

Catalog of Early Childhood Funding in Michigan

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Citizens Research Council

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- Promotes sound policy for state and local governments through factual research – accurate, independent and objective
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Early Childhood Funding Programs

- Nine “Primary” Programs: those that provide direct support for early learning activities that include young children

Head Start	CCDF (Child Care)	IDEA
Great Start Readiness	MIECHV	TANF
Federal Title I	Race to the Top	State K-12 “At-Risk”

- Four “Secondary” Programs: those that include early learning within their broader mission

Child and Adult Care Food Program	Promise Neighborhoods
Choice Neighborhoods	Social Innovation Fund

Catalog Content

For each federal and state program, we review:

- Program Goals and Purposes
- Eligible Activities
- Eligible Recipients: both applicant and beneficiary
- Funding and Award Process: including funding to Michigan and, wherever possible to Detroit
- Match Requirements
- Major Program Changes since 2000
- Program Administration and Policy References

Who Does This Help?

- Early Learning and Care Providers: provides better understanding of the multiple funding sources available for programs
- Early Childhood Advocates: reviews current policy parameters for programs and tracks recent history
- Early Childhood Funders: provides details on program funding requirements (e.g. match, utilization) to assist in evaluating needs of grantees
- Researchers and Policymakers: accessible ready-reference to information on funding programs

Findings of Note

Recent Changes Affecting Early Childhood Funding

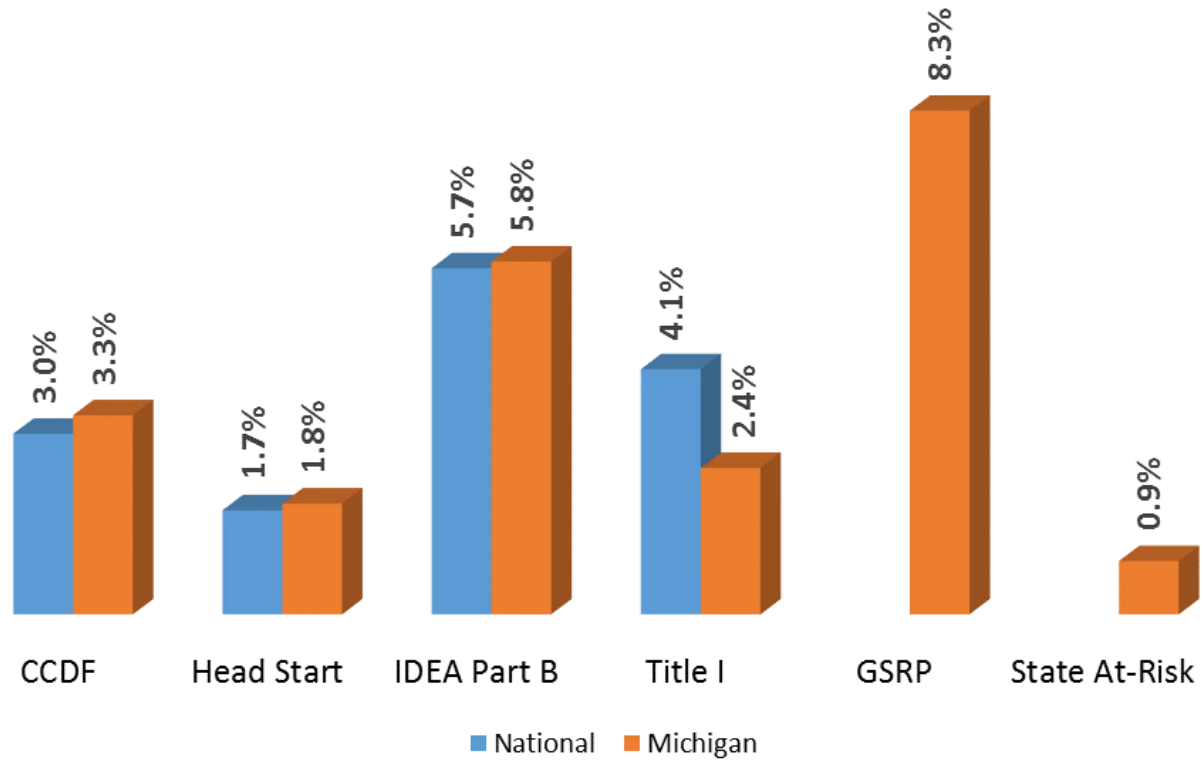
Funding to Michigan and Detroit

A Big Picture Look at the Major Programs

Program	National	Michigan	Detroit
Child Care and Development Fund (2015)	\$5,379,024.5	\$156,268.9	~\$17,500.0 (est. subsidies)
Great Start Readiness Program (2016)		\$233,591.4	\$18,818.1
Head Start (2015)	\$8,538,887.8	\$286,012.8	\$46,067.0
Individuals with Disabilities Education Act: Part B Formula Grants (2015)	\$11,497,848.0	\$394,755.7	\$65,468.2 (Wayne RESA)
State Section 31a At-Risk Grants (2015)		\$308,988.2	\$22,926.8
Title I Education Grants (2016)	\$14,909,802.0	\$467,955.2	\$115,886.8

Recent Funding Growth

Average Annual Growth in Funding



Note: Figures represent annualized growth from FY2000 to FY2015, except for Head Start which reflects growth from FY2003.

