Illinois Early Childhood Programs and Funding Streams Guide

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Guide Purpose & Orientation

Purpose: This guide describes programs and associated funding streams serving children birth to age five in Illinois. The document explains key components of each program, which programs receive different funding streams, and how funding is allocated. The guide will be a "living document" that continues to be updated over time.

Audience: The document is for anyone interested in learning more about early childhood programs and funding in Illinois.

How to use this guide: The document is designed as a reference guide, so sections are independent of one another and the document <u>does not need to be read in full.</u> The guide can provide background information about different funding streams and can be used to answer questions.

How the guide is organized:

The guide begins with an overview and introduction to early childhood funding in Illinois and then describes each program in the Illinois early childhood system. Program descriptions include the following:

- Program Purpose and Description
- Eligibility
- Governance
- Quality
- Funding

The appendix includes a chart that summarizes the information provided in the in-depth program descriptions.

Please note that language used within the guide is the same language used by the program or funding source itself, and therefore there may be some inconsistencies in language across sections.

Glossary of Abbreviations & Terms

The following list includes abbreviations and terms used throughout the document.

Abbreviations:

Federal Programs and Funding Sources:

ACF - Administration for Children and Families

ARPA - American Rescue Plan Act

CACFP - Child and Adult Care Food Program

CCDF - Child Care and Development Fund

CCAP - Child Care Assistance Program

CCR&R - Child Care Resource and Referral

ECSE - Early Childhood Special Education

EHS – Early Head Start

EI - Early Intervention

ESEA - Elementary and Secondary Education Act

HS - Head Start

HV - Home Visiting

IDEA - Individuals with Disabilities Education Act

MIECHV - Maternal, Infant, and Early Childhood Home Visiting

TANF - Temporary Assistance for Needy Families, Federal

State Programs and Funding Sources:

EBF - Evidence-Based Funding

ECBG - Early Childhood Block Grant

PFA - Preschool for All

PFAE - Preschool for All Expansion

PI - Prevention Initiative

GRF - General Revenue Funds

INCCRRA – Illinois Network of Child Care Resource and Referral Agencies

QRIS - Quality Rating and Improvement System

SEA – State Educational Agency

SSCC - Smart Start Child Care

SSQS - Smart Start Quality Supports, State

SSWG - Smart Start Workforce Grants, State

Local Programs and Funding Sources:

LEA – Local Educational Agency

Terms Related to Funding Process:

NOFO - Notice of Funding Opportunity

RFP - Request for Proposals

RFSP - Request for Sealed Proposals

Fiscal Year (FY)/State Fiscal Year (SFY): Fiscal Year is a term used by governments to define the accounting and financial year, which differs from the calendar year. The Federal Fiscal Year (FFY) runs from October 1 through September 30 each year, while the State Fiscal Year (SFY) in Illinois runs from July 1 through June 30. The fiscal year runs ahead of the calendar year (for example, in Illinois, July 1, 2024 was the start of State Fiscal Year 2025). The State's annual budget is determined for their fiscal year.

Funding Allocation: Addresses how funding amounts are determined. Examples of funding allocation methods could include budgets requested through grant applications, a weights-based formula, a formula based on the cost of early care and education, or continuation funding based on historical funding levels.

Funding Distribution: Addresses how programs receive funds. Examples of funding distribution methods could include contracts, grants, reimbursements, fee-for-service, or vouchers.

Cost Model: A cost model is a flexible tool that measures the cost to provide a service like child care and can be used to estimate the impact of various program decisions on the overall cost and reach of a program. It draws on data about current costs, especially wages and compensation, as well as future anticipated costs (e.g. higher wages), to estimate the cost of making changes to program eligibility, funding amounts, and other factors across the system.

Part 1: Introduction and Funding Overview

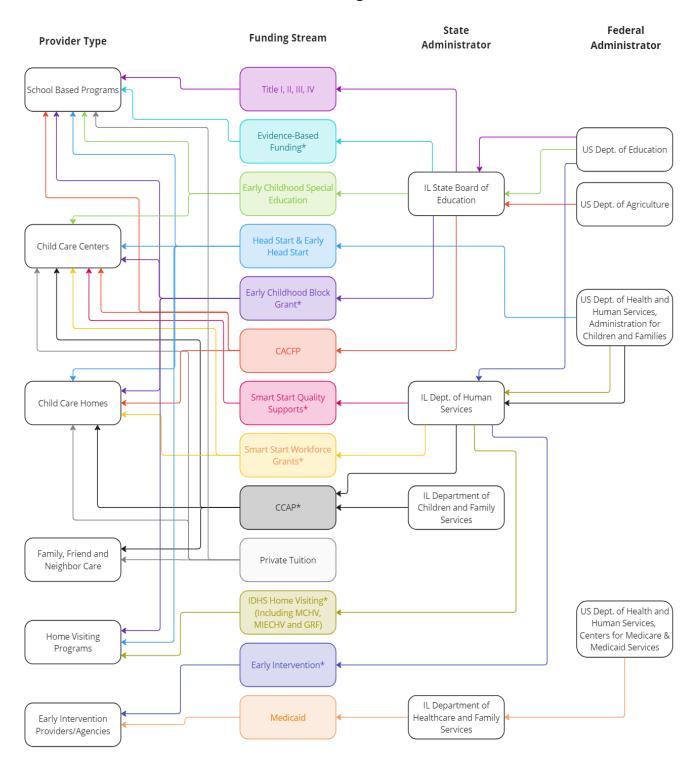
Early Childhood Education and Care (ECEC) programs in Illinois are currently housed across multiple agencies and departments, including the Illinois State Board of Education (ISBE), the Illinois Department of Human Services (IDHS) and the Illinois Department of Child and Family Services (DCFS). Each program receives funding from federal and/or state sources, and ECEC service providers (for example, child care programs or home visitors) can receive this funding through various means. This guide will provide an overview of each Illinois program, with a focus on detailing how each is funded.

A summary chart describing each program's purpose, eligibility, administrator, participation and funding can be found in <u>Appendix A: Illinois Early Childhood Programs Overview</u>.

