factors, with the most significant factor being student achievement growth.

## Literacy

There are four programs focusing on literacy in ESEA/NCLB: Even Start family literacy, Early Reading First, Reading First, and Libraries. Early Reading First grants to local partnerships focus on professional development and materials to further literacy development in young children, primarily those from low-income families. Even Start grants integrate adult literacy and early childhood literacy (birth through age 7). Reading First, replacing the Reading Excellence Act, provides grants to states who subgrant funds to school districts to support literacy instruction and assessment for children in grades kindergarten through third grade. The program has been controversial due to the U.S. Department of Education's

interpretation of “scientifically based” reading programs that it will allow states and districts to use with these grants.

Due to some concerns with the administration of Reading First at the federal and state levels, Congress has reduced funding for the program. For the current fiscal year, Congress is seeking a comprehensive literacy bill – the LEARN Act – for birth through high school literacy instruction and teacher professional development that would replace Early Reading First and Reading First, but would assure that a percentage of funds are spent for literacy activities with children birth to kindergarten and the early grades.

### Title II Professional Development

Title II of ESEA provides grants to states for professional development and recruitment of teachers and principals, reforming licensure, and class size reduction.

### Title III English Language Learners

NCLB consolidated the bilingual and immigrant education programs into a state formula program. The focus is helping English language learners meet the state standards and to improving their English proficiency.

### Afterschool Programs

The 21<sup>st</sup> Century Community Learning Centers program funds before and after-school and summer school programs for academic enrichment, particularly for students in low performing schools, to help them meet state and local standards. School districts and community-based organizations may receive subgrants from the state.

## FEDERAL FUNDING PROCESS AND TERMS

### Background

The federal budget demonstrates the federal investment priorities. By law, every February the President presents his requested budget by mandatory, discretionary and tax expenditures. In March, the House and Senate debate their Budget Resolutions and negotiate a final resolution. Although the resolution does not go to the President for signature, it has significant repercussions because it sets the parameters for spending and tax bills.

There are 3 kinds of federal expenditures: (1) discretionary; (2) mandatory and entitlement; and (3) tax.

**Discretionary spending** includes human services such as child care and education, and also homeland security, military, agriculture, transportation, veterans, environmental protection, etc. This spending is determined each year by Congressional appropriations committees on a program-by-program basis. Examples of discretionary programs are Title I, Reading First, part of the funding for the Child Care & Development Block Grant, Head Start, as well as other human services, environment, transportation, many nutrition, defense and homeland security, and other programs.

**Mandatory spending** is guaranteed spending or entitlement spending. Examples include Medicaid, Unemployment Insurance, and a portion of the Child Care & Development Block Grant.

**Tax expenditures** include credits (such as the child tax credit) and deductions (such as home mortgage deduction) because they are targeted only to those taxpayers who are eligible and not to everyone, and when used by taxpayers, reduce federal revenues that would otherwise have been collected. <sup>1</sup>

The federal fiscal year runs from October 1 through September 30. (We are currently in fiscal year 2010, which began October 1, 2009.) If the President does not sign an appropriations bill by midnight September 30, Congress passes a Continuing Resolution that keeps current spending levels going to states and localities and other recipients until the President signs the bill (which may contain increases, freezes or cuts compared to the previous fiscal year).

### The Budget Process

The budget process starts in February with the submission of the President's budget. According to the Budget Act, this submission is due by the first Monday in February.

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<sup>1</sup> The policy is widely accepted that tax expenditures are a form of spending and analogous to discretionary or mandatory for those who meet statutory criteria. Every year, the U.S. Treasury publishes a tax expenditure budget as required by law. The net effect on the Treasury is the same. See Stanley Surrey (former Asst. Secretary of Tax Policy), Pathways to Tax Reform: The Concept of Tax Expenditures (1973). There is also case law that tax deductions, exclusions and credits are treated as expenditures.

The President's budget is not binding; it is considered simply the Administration's proposal and request. But the submission is a serious blueprint for where the Administration would like to spend or reduce funding, and raise or reduce federal revenues.