Child Care and Development Fund

Federal- and State-Level Changes Make Improvements...

Federal reauthorization in late 2014

- Mandated 12-month eligibility redetermination: families retain eligibility even if incomes rise above state thresholds
- Requires payments policies to be based on “generally-accepted payment practices” (e.g. absent days, timeliness of reimbursement)

State policy changes in July 2015

- Significantly expanded continuing income eligibility for families to around 243 percent of poverty
- Reduced family copayments (now fixed \$15-40 biweekly per child)

Child Care and Development Fund

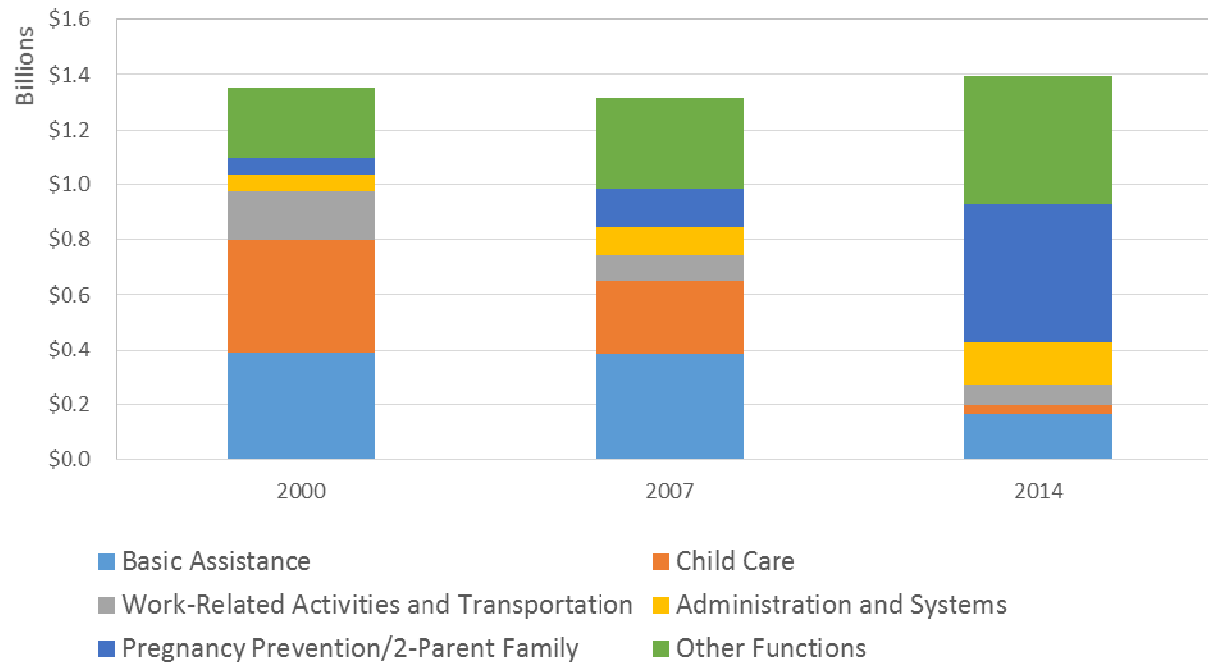
...but Michigan's Program Still Needs Attention

- Michigan still ranks near the bottom of all states in terms of reimbursement levels for providers
- Income eligibility for entry into the program for a family of three is around 120 percent of the poverty level; second lowest among all states and less than half the federally-allowable limit
- The number of children served under the program has dropped by more than 45 percent since FY2007, while total spending has fallen by almost 75 percent.

Temporary Assistance for Needy Families

Michigan spending has shifted away from assistance

Combined Federal and State TANF Spending in Michigan



Source: U.S Department of Health and Human Services, *TANF Financial Data reports*

Title I Funding for At-Risk Youth

Reauthorization re-focuses mandated corrective action

- No Child Left Behind Act of 2002: Schools that failed to meet “adequate yearly progress” towards goal of 100% proficiency in reading and math by 2013-2014 were subject to corrective action
- 2015 reauthorization: accountability provisions changed to reflect new standards first authorized through state waivers in 2011; mandated improvement plans for schools that:
 - Rank among lowest 5% of public schools on state-developed indicators
 - For high schools, have graduation rates below 66%
 - Have students within tracked subgroups (low-income, students with disabilities, racial/ethnic groups, English learners) that consistently underperform on state indicators (up to 10% of all public schools)

Promise Neighborhoods

New Round of Grants is Forthcoming

- Reauthorization of the Elementary and Secondary Education Act provides for around \$70 million per year between FY2017 and FY2020 for new grants; grant period of up to 5 years with possible 2 year extension based on meeting outcome measures
- At least 3 **Promise Neighborhood grants**: provide continuum of services to improve outcomes for children in distressed communities whose schools are implementing Title I corrective action
- At least 10 **“Full-Service Community Schools” grants**: support local partnerships to integrate comprehensive services (e.g. education, health, family) through community-based organizations and public-private partnerships

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