Funding Flows Summary Chart

ECEC programs and services in Illinois are funded by a patchwork of programs and funding streams that are administered by three different federal agencies, three different state agencies, and innumerable local recipients. The chart below follows federal and state funding for each program, and delineates how funding reaches each provider type. The current system is complex and different provider types may be receiving funding from multiple sources. For example, a child care center or home may receive funding from four or more programs, each of which have their own applications, funding distribution practices, and reporting requirements. Currently, providers in the ECEC system are bearing the burden of the complex funding system in Illinois. The guide will discuss each program, and explain how funding flows from the originiating agency or department to the provider.

Illinois ECE Funding Flow Chart



^{*}These programs are funded in part or in full by Illinois State General Revenue Funds. More detail is available in Appendix A

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Programs Available to Families

	Prenatal	0-2 Year Olds	3-4 Year Olds	5-13 Year Olds
General	Home Visiting	Home Visiting	Home Visiting	• Title I, II, III, IV
Programs		ECBG (Prevention	ECBG (PFA/PFAE)	
		Initiative)	• Title I, II, III, IV	
Special Needs		Early Intervention	Early Childhood	Special Education
Programs			Special Education	
Low-Income	Home Visiting	• CCAP	• CCAP	CCAP (for afterschool
Families	(including Early Head	Early Head Start	Head Start	care)
	Start Home Visiting)	CACFP	• CACFP	CACFP (for afterschool
		ECBG (Prevention	ECBG (PFA/PFAE)	care)
		Initiative)	• Title I, II, III, IV	• Title I, II, III, IV

Programs by Funding Source

The following table provides an overview of ECEC programs in Illinois (listed in the left column) and which funding sources they receive (listed across the top row).

		Public Funding Sources									
		Federal					Federal and State	Sta	ate		
		Head Start	IDEA	CACFP	MIECHV	TANF	CCDF	Title I, II, III, IV	Medicaid	EBF	General Revenue Fund
	CCAP					Х	Х				Х
	INCCRRA						Х				
	SSWG										Х
SI	SSQS										Х
'n	CACFP			Х							
Programs	State PreK							Χ		Χ	Х
<u>-</u>	HS/EHS	Х									
	El		Х						Х		Х
	ECSE		Х								
	HV	Х			Х						Х

Note: In addition to public funding, some programs receive or accept private funds through various means. For example, Early Intervention providers accept non-State payment through private insurance, and Home Visiting grantees receive private philanthropic dollars. Similarly, child care programs receive private pay tuition.

Part 2: Federal & State Laws and Policies

Child Care

Child Care and Development Fund (CCDF) in Illinois

(Including CCAP and INCCRRA/CCR&Rs)

Child Care Assistance Program (CCAP)

Total Funding: \$1.27 Billion in FY23 (GRF – State, TANF – Federal, CCDF – Federal)

Administrator: IDHS-DEC

Program Purpose & Description:

The Child Care Assistance Program (CCAP) is Illinois' program to distribute federal Child Care and Development Fund (CCDF) resources to help families pay for child care. The program is available to eligible low-income, working families with children under the age of 13 receiving care from an eligible provider. CCAP leverages federal funding from Child Care and Development Block Grant (CCDBG) and Temporary Assistance for Needy Families (TANF) as well as state general funds.

CCAP/CCDF is intended to play a vital role "supporting family well-being and child development; facilitating parental employment, training, and education; improving the economic well-being of participating families; and promoting safe high-quality care and learning environments for children when out of their parents' care."

Eligibility:

Families qualify for CCAP if they meet the following:

- Live in Illinois
- Are employed and/or going to an eligible educational activity (e.g., high school, trade school, undergraduate college, etc.)
- Have children younger than 13 that need care while their parent/family member is working or going to school
 - Children with documented special needs may be eligible up to the age of 19
- Have family income below allowable limits (determined by family size)²
 - o Initial application: at or below 225% Federal Poverty Level (FPL)

¹ "DRAFT Illinois Child Care and Development Fund (CCDF) Plan FFY 2025-2027." *Illinois Department of Human Services*, 2024. https://www.dhs.state.il.us/page.aspx?item=163746.

² "Income Guidelines, 2022-07-01." *Illinois Department of Human Services*, July 2022. https://www.dhs.state.il.us/page.aspx?item=118832.

Eligibility redeterminations within allowable window: at or below 275% FPL

In FY 2023, the monthly average number of children served in Illinois was 199,724.³ Roughly 58% of the children enrolled are between the ages of 0-5, the remainder are over the age of 5⁴

Based on the FY23 market rate survey, only 4.2% of child care centers were licensed to provide overnight care. 46.1% of Family Child Care homes were licensed to provide overnight care.

Child care programs licensed by DCFS, certain providers that are license-exempt, and certain family, friend, neighbor (FFN) caregivers may receive CCAP reimbursement for providing care to children enrolled in the program. The following caregivers may be eligible if they meet the applicable standards for their respective category:

- Licensed Day Care Center;
- Day Care Center Exempt from Licensing;
- Licensed Day Care Home;
- Licensed Group Day Care Home;
- Day Care Home Exempt from Licensing (including relative and non-relative exempt from licensing)

As of FY 2021, the percentage of children served in each type of care is as follows (in order from largest to smallest percent of children served by setting):

Type of Care	Percent of Children
Center (Licensed)	44%
Family Home (Licensed)	26%
Family Home (License Exempt)	13%
Child's Home - Relative or Non-Relative	00/
(License Exempt)	8%
Group Home (Licensed)	4%
Center (License Exempt)	3%

Governance:

At the federal level, CCDF/CCDBG are administered by the United States Department of Health and Human Services Administration for Children and Families, Office of Child Care.⁵ Within

³ The number of children served in FY 2023 jumped significantly from 158,607 in FY 2022.

⁴ "FY23 Illinois Child Care Program Report." *Illinois Department of Human*

Services, 2023. https://www.inccrra.org/images/datareports/FY23-Child-Care-Annual-Report.pdf.

⁵ "Federal Funding Streams for Child Care and Early Childhood Education." *National Conference of State Legislatures*, May 2024. https://www.ncsl.org/state-federal/federal-funding-streams-for-child-care-and-early-childhood-

 $[\]underline{education\#:} \sim : text = Some \% 20 federal \% 20 funding \% 20 streams \% 20 are, child \% 20 care \% 20 and \% 20 early \% 20 child \$ dhood.$

Illinois, the Illinois Department of Human Services – Division of Early Childhood (IDHS-DEC) is the State Lead Agency administering the program.

