

OVERVIEW AND DISCUSSION: THE ILLINOIS EARLY CHILDHOOD EDUCATION AND CARE (ECEC) SYSTEM

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INTRODUCTION AND BACKGROUND ON ECEC

The Early Childhood Funding Commission's charge is to study and make recommendations to the Governor on funding goals and funding mechanisms that provide equitable access to high-quality ECEC services.

Early childhood education and care services support children from birth through age five. While the State provides many services and programs in support of children and families, ECEC services are those that specifically support children's education and care. ECEC services serve dual purposes: first, to support the developing child through nurturing, supportive environments, thereby building the child's readiness for Kindergarten; and second, to support parents' ability to participate in the workforce.

ECEC services include home visiting for expecting families and families with children typically ages 0-3 and education and care for children ages 0-5. Education and care services are delivered in a variety of settings, including in homes, community-based organizations, and schools. This is known as a Mixed-Delivery System. Services may be part-day, school-day, or full-day (work-day) in length. ECEC services must be designed to effectively serve children with all types of needs, including emergent bilinguals or children with developmental delays or disabilities.

WHY DOES ILLINOIS NEED AN EARLY CHILDHOOD FUNDING COMMISSION?

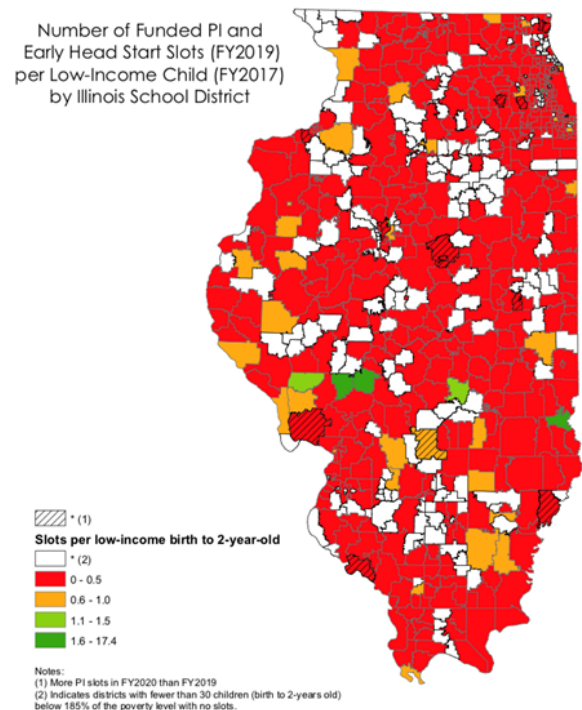
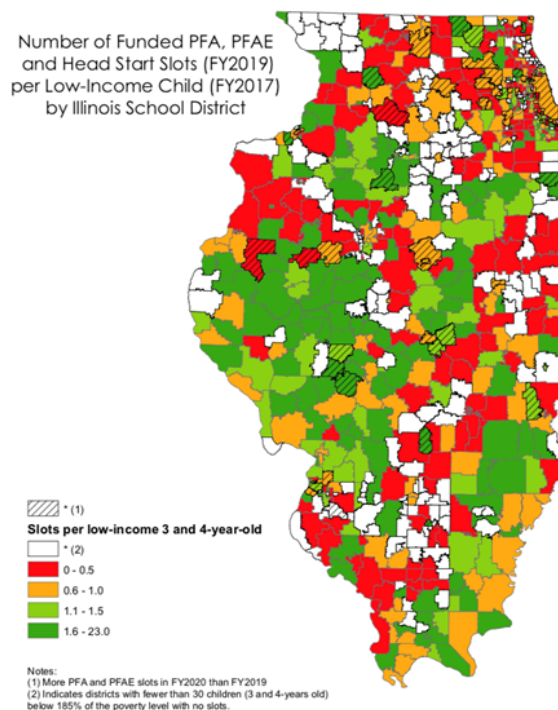
Illinois' ECEC system has many strengths, and indeed has pioneered components of high-quality ECEC services and infrastructure that were later adopted by other states. Illinois' Preschool for All Children law, ExceleRate Illinois Quality Recognition and Improvement System, and expansive Child Care Assistance Program eligibility are all examples of this. However, in recent years, other states and countries have sped past Illinois' progress. Around the developed world, equitable access to high-quality ECEC services has become the norm. In the United States and in Illinois, such services are available for higher-income families. However, this is not the case for all families, in all communities and socioeconomic statuses in Illinois.

In Illinois, there is insufficient and uneven access to high-quality early childhood care and education.

Illinois spends approximately \$32.5 billion per year in public funds to educate two million students ages 6-18. To provide ECEC services to the state's children from birth to age five, Illinois spends approximately \$1.7 billion. While investments in education during a child's youngest years have been shown to produce significant benefits, Illinois invests only about 15% as much per child in children ages 0-5 as in children ages 6-18.

At this level of public funding, the supply of high-quality ECEC providers is not large enough to meet demand or need. There are approximately 800,000 children under age five in Illinois today, about 40% of whom are in low income families. At most, about half of low-income children birth to five in Illinois are receiving some form of services. Only 18% of low income children (and 25% of all IL children) demonstrate Kindergarten readiness.

