

EARLY CHILDHOOD
EDUCATION IN THE ARRA:
OPPORTUNITIES FOR
HELPING LOW-INCOME
CHILDREN AND THEIR
FAMILIES

CLASP
CENTER FOR LAW AND SOCIAL POLICY



Young Children Need...

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- ❑ Strong families with adequate income, time, flexibility, parenting information and support
- ❑ Access to health care (screening, medical home, health insurance)
- ❑ Quality early learning experiences
- ❑ Healthy and supportive communities

Presentation Overview

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- This presentation highlights opportunities in the ARRA to support:
 - ▣ Young children and their families
 - ▣ Child care and early education providers
 - ▣ Community organizations

Overview of the ARRA

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- American Recovery and Reinvestment Act, passed February 17, 2009
 - ▣ Most funds available FY 2009-2010
- Governors required to certify state will accept funds
 - ▣ Certification letters:
<http://www.recovery.gov/?q=content/state-certifications>
- Agencies will track funds:
 - ▣ Government wide: [recovery.gov](http://www.recovery.gov)
 - ▣ Link to state recovery pages:
<http://www.recovery.gov/?q=content/state-recovery-page>
 - ▣ Agency recovery websites
 - HHS: <http://www.hhs.gov/recovery/>
 - ED: <http://www.ed.gov/policy/gen/leg/recovery/>

Purposes of the ARRA

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- The purposes of the ARRA include:
 - ▣ to preserve and create jobs and promote economic recovery;
 - ▣ to assist those most impacted by the recession;
 - ▣ to provide investments needed to increase economic efficiency by spurring technological advances in science and health;
 - ▣ to invest in transportation, environmental protection, and other infrastructure that will provide long-term economic benefits; and
 - ▣ to stabilize state and local government budgets, in order to minimize and avoid reductions in essential services and counterproductive state and local tax increases.

ARRA Challenges for Implementation

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- Numerous agencies at the federal and state level to develop guidance, manage state and local grants, and monitor spending.
- Funds need to be spent quickly, potentially leaving little time for planning and needs assessment.
- Data collection will be critical for successful implementation.
- Many areas of investment have no or minimal rules around supplantation and may allow states to substitute federal funds for state general revenues.

Education

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- Over \$100 billion ARRA education investment
 - State Fiscal Stabilization Fund - \$54 billion
 - Title I, Part A - \$13 billion
 - IDEA, Part B, school age grants - \$11.3 billion
 - IDEA, Part B, preschool grants - \$400 million
 - IDEA Part C - \$500 million
 - Teacher Incentive Fund - \$200 million
 - Teacher Quality Enhancement - \$100 million
 - Homeless Children and Youth - \$70 million

- Also, funding for Vocational Rehabilitation, Pell Grants & Work Study, Impact Aid, Statewide Data Systems

ED Department ARRA Principles

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1. Spend funds quickly to save and create jobs.
2. Ensure transparency, reporting, and accountability.
3. Invest one-time ARRA funds thoughtfully to minimize the “funding cliff.”
4. Improve student achievement through school improvement and reform.