The federal money is available to states operating within federal CCDF rules, but states have discretion to set the policy, priorities, eligibility, and funding guidelines within those parameters. The program follows a three-year cycle, with each State Lead Agency developing a CCDF Plan that serves an application for funding and demonstrates compliance with CCDBG regulations and requirements. State plans for Federal Fiscal Year 2025-2027 were due on July 1, 2024.

Key governance resources:

- IL Compiled Statutes Department of Early Childhood Act (325 ILSC 3/)
- IL Administrative Code Title 89, Chapter IV, subchapter a, Part 50
- CCAP Policy Manual
- IL CCDF State Plan FFY 2022-2024 (current)
- IL CCDF State Plan FFY 2025 2027 (draft)
- US Code: 42 U.S.C. 618, 9858
- Federal Register: Title 45, Part 98

In April 2024, ACF published a final rule and guidance requiring states to cap parent copayments at 7% of family income, pay providers prospectively rather than as a reimbursement, and use enrollment-based payment. This guidance is intended to encourage more child care providers to enroll families utilizing CCAP by making the payment policies more friendly to providers and to ensure that family copayments fall within reasonable amounts. Illinois copayment rates already fall below the 7% threshold⁷ and copayments are waived for certain populations. As of July 2024, Illinois re-indexed income eligibility levels to the Federal Poverty Level (FPL) and reiterated that eligibility will remain at 225% (275% for redeterminations) and copayments will remain capped at 7%. Illinois does not pay providers prospectively but does pay for 100% of a child's eligible days if they attended at least 70% of those days.^{8 9} The rule is in effect as of April 30, 2024, but states have flexibility in implementation, including the opportunity to request waivers to implement at a later date, although they must comply for the FFY 2025 – 2027 Plan Year.¹⁰

⁶ "FY 2025-2027 Child Care and Development Fund (CCDF) Plan for States and Territories." *Administration for Children and Families*, March 2024. https://www.acf.hhs.gov/occ/policy-guidance/fy-2025-2027-ccdf-plan-states-and-territories-ccdf-acf-pi-2024-01.

⁷ "Illinois Child Care and Development Fund (CCDF) Plan FFY 2022-2024." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=135306#a_toc54.

⁸ "Illinois Child Care and Development Fund (CCDF) Plan FFY 2022-2024." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=135306#a_toc54.

⁹ "DRAFT Illinois Child Care and Development Fund (CCDF) Plan FFY 2025-2027." *Illinois Department of Human Services*, 2024. https://www.dhs.state.il.us/page.aspx?item=163746.

¹⁰ 2204 CCDF Final Rule Transitional Waiver Flexibilities Guidance. Administration of Children and Families, Office of Child Care. https://www.acf.hhs.gov/occ/policy-guidance/2024-ccdf-final-rule-transitional-waiver-flexibilities-acf-occ-ccdf-pi-24-03

Quality:

Federal guidance establishes basic standards for health and safety that child care providers must meet in order to be eligible to receive CCDF funding. There is also a requirement that states set aside a portion of the federal CCDF funds to improve quality of child care services and increase access to high-quality child care. Illinois uses the quality set-aside to support the Quality Rating and Improvement System (ExceleRate Illinois) and provide supports and investments in the ECEC workforce. (See the state plan for details.)

Funding:

Annual budget: CCAP is funded by federal funds (Child Care Development Fund/CCDF, Child Care Development Block Grant/CCDBG and Temporary Assistance to Needy Families/TANF) as well as state general funds. In FY 23, excluding federal relief funds, the program expenditures were \$1.27 billion.

Table 1. Child Care	Evpandituras EV2	2 EV22 EV21	I lovaludas fadara	labild care relieffund	0111
Table 1: Unito Care	Expenditures FY2	3. FYZZ. FYZ 1	i lexcluaes reaerai	l child care relief fund:	SI''

	FY 23	%	FY 22	%	FY 21	%
State	\$124,735,614	10%	\$118,174,104	11%	\$291,403,153	31%
GRF						
TANF	\$773,376,674	61%	\$594,007,895	58%	\$408,103,628	44%
CCDF	\$375,324,183	29%	\$320,827,222	31%	\$228,781,693	25%
TOTAL	\$1,273,436,471	100%	\$1,033,009,222	100%	\$928,288,473	100%

Funding allocation: For each child enrolled in CCAP in their care, participating child care providers are paid a reimbursement rate that falls at a percentage of the child care market rate. The state regularly conducts a market rate survey to determine where CCAP reimbursement rates fall compared to market rates for child care, which vary based on the age of the child, type of care, and region of the state. The most recent survey was conducted in 2023 using administrative data from the state's Child Care Resource and Referral Agencies (CCR&Rs). Most families are responsible for a copayment to the child care provider based on their income and other factors.

Funding distribution: Child care providers are reimbursed on a monthly basis after care is provided and within 21 days of the program submitting an invoice (per CCDF requirements). Providers submit a "Child Care Certificate" for each participating child they care for to the CCR&R. The CCR&R enters the information in a state system and IDHS reviews before passing along the request to the Illinois Office of the Comptroller. The Comptroller then issues the payment to the provider.

¹¹ "FY23 Illinois Child Care Program Report." *Illinois Department of Human*

Services, 2023. https://www.inccrra.org/images/datareports/FY23-Child-Care-Annual-Report.pdf.

¹² "Market Rate Survey of Licensed Child Care Programs in Illinois." *Illinois Department of Human Services*, 2023. https://www.dhs.state.il.us/PAGE.ASPX?item=163475#a AppendixB/.

Interaction with other funding streams: Blending and braiding funds with CCAP is generally encouraged. Providers may not be reimbursed for care provided to children enrolled in CCAP who are also enrolled in another program (i.e. Head Start or Preschool for All) but may receive reimbursement for any non-funded portion of the day, week, or year (e.g. afternoon hours or summer care). Federal CCDF funds may only be used for children who meet federal eligibility requirements. State funds must be used to supplement for any expanded eligibility groups or for children in a classroom or program who are not CCAP-eligible.