After the President's budget is submitted, the House and Senate Budget Committees begin developing their own versions of a *budget resolution*. Basically, the budget resolution sorts out Federal spending according to 20 budget *functions*, which are simply categories of spending. Then the House and Senate adopt their respective budget resolutions by early April. The leading members of the House and Senate Budget Committees develop a single *conference report* on the budget – a consensus agreement between House and Senate negotiators – which is typically adopted in April or May. This conference report is the blueprint for broad spending and tax decisions that will be made during the balance of the year. The budget resolution is not formally a law – it is a *concurrent resolution*, which does not require the President's signature. But both the House and Senate have various enforcement procedures aimed at ensuring that the resolution's directives are met.

### **Budget Reconciliation**

An optional mechanism that can be part of the budget process, focusing on making changes in entitlements and taxes, involve the process called *reconciliation*. Over the last decade, this is a process used to deal with deficit reduction, tax expenditures, and revenues. *Budget reconciliation* occurs only if the budget resolution calls for levels of entitlement spending or taxation that are different from what would occur if current law remained unchanged. The reconciliation occurs through instructions made in the Budget Resolution. This is done through instructions to the committees that oversee mandatory programs, such as the Senate Finance Committee and House Ways & Means Committee for child care and TANF. There are separate rules for the passage of a budget reconciliation, such as limited time for debate. In the Senate, the rules for a budget reconciliation bill prohibit a filibuster.

### **Annual Appropriations**

The appropriations process is designed for *discretionary funding*. Each year, the different appropriations committees – each is responsible for certain federal agencies – must pass their bills to set forth the spending for the next federal fiscal year. (Congress also may bundle two or more of the appropriations measures into a single, *omnibus* appropriations bill). Each of the 13 committees is given an allocation: a total amount for spending in that year for programs under its jurisdiction. Many early childhood education, K-12, and higher education programs are in the same appropriations committee, along with certain health and mental health programs, health research, job training and other labor programs. Appropriations bills must be signed by the President to become law.

If the President does not sign an appropriations bill for a particular agency or agencies, then Congress may pass a *continuing resolution* to fill the gap for whatever amount of time seems necessary and appropriate to revise a bill and send it back to the President. If Congress fails to pass a continuing resolution, or if the President vetoes it, and one or more regular appropriations bills are still unsigned, then the Federal Government “shuts down” in those areas in which a final appropriations bill is not part of a continuing resolution or has been vetoed.

Congress may pass separate bills outside of the authorization bills or budget reconciliation process to change tax or entitlement law. Although such measures are not part of reconciliation, they remain subject to the spending and revenue levels established in the budget resolution.

### **American Recovery & Reinvestment Act (ARRA) – stimulus**

ARRA is a one-time appropriation for spending over a two year period to help spur economic recovery and to invest in jobs. Here are the early childhood education ARRA investments:

- \*Child Care & Development Block Grant -- \$2 billion
- \*Head Start -- \$1 billion (which includes the distribution of the COLA, quality, migrant and seasonal and tribal funds, state early learning council funds)
- \*Early Head Start -- \$1.1 billion of which up to 10% for training and assistance and up to 3% for monitoring
- \*Part C infants/toddlers special education -- \$500 million
- \*619 preschool special education grants -- \$400 million
- \*Title I -- \$10 billion grants to school districts; \$3 billion for school improvement
- \*IDEA Part B -- \$11.2 billion
- \*Education Stabilization -- \$48 billion for restoring state cuts in K-12 and postsecondary education and for school renovation
- \*Race to the Top competitive grants to states -- \$4 billion
- \*Investing in Innovation competitive grants to school districts with or without a nonprofit partner -- \$650 million
- \*Higher Education Teacher Quality Partnerships -- \$100 million

*For more detailed information on the federal budget process, go to*

The Congressional Budget Process: A Brief Overview (Congressional Research Service, 2006) at <http://budget.house.gov/crs-reports/RS20095.pdf>

The Center for Budget and & Policy Priorities has a tutorial on the federal budget at [www.cbpp.org/3-7-03bud.htm](http://www.cbpp.org/3-7-03bud.htm)