Advancing Core Reforms/Assurances

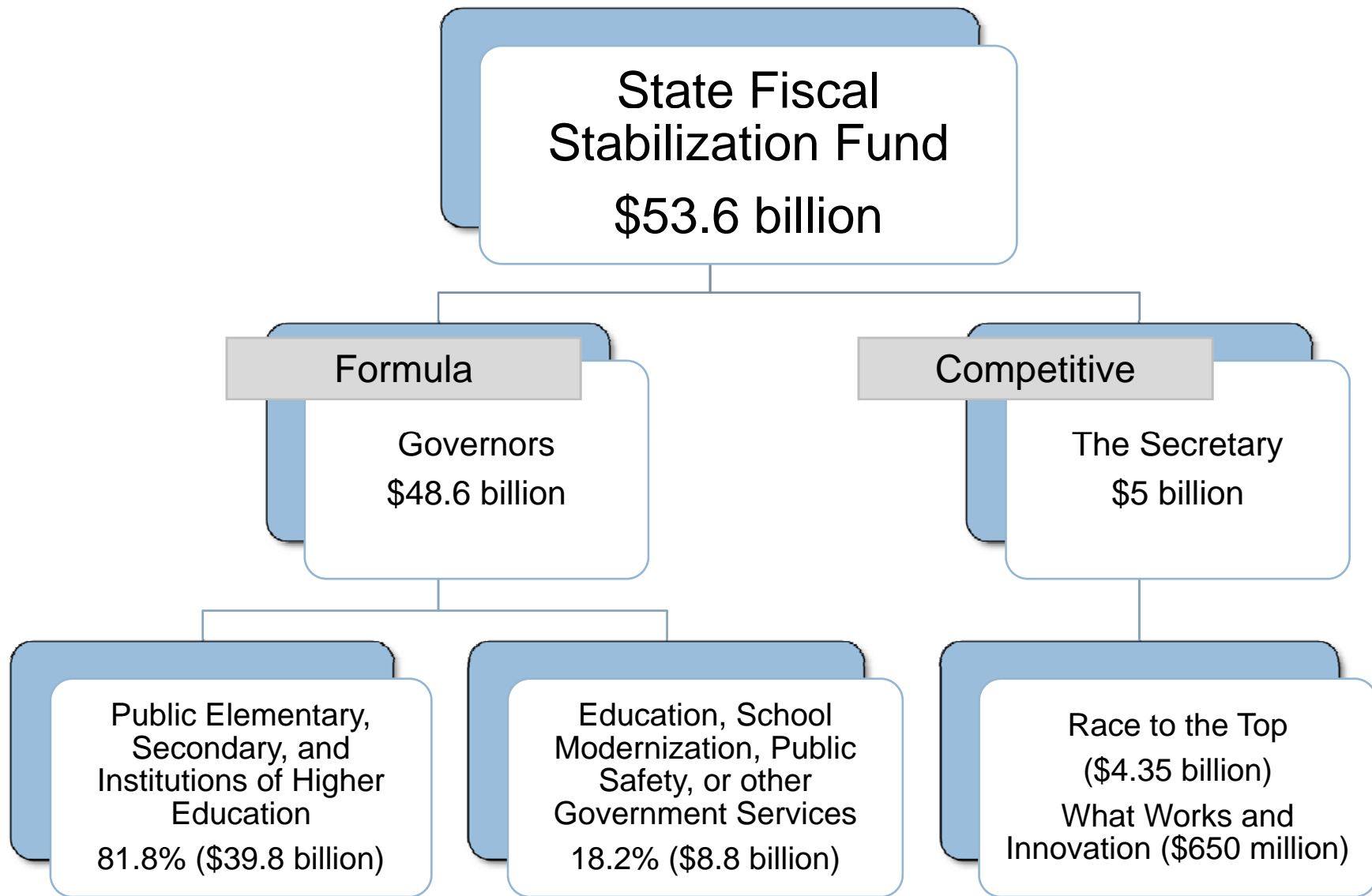
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College- and career-ready standards and high quality, valid, and reliable assessments for all students, including ELLs & students with disabilities

Pre-K to college and career data systems that track progress and foster continuous improvement

Teacher effectiveness and equitable distribution of effective teachers

Intensive support and effective interventions for lowest-performing schools



State Fiscal Stabilization Fund (SFSF)

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□ Formula grants

□ SFSF for Education to LEAs (\$39.8 billion)

- Avoid reductions in education funding and teacher layoffs
- Advance education reforms from early learning through post-secondary
- May be used for any activity authorized under ESEA, IDEA, Adult Ed or Perkins
- States must fund K-12 and IHE at or above FY 2005-2006 levels.

□ SFSF for Governor (\$8.8 billion)

- For education, school modernization, public safety or other government services

□ States submitting applications to ED

SFSF cont'd

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- Competitive grants
 - Race to the Top (\$4.35 billion)
 - States making progress towards education reforms/assurances
 - What Works and Innovation (\$650 million)
 - LEAs or non-profits making significant gains in closing achievement gap
 - Two rounds of grant awards: late Fall 2009, Summer 2010

Title I

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- \$10 billion for grants to LEAs as FY 2009 allocation (Part A)
 - ▣ 4 % for school improvement
- \$3 billion School Improvement Grants
 - ▣ Priority to lowest-achieving schools, commitment to school improvement plans
- ED encourages LEAs to consider using Title I ARRA for early childhood programs and programs serving secondary schools.

Early Childhood Education

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- \$5 billion in new funding
 - \$1 billion – Head Start
 - \$1.1 billion – Early Head Start
 - \$2 billion – Child Care and Development Block Grant
 - \$400 million – IDEA Part B, Preschool grants
 - \$500 million – IDEA Part C, infants and toddlers
- In addition, opportunities in Title I, State Fiscal Stabilization Funds, Race to the Top grants, Title II Higher Education partnership grants, Education for Homeless Children and Youth.