CCR&Rs/INCCRRA

Total Funding: \$62Million in FY24 (CCDF – Federal, ARPA - Federal)

Administrator: IDHS-DEC, ISBE

Child Care Resource and Referral Networks support the State of Illinois to provide child care services for children and families. While CCR&Rs do not directly provide ECEC services, they are a central component of the child care system in the State and receive public funding to provide services to both families and providers.

Program Purpose & Description:

According to Child Care Aware of America, Child Care Resource and Referral organizations (CCR&Rs) are organizations in every state that support families and child care programs in various ways. They often serve as a central resource hub for child care within a community and provide a variety of services, including:¹³

- Helping families find child care
- Supporting ECEC programs through providing coaching and TA, helping to develop quality improvement plans
- Providing business training
- Disseminating funding
- Providing educators with PD, support and resources

The Illinois Network of Child Care Resource and Referral Agencies (INCCRRA) supports CCR&Rs to coordinate their efforts, implement statewide initiatives, and gather data.

INCCRRA oversees the following programs and resources¹⁴:

1. Illinois Cares for Kids–Illinois Cares for Kids is a resource that serves as a central place for child care resources for families and caregivers. It includes a search engine for local programs and information on CCAP, such as an eligibility calculator and program search, to support parents to find child care options that meet their needs. It provides specialized information by age group and type of support a family may be looking for including child care, home visiting, and early intervention along with resources on child development.

¹³ "Child Care Resource and Referral." *Child Care Aware of America*. https://www.childcareaware.org/about/child-care-resource-referral/.

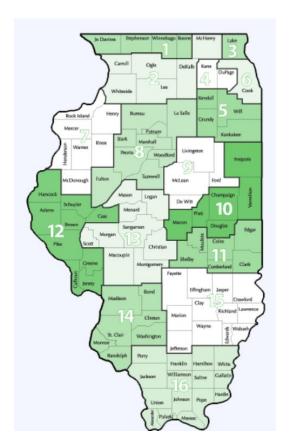
¹⁴ "INCCRRA – Our Programs." *INCCRRA*. https://www.inccrra.org/.

- 2. **Gateways to Opportunity** –This resource is a statewide professional development support system for individuals and programs that serve children and their families. It includes the following:
 - a. Gateways Registry, a system that allows ECEC professionals to track their education, credentials, and training online.
 - b. Online training through i-learning that is needed for DCFS licensing.
 - c. Training calendar with professional development opportunities.
 - d. Gateways Credentials, which are credentials awarded by IDHS for various ECEC roles (i.e. Infant Toddler Credential, FCC Credential).
 - e. Gateways Scholarships for ECEC professionals to further their education.
 - f. Great START Wage Supplement Program provides wage supplements to eligible ECEC professionals for attaining education above DCFS' licensing standards, and for remaining at their current place of employment.
- 3. **ExceleRate Illinois** ExceleRate is Illinois' Quality Rating and Improvement System (QRIS). It includes different levels (Licensed, Bronze, Silve and Gold) known as "Circles of Quality." It includes licensed child care centers, licensed family and group child care homes, school-based preschool programs and Head Start and Early Head Start. Quality Counts serves as the parallel program for license-exempt child care providers.
- 4. **Birth to Five Illinois** –Birth to Five is a statewide regional and community system that brings residents together to address ECEC needs in their communities. It has 39 regions which each have an Action Council and a Family Council that aim to:
 - a. Provide a statewide mechanism to engage local stakeholders
 - b. Gather family opinion
 - c. Create an Action Plan that clearly identifies the need for expansion of quality early learning in every region
 - d. Enable local stakeholders to come together and address the early childhood needs within their own communities
- 5. INCCRRA is also contracted by IDHS to administer various grant programs, including Smart Start Workforce Grants and Smart Start Quality Supports.

Governance:

Illinois has 16 R&Rs, split up into regions across the state (shown below).¹⁵ INCCRRA has a governing board with 14 members from various non-profits and advocacy organizations. IDHS and ISBE contract with INCCRRA to implement the programs described above. Birth to Five programs remain an INCCRRA program but as of July 2024 are now funded by ISBE instead of IDHS.

¹⁵ "About INCCRRA." INCCRRA. <u>https://www.inccrra.org/about/sdasearch.</u>



Funding:

INCCRRA is largely funded through the Child Care and Development Fund (CCDF). IDHS contracts with INCCRRA to provide QRIS and professional development programs, and support CCR&Rs and maintain certain data systems. ¹⁶ Each CCR&R has its own contract with the State apart from INCCRRA, funded through \$57 million in CCDF dollars and \$5 million in ARPA funds, totaling \$62M in SFY24. CCR&Rs are responsible for implementing CCAP within their communities.

In SFY24, Birth to Five Illinois was funded by IDHS using CCDF. Starting in SFY25 the funding for this program comes from ECBG funds through ISBE which selected Birth to Five Illinois to be the contracted vendor for Illinois' ECEC Regional and Community System infrastructure. ¹⁷ In FY25, Birth to Five Illinois is issuing \$3 million in subcontracts to local early childhood collaborations funded through ISBE. ¹⁸

¹⁶ "Illinois Child Care and Development Fund (CCDF) Plan FFY 2022-2024." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=135306#a_toc54.

¹⁷ "Frequently Asked Questions." *Birth to Five Illinois*, September 2024. https://www.birthtofiveil.com/faqs#:~:text=about/%23offices-,FUNDING,exist%2C%20for%20two%20fiscal %20years.

¹⁸ "Supporting Access & Equity at the Local Level." *Birth to Five Illinois*. <u>https://www.birthtofiveil.com/funding</u>.

Smart Start Workforce Grants

Total Funding: \$200 Million in FY25 (GRF – State, ARPA – Federal)

Administrator: IDHS-DEC

Program Purpose & Description:

Smart Start Workforce Grants aim to address the low wages of the early childhood education and care workforce. The grant program provides eligible child care centers, family child care programs, and family group child care programs with stable funding to support wages, and participating programs are required to pay a specific base wage floor to teachers and assistant teachers in grant-funded classrooms. Higher wages should improve participating programs' ability to recruit and retain workers without burdening families by raising tuition or co-pays.

The program launched in FY 25 and builds on prior grants funded by federal COVID relief funds including the Child Care Restoration Grant, the Child Care Workforce Bonus, Strengthen and Grow Child Care Grants, and Smart Start Transition Grants.