The availability of high-quality ECEC varies dramatically from county to county and town to town, both within specific ECEC programs (such as Preschool for All) and across all ECEC offerings. Supply varies across communities with similar need profile: the distribution of high-quality ECEC does not seem to be strongly tied to level of need in the community or the number of low-income children in the community. There are ECEC deserts: in a few counties, there are no high-quality ECEC options, and in at least four southern counties there are no licensed ECEC centers at all.[1]



Inadequate, inequitable, unstable, and inaccessible funding is a contributing factor to this problem.

According to the Early Learning Council's Mixed Delivery Systems report, there are several barriers preventing an increase in the supply of providers of high-quality ECEC. These barriers revolve around funding levels, funding mechanisms, and governance. They include:[2]

- A lack of timely payments from state government for public ECEC services.
- The process of layering multiple funding streams to serve more children is extremely complex and challenging.
- Many programs are simply unaware that they can apply for state funding to provide public ECEC services.
- Programs who are aware of opportunities for state funding and want to apply don't have the necessary resources to be competitive for such grants.
- The grant application process itself is extremely complicated.
- Grant funding is by nature unstable and uncertain, which can make programs wary to apply.
- There is no one entity at the state level overseeing system-wide planning.
- There is no entity at the community level overseeing local planning.

What does this mean for the Commission's work?

Taking a step back and looking holistically at the systemic issues, three major themes emerge:

- **Funding is inadequate.** There is not enough funding in the system to support a sufficient, stable supply of providers of high-quality ECEC. In recent years, cost models for providing high-quality ECEC have been created at the national level and for Illinois specifically. These models consider the cost of implementing best practices that support quality. Based on these analyses, Illinois' current investments in ECEC are a small fraction of what is needed to provide high-quality ECEC services to all low-income children in the state. This results in some programs receiving funding at levels conducive to high-quality ECEC, while many do not.

Notes:

[1] ECEC Funding Commission presentation, Boston Consulting Group. This report constitutes a fact base on the state of ECEC funding in Illinois, including obstacles to efficient alignment of funding streams and equitable access to quality ECEC, and was developed to support the Funding Commission's work. Erikson Institute's Risk and Reach and Fiscal Scan compile data on risk factors that undermine child development and compares them to the reach of publicly funded programs and services that support early childhood well-being.

[2] *Ensuring Equitable Access to Funding for All Birth-to-Five Classroom-Based Early Childhood Programs*. Early Learning Council Mixed Delivery System Ad Hoc Committee. This state-level report summarizes findings and recommendations on how to improve providers' ability to operate within Illinois' mixed delivery ECEC system and best serve families; the report also offers lessons learned from other states.

<https://www2.illinois.gov/sites/OECD/Documents/Early%20Learning%20Council%20Mixed%20Delivery%20System%20Report%20and%20Recommendations.pdf>

- **Funding mechanisms, and the governance over them, are complex.** The way the state currently distributes revenue does not ensure a sufficient, stable supply of providers of high-quality ECEC. Funding is available through a multitude of grants, and each funding source varies in size, mechanism of distributing funds, and requirements for how funding recipients must deliver ECEC services. For instance:
 - Head Start and Early Head Start are federally funded programs, and grantees apply directly to the federal government for funds.
 - The Early Childhood Block Grant, which includes Preschool for All, Preschool for All Expansion, and Prevention Initiative, uses a competitive Request for Proposal funding process that results in wide variation and shifts over time in how and where funding flows to programs across the state.
 - The Child Care Assistance Program (CCAP) is a voucher-based system that can be used in licensed and license-exempt programs who are subject to minimum quality requirements.
 - There is no overall accountability for the sum total of public funding being spent on a particular service, or for how these sources combine to support equitable access and sufficient and stable funding.

- **Access to high-quality programs is inequitable.** Inadequate funding, combined with complex funding mechanisms, leads to patterns that affect access to high-quality ECEC across the state. Quality of ECEC services is highly dependent on funding stream.
 - Children receiving Child Care Assistance typically do not participate in Preschool for All, Prevention Initiative, or Head Start programs, which are typically higher quality programs, and few children served with CCAP (which has minimum quality requirements itself) attend ExceleRate Gold Circle of Quality Programs. As there are differences in the racial and geographic makeup of children served by funding stream, this creates racial and geographic inequities.

The Early Childhood Funding Commission – through its charge – has been positioned to make recommendations to the Governor to address these issues for the benefit of Illinois' children.

APPENDIX: WHAT ARE EARLY CHILDHOOD EDUCATION AND CARE SERVICES IN ILLINOIS?

In Illinois, as in other states, ECEC services are delivered in a variety of ways via a diverse funding system; this is often referred to as a **mixed delivery system**. Services include home visiting for expecting families and families with children typically ages 0-3, and education and care for children ages 0-5 delivered in homes, community-based organizations, and schools. Services may be part-day, school-day, or full-day in length, and supplemental services for dual language learners or children with developmental delays or disabilities may be offered on- or off-site. Programs are subject to regulations and staff qualifications that differ widely depending on funding stream.