Early Intervention and Nutrition Assistance

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- IDEA, Part B, Section 619
- IDEA, Part C
 - ▣ Resources for Child Find, early identification, professional development, appropriate therapies in natural settings and to meet FAPE provision
- SNAP (formerly Food Stamps) - \$20 billion
- WIC - \$500 million
- The Emergency Food Assistance Program (TEFAP) - \$150 million
- National School Lunch Program - \$100 million equipment grants.

Economic Success



- Unemployment Insurance - \$40 billion
 - Extends federal emergency benefits
 - Increases UI benefits by \$25/week
 - Provides \$7 billion in incentive funding to states that adopt UI reforms.

Economic Success

- TANF Emergency Contingency Fund - \$5 billion
 - States will receive 80 percent of increases in spending in one or more of three areas:
 - Assistance
 - Non-recurrent, short-term benefits
 - Subsidized employment
 - States can receive up to 50% of block grant over two years.
 - Worrisome that TANF caseloads have not risen in many states given rising need.

Economic Success

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- Child Care and Development Block Grant - \$2 billion
 - Child care assistance for children from birth through age 13
 - Discretionary funds, no state match requirement
 - All existing rules apply:
 - 4 percent minimum quality set-aside on expenditures
 - 5 percent administrative cap
 - \$255 million set-aside for quality of which \$94 million is dedicated to quality investments for infants and toddlers
 - Funds are available NOW as part of FFY 2009

Head Start: Invest in Quality

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- Head Start preschool program received an additional \$1 billion. Funds will be used to:
 - ▣ Pay a cost of living (COLA) increase of nearly 5 percent to help retain teachers and purchase in equipment and other resources
 - ▣ Allow providers to invest in quality improvements, such as training and education for teachers and aides, as well as new resources and equipment
 - ▣ Expand to serve more preschool age children

Early Head Start: Expanding for the Future

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- Early Head Start receives \$1.1 in the ARRA to double the number of children served.
 - ▣ Provides high quality early childhood services in centers and home based programs.
 - ▣ Funds can be used for start-up as well as for direct service provision.
 - ▣ Partnerships and coordination are key to successful proposals.

Economic Success

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- Child Support Enforcement - \$1 billion (restores federal match)
- State Energy Program - \$3.1 billion to do energy audits and renovations to help lower energy bills for low-income families
- Homelessness Prevention - \$1.5 billion
- FEMA Emergency Food and Shelter (rent/mortgage, food, other supports) - \$100 million
- Making Work Pay Tax Credit
- EITC expansion
- Child Tax Credit expansion
 - ▣ Lowers refundability threshold to \$3,000
- Opportunity Tax Credit
 - ▣ Up to \$2,500 to support education
 - ▣ 40 percent refundable

Community Support

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- Neighborhood Stabilization Program - \$2 billion
- Community Services Block Grant - \$1 billion
- Community Development Block Grant - \$1 billion
- Grants to Nonprofits - \$50 million
- Weatherization Assistance Program - \$5 billion
- Youth Training and Employment (summer jobs) - \$1.2 billion
- Fiscal Stabilization funds for renovation of school facilities and possibly early childhood programs

Making the most of ARRA funds

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- Watch for federal guidance
- Coordinate with local and statewide planning efforts
- Assess community needs
- Determine capacity for expansion/opportunities to partner
- Link vulnerable children and families to family supports and health services

CLASP Resources on ARRA

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- Audio Conference Series: What the American Recovery and Reinvestment Act Means for Programs Serving Low Income Americans
 - ▣ Child Care and Early Education
 - ▣ Improving Outcomes for Black Men and Boys
 - ▣ Serving Older Youth
 - ▣ Transitional Jobs Programs
 - ▣ Income Supports
 - ▣ Pathways to Good Jobs and Sustainable Employment
- Download transcripts, listen to streaming audio and access additional resources:
<http://www.clasp.org/audio/ARRAAudioConferenceSeries.htm>
- More Economic Recovery analyses at <http://www.clasp.org>

Additional Resources

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- Preliminary Summary of Key Provisions of the American Recovery and Reinvestment Act Aimed at Improving the Lives of Low-Income Americans.
 - <http://clasp.org/publications/preliminarysummaryofarra021309.pdf>
- Coalition on Human Needs, Provisions that Promote Shared Recovery in the American Recovery and Reinvestment Act
 - <http://chn.org/pdf/2009/ConfEconRecoveryChart21709.pdf>

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<http://childcareandearlyed.clasp.org/reinvestinginchildcare.html>