Eligibility:

Eligibility criteria apply to programs rather than children as the funds go directly to child care programs to support workforce wages. The programmatic eligibility requirements are:

- Must be a licensed child care center, day care home, or group day care home by the Illinois Department of Children & Family Services (DCFS)
- Operates full-day and full-year, defined as a program that is open and offering at least eight consecutive hours of care per day, five days per week, 47 weeks a year.
- Must care for a minimum number or percentage of children enrolled in and funded by the Child Care Assistance Program (CCAP):
 - Child care centers: at least 15% of the program's current licensed capacity
 - Family child care programs: at least one child
 - Family group child care programs: at least two children

Smart Start Workforce Grants are awarded by classroom for centers and by program for family child care and family group child care. Classroom or program eligibility requirements are:

- Eligible classrooms or family child care and family group child care programs must **not** be funded by the Early Childhood Block Grant (ECBG), including Preschool for All and Prevention Initiative or Head Start/Early Head Start.
- Classrooms or programs must meet classroom enrollment minimums at time of application.

In the first round of Smart Start Workforce Grants in SFY25, which covered October-December 2024), grants were made to 3,605 providers, affecting 8,350 classrooms and over 134,000 children. It is anticipated that these numbers will climb throughout SFY25 as additional programs apply for

and receive awards. The estimated uptake by the final quarter of FY 25 (based on participation in prior grants) is 3,960 providers with a licensed capacity of 139,500 children.

Governance:

Smart Start Workforce Grants is a program of IDHS-DEC. It is authorized in statute as the Smart Start Workforce Compensation Program (325 ILCS 85/95-10) and is a part of the Smart Start Child Care program authorized in 305 ILCS 5/9A-17. The program was first funded in the FY 2025 budget and the administrative rules were adopted in 2024 (89 Ill. Adm. Code 50 sections 1300-1350). In addition to statute and administrative rules, IDHS-DEC has developed a Policies and Procedures Manual to guide implementation.

The Illinois Network of Child Care Resource and Referral Agencies (INCCRRA) administers the grants including developing and managing the application portal, making eligibility determinations, dispersing funds to child care providers, and deploying training and technical assistance.

For the initial funding year, IDHS-DEC will be monitoring eligibility, program requirements and the impact that the grants have on staff recruitment and retention to inform policy updates in future years.

Quality:

Smart Start Workforce Grant program does not define quality beyond the requirement that participating programs are licensed by DCFS.

Funding:

Annual budget: While the FY 25 Smart Start Workforce Grants annualized cost is \$200 million, the Illinois General Revenue Fund investment for FY 25 is \$110 million. This is because the first quarter of implementation (October 2024 – December 2024) was paid for with American Rescue Plan Act funds and, with the first round beginning in October, Year 1 will only include three quarters (October -- December 2024, January -- March 2025, April – June 2025).

Funding Quarter	Funding Source
October – December 2024	ARPA Funding
January – March 2025	State General Revenue Fund
April – June 2025	State General Revenue Fund

Funding allocation: The state's child care cost model informed the grant award amounts for Smart Start Workforce Grants. The cost model used data from statewide sources to 1) determine current median wages across program types, staff role and CCAP regions and 2) estimate the amount needed to increase wages to the required wage floors. The grant award amounts are set per classroom and are determined by the age group served and type of program (center or family child care/family group child care). Grant awards for centers are flat rates for each classroom, however family child care and family group child care grantees will receive a base grant with additional funds available if the provider employs any assistant(s) in their programs.

Award Amounts – Centers				
Classroom Type Quarterly Amount				
Infant/Toddler	\$6,750			
Ages 2-5	\$6,000			

Award Amounts – Family Child Care and Family Group Child Care (also called Family Day Care and Group Day Care)					
License Type Assistants' Hours Quarterly Total					
	Worked Per Week	Grant Award			
Family Day Care Home	0-20 hours/week	\$2,250			
Family Day Care Home	20+ hours/week	\$4,000			
Group Day Care Home	0-20 hours/week	\$2,250			
Group Day Care Home	20-60 hours/week	\$4,000			
Group Day Care Home	60+ hours/week	\$5,750			

Programs apply for Smart Start Workforce Grants via the Gateways portal, indicating the number and type of classrooms they are requesting funding for. All programs that meet eligibility requirements and apply receive funding.

The total grant amount for a center is based on the number of eligible classrooms and the total grant amount for a family child care or family group child care is based on whether or not they employ assistant(s) and the assistants' average weekly hours worked.

Participating programs must use the funds toward wages and salaries. If the wage floor is met for all required staff, funds may be used to supplement or increase compensation further or to increase wages for any other employees.

Funding distribution: Eligible programs apply and request funds during an application/opt-in window each quarter. INCCRRA confirms eligibility and requests funding from IDHS once all applications have been evaluated. INCRRAA receives the funds from the state, and disperses the quarterly funding amount to each participating child care program in the month prior to the implementation quarter.

Interaction with other funding streams: Participating programs are required to serve children enrolled in CCAP but there are restrictions on programs with other funding sources for participation Smart Start Workforce Grants. In order to be eligible, funded classrooms may not receive other sources of funds beyond CCAP and private tuition (for example: Preschool For All or Head Start).

Smart Start Quality Supports

Total Funding: \$10 Million in FY25 (GRF – State)

Administrator: IDHS-DEC

Program Purpose & Description:

The Smart Start Quality Support Pilot program, administered by IDHS-DEC, is a grant program designed to support participating child care programs in their efforts to embed Continuous Quality Improvement (CQI) systems throughout their organizations. In order to create a culture of CQI, participating programs receive financial and technical assistance support to:

- increase staff wages, including paying staff members wages that honor their credentials;
- improve staffing patterns (hire additional staff to exceed minimum licensing standards);
- participate in coaching and a community of practice; and
- access CQI tools and resources.

Eligibility:

The program supports child care programs, so eligibility criteria applies to programs rather than children.

Thirty-four child care centers were selected to participate in the original iteration of the pilot – the ExceleRate Child Care Center Pilot – in 2020, which was funded through PDG B-5 grant and administered by the Governor's Office of Early Childhood Development. The sites were chosen based on the following criteria, which aligned with the priorities of the PDG B-5:

- Licensed child care center;
- Located in CCAP Region 2; and
- At least 40% of enrolled children participate in CCAP.

The program, now called Smart Start Quality Support, has not expanded to include any new child care programs. However, through the Summer and Fall of 2024, IDHS-DEC worked with key stakeholders to design a proposal to expand the Smart Start Quality Support Program.

SSQS is intended to support all eligible child care programs and therefore is not a competitive bid, NOFO or RFP program. All eligible programs receive funds.

The licensed capacity across all 34 participating programs in FY 24 was 3,295. Excluding schoolage classrooms, the licensed capacity across all programs for infant, toddler and preschool classrooms was 2,495.

Governance:

The ExceleRate Child Care Center Pilot began in FY 2021 under the PDG B-5 Grant, which was administered by the Governor's Office of Early Childhood Education.

Program guidance and expectations are contained in a Program Manual¹⁹ that IDHS updates annually. In addition to the program manual, programs must comply with the following laws and regulations:

¹⁹ Provided by Illinois Department of Human Services on May 15, 2024

Federal

- 42 USC 9858- 45 CFR Parts 98 and 99 (Child Care and Development Fund)
- 45 CFR Part 75 (Uniform Administrative Requirements, Cost Principles, and Audit Requirements for HHS Awards)

State

- o 305 ILCS 5/9A-11(IL Public Aid Code)
- o 20 ILCS 505/5.15 (Children and Family Services Act)
- o 225 ILCS 10, et seq., (Child Care Act of 1969)
- o 89 Illinois Administrative Code, Part 50 (Child Care)
- All state and local health, safety and business regulations

IDHS-DEC is currently in the process of reviewing and revising the SSQS program with input from past and potential future recipients. The program's structure and requirements may change for FY26 as a result of this review.

Quality:

The child care programs in the Smart Start Quality Support Pilot are working toward increasing their ExceleRate Circles of Quality rating. The program is designed to support structural quality elements within the child care center that will create the conditions to enhance their Circles of Quality rating. The SSQS theory of change is as follows: If child care programs have the resources to invest in additional staff and increased wages, staff turnover will decrease, more staff will achieve higher credentials, and staff will engage in continuous quality improvement practices, which will enable children and families to equitably access higher quality care.

Smart Start Quality Support Pilot Structural Quality Elements

Stable, adequate and well-qualified staff

- Wage ladder where staff earn increased compensation based on level of Early Childhood Educator (ECE) or School-Age and Youth Development (SAYD) credentials
- Funding to hire additional staff needed for Continuous Quality Improvement

Program leadership capacity supports:

- Implementation of a leadership development plan
- 1-1 coaching for directors
- Community of Practice for directors
- Resources and tools for implementing CQI with staff

Funding:

Annual Budget: For FY 2025, the Smart Start Quality Support budget is \$10 million from Illinois state general revenue funds.

Funding allocation: Participating programs submit a proposed monthly budget to IDHS at the beginning of the fiscal year based on the allowable costs and fixed rates (set by IDHS) to support staff wages according to their credentials. For FY 2024, per-site contract amounts varied from \$140,000 to nearly \$450,000 based on program size and credentials earned by staff.

Funding disbursement: For FY 25, IDHS will disburse funds to the Illinois Network of Child Care Resource and Referral Agencies (INCCRRA) and INCCRRA reimburses participating programs based on fixed rates for staff wages and other actual allowable staffing costs on a monthly basis. Each month, participating programs submit documentation of their expenses for the previous month, including hours worked and wage rate, to INCCRRA. INCCRRA reviews the bills for accuracy and provides reimbursement.

Note: In prior funding years, INCCRRA received monthly invoices from participating centers for the prior month, validated the information and then submitted a request to IDHS. IDHS would then disburse the funds to INCCRRA to reimburse the providers. This process was slow, and mistakes often resulted in delayed payments to providers by weeks or months. To be responsive to this pain point for participating providers, IDHS and INCCRRA developed the FY 25 plan.

Interaction with other funding streams: Participating programs are required to serve children enrolled in CCAP and encouraged to engage in ExceleRate Circles of Quality, which offers financial incentives as they achieve higher levels of quality. There are not currently limits on other funding that the program may receive and blend to support staff and operating costs.

One of the goals of the program is to help participants meet the standards for high-quality grants or programs such as Head Start and the Early Childhood Block Grant (ECBG) so that the programs can "off ramp" from the Smart Start Quality Support program while continuing to offer high quality care using other sustainable funding streams.

CACFP

Total Funding: \$149.9 Million including child and adult care in FY 23 (CACFP – Federal)

Administrator: ISBE

Program Purpose & Description:

The Child and Adult Care Food Program (CACFP) is a federal program that provides reimbursements to programs that provide meals and snacks to people in their care. The program is both for adults in adult care and children participating in child care programs or other care settings such as homeless shelters and after-school programs. The US Department of Agriculture (USDA) administers the program through its Food and Nutrition Service (FNS).²⁰

The goals of CACFP are to:

²⁰ "Child and Adult Care Food Program." *First Five Years Fund*. https://www.ffyf.org/policy-priorities/child-and-adult-care-food-program/.

- Meet the nutritional needs of enrolled participants
- Promote healthy eating behaviors
- Improve the quality of daycare, making it more affordable for families

Eligibility:

Children whose families are under 130% FPL receive free meals, and those between 130-185% FPL receive reduced price meals. The program primarily serves children birth through twelve. Child Care programs can either participate as independent institutions or as a sponsoring organization. Programs can be a public entity, non-profit or for-profit, but they must be licensed or license exempt.²¹ Eligible participating programs and organizations include:²²

- Child Care Centers
- Head Start and Even Start Programs
- At-Risk Afterschool Meals Programs
- Outside School Hours Programs Emergency Shelters
- Family Child Care and Group Child Care Homes
- Adult Day Care Centers
- Pre-Kindergarten Programs

As of 2022, "Illinois has 11,097 child care programs, and 5,413 (49%) participate in the CACFP. The majority of CACFP-participating programs (62%) are Family Child Care (FCC) Providers, while 25 percent are Child Care Centers, 10 percent Family Group Child Care Homes, and 2 percent Child and Adult Care Homes." In FY23 an average of 123,675 people (including adults and children) were served through CACFP on a daily basis. 24

Governance:

On the federal level, CACFP is administered by the US Department of Agriculture (USDA). The USDA then funds a state agency to administer the program. In Illinois, the child care portion of CACFP sits at ISBE within the Nutrition Department.²⁵

Each state approves sponsors and providers to operate the program, with sponsoring organizations supporting providers with training and monitoring. FCC homes must participate in CACFP through a sponsor organization which is required to provide training and monitoring, verify eligibility and

²¹ "Child and Adult Care Food Program Child Care Centers Fact Sheet." *Illinois State Board of Education*, June 2022. https://www.isbe.net/Documents/child care fact sheet.pdf.

²² Administrative Handbook: Child and Adult Care Food Program for Child Care Centers." *Illinois State Board of Education*, 2022. https://www.isbe.net/Documents/CACFP-AllChapters.pdf.

²³ "CACFP Participation in Illinois." *Child Care Aware of America*, 2022. https://storymaps.arcgis.com/stories/5075b59490ad4d8ab8ad2c5550dedc1c.

²⁴ "CHILD AND ADULT CARE FOOD PROGRAM: AVERAGE DAILY ATTENDANCE." US Department of Agriculture, September 2024. https://fns-prod.azureedge.us/sites/default/files/resource-files/12ccfypart-9.pdf/

²⁵ "CHILD AND ADULT CARE FOOD PROGRAM." *Illinois State Board of Education*. https://www.isbe.net/cacfp.

reimburse providers. In Illinois, there are currently eight sponsoring organizations for FCC homes (listed in ISBE's <u>Provider Fact Sheet</u>).²⁶ The following graphic depicts the governance structure of CACFP²⁷:



CACFP Regulations - 7 CFR Part 226

Quality:

Meals must adhere to nutrition standards, including specific "Meal Pattern" Requirements that are differentiated by age group (infants and children/adults) and by meal.

- Administrative Handbook
- Nutrition Standards

Funding:

Funding for CACFP is distributed through formula grants from federal to state governments which then provide cash reimbursements to programs either directly or through a sponsor.²⁸ Program funds are provided to ISBE through federal grants, and ISBE then uses the funds to reimburse institutions.²⁹ Reimbursement rates are multiplied by number of meals served to calculate the

²⁶ "Illinois State Board of Education Nutrition & Wellness Programs: Day Care Home Sponsor and Provider Fact Sheet." *Illinois State Board of Education,* October 2023.

https://www.isbe.net/Documents/dch_provider_fact_sheet.pdf.

²⁷ "Building for the Future in the Child and Adult Care Food Program (CACFP) – Illinois State Board of Education." *ACD Kids.* <a href="https://acdkids.org/resources/resource-library/building-for-the-future-illinois-state-board-of-education/#:~:text=It%20is%20a%20Federal%20program,the%20quality%20of%20day%20care..."

²⁸ "CHILD AND ADULT CARE FOOD PROGRAM." *Illinois State Board of Education*.

 $[\]underline{\text{https://www.isbe.net/Pages/Child-Adult-Care-Food-Program.aspx.}}$

²⁹ "Financial Management - Child and Adult Care Food Program." *United States Department of Agriculture*, April 2024. https://www.fns.usda.gov/cacfp/financial-

basic payment. If a program participates through a sponsoring organization, ISBE provides the payment to the organization which then passes on the reimbursement to the child care program.³⁰

In FY23, CACFP funding was \$149,932,784.31 There are currently 745 active awards.32

Restrictions of funding include:33

- A maximum of two meals and one snack or one meal and two snacks per child per day may be claimed for reimbursement.
- Meals must meet USDA and meal pattern standards to be eligible for reimbursement.
- Programs may not profit from CACFP.

Preschool

State Preschool (ECBG/PFA/PFAE)

Total Funding: \$748 Million in FY25 (GRF – State)

Administrator: ISBE

Program Purpose & Description:

The purpose of the Early Childhood Block Grant is to provide funds for early childhood and family education programs and services that help young children enter kindergarten ready to learn. ECBG is a competitive grant that funds three program types: Prevention Initiative, Preschool for All, and Preschool for All Expansion programs.

- Prevention Initiative (PI): Center and home visiting programs for children under the age of 3 and their parents (including expecting parents)
- **Preschool for All (PFA):** School and community-based preschool for children ages 3 to 5 (prior to kindergarten). Can be part-day or full-day.
- **Preschool for All Expansion (PFAE):** School and community-based preschool for children ages 3 to 5 (prior to kindergarten). Full-day with comprehensive services.

Preschool for All, Preschool for All Expansion and Prevention Initiative focus on serving children who experience risk factors including living in households where parents have lower incomes.

 $[\]frac{management \#: \sim : text = Breadcrumb \& text = CACFP \% 20 funds \% 20 are \% 20 provided \% 20 to, subject \% 20 to \% 20 the \% 20 same \% 20 requirements.}$

^{30 &}quot;Child and Adult Care Food Program." Office of Management and Budget.

https://omb.illinois.gov/public/gata/csfa/Program.aspx?csfa=409.

³¹ "CHILD AND ADULT CARE FOOD PROGRAM: CASH PAYMENTS." *United States Department of Agriculture*. https://fns-prod.azureedge.us/sites/default/files/resource-files/14cccash-7.pdf.

^{32 &}quot;Child and Adult Care Food Program." Office of Management and Budget.

https://omb.illinois.gov/public/gata/csfa/Program.aspx?csfa=409.

³³ "Administrative Handbook: Child and Adult Care Food Program for Child Care Centers." *Illinois State Board of Education*, 2022. https://www.isbe.net/Documents/CACFP-AllChapters.pdf.

Eligibility:

• Entities or programs eligible for ECBG funds are existing grantees, and new applicants including any public or private not-for-profit or for-profit entity with experience in providing educational, health, social and/or child development services to young children and their families. ECBG program operated in or by a child care center is subject to the licensure requirements of the Illinois Department of Children and Family Services (DCFS). Examples of entities eligible include school districts, child care centers, Regional Offices of Education (ROEs), university laboratory schools approved by the Illinois State Board of Education (ISBE); charter schools; and area vocational centers.

Family child care homes and group homes licensed by the Illinois Department of Children and Family Services (DCFS) are eligible to apply in joint applications with an administrative agent such as a Local Education Agency (LEA) or other eligible applicant (such as an ROE, university lab or any of the other eligible entities mentioned above).

Eligible children and families: ECBG is a competitive Request for Proposal (RFP) process that prioritizes programs serving high-need communities and children who are "at -risk" and living in low-income families.

- At-risk defined as "children who because of their home and community environment are subject to such language, cultural, economic and like disadvantages to cause them to have been determined as a result of screening procedures"
- Low-income families priority for those at or below 50% Federal Poverty Level (FPL)

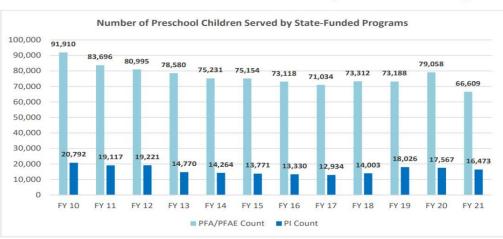
Upon grant application, programs must assess and provide a narrative on the estimated number of children they plan to serve (slots they will fill) based on high-priority populations in the area. High-priority populations include:

- Children experiencing homelessness
- Children identified as "youth in care" (involved in the child welfare system)
- A child with developmental delays and/or disabilities, or if the child has been identified by Early Intervention (EI) as having a developmental delay, but was determined ineligible for receiving EI services
- Children from families identified as having incomes at or below 50% of the FPL

During the award process:

- First priority in awarding grants must be given to applicants that propose to serve primarily children from low-income families, including low-income working families, homeless families, families where English is not the primary language spoken in the home, or families where one or both parents are teenagers or have not completed high school.
- Second priority in awarding grants must be given to applicants proposing to serve primarily children whose family's income is less than four times the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services

under the authority of $\underline{42 \text{ U.S.C. }9902(2)}$. The successful applicant must collect evidence of family income levels for each child whose participation is based on the family income.



Number of Preschool Children Served by State-Funded Programs

Note: Each fiscal year has two categories - Preschool for All (PFA) + Preschool for All Expansion (PFAE) Count \ Prevention Initiative (PI) Count.

Sources: Student Information System, Early Childhood Electronic Grant Management System.

Governance:

Early Childhood Block Grant (ECBG) is a state grant administered by the Illinois State Board of Education (ISBE). ECBG was originally established by the Illinois General Assembly in 1997 to provide funding for preschool and birth-to-three programs. ECBG combined two separate programs—the Pre-Kindergarten Program for Children at Risk of Academic Failure, instituted in 1985, and the Early Childhood Prevention Initiative Program, established in 1989—into one funding source.

In July 2016, <u>105 ILCS 5/School Code</u> was revised to include funds that provide parental training, increasing the percentage of funds distributed to programs for children 0-3, and establishing a competitive awards system.

Quality:

ISBE has several guidelines to ensure higher standards of quality in programs.

- Pre-K grantees must be licensed and participate in the ExceleRate QRIS
- Grantees are subject to program monitoring:
 - One on-site visit every four years

- Programs receive reports with an operational compliance checklist and quality assessments. The compliance checklist offers a list of program requirements such as classroom ratio, teaching credentials, curriculum etc.³⁴
- Programs must create a continuous quality improvement plan and submit an annual progress report
- If a program fails to abide by these standards, they are subject to sanctions and removal of grant approval

ISBE uses the Illinois Birth to Five Program Standards which outline program standards across five main areas, each with several sub-standards and quality indicators.³⁵

- I. Organization
- II. Curriculum and service provision
- III. Developmental monitoring and program accountability
- IV. Personnel and
- V. Family and Community Partnerships

Funding:

The ECBG is appropriated by the general assembly and is administered by ISBE. Each year, funds allocated towards ECBG go towards sustaining existing grantees, who once awarded, programs are eligible for 5 years, unless the entity wishes to apply for additional slots to expand their program under an existing application and granting fundings to new grantees (applying for the upcoming fiscal year).

Remaining funds are used towards quality increases. In the past, ISBE has used these funds towards targeted supports like salary increases or broad support like a 1% funding increase to all existing grantees.

In FY25 ISBE received \$748M for ECBG, a \$75M increase over last year's budget.³⁶ The additional funding comes through Smart Start, Illinois' multi-year initiative to increase access to early childhood education for all children in the state. The program intends to provide 5,000 new preschool slots in designated preschool deserts. Additionally, 25% of all new ECBG funding is statutorily set aside for ISBE's Prevention Initiative (birth-to-three center- and home-based services).

As detailed in the authorizing legislation for ECBG, Chicago Public Schools automatically receive 37% of the total budget. Because CPS receives its own appropriation from state ECBG funds for programs in the City of Chicago, applicants proposing to provide services for children and families

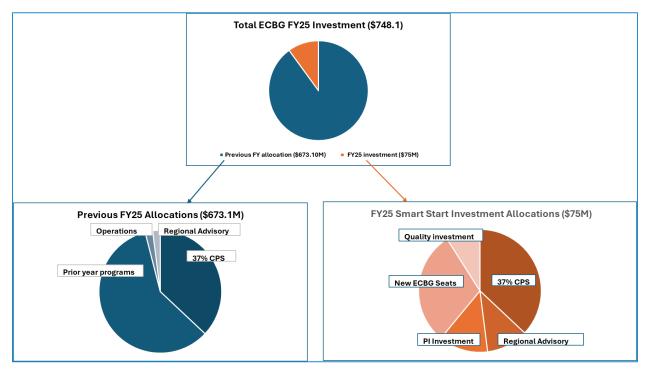
³⁴ "Early Childhood Block Grant 3-5 Compliance Checklist." *Illinois State Board of Education*, August 2024. https://isbe.net/Documents/PFA-Compliance-Checklist.pdf.

³⁵ "ILLINOIS BIRTH TO FIVE PROGRAM STANDARDS." *Illinois State Board of Education*, 2014. https://www.isbe.net/documents/0-5-program-stds.pdf.

³⁶ https://budget.illinois.gov/content/dam/soi/en/web/budget/documents/budget-book/fy2025-budget/FY25_Enacted_Budget_Highlights.pdf

within the Chicago city limits must apply for funds through a separate process determined by the city. ISBE does not directly fund entities in the City of Chicago.

The following chart illustrates the high-level breakdown of how ECBG funds are allocated.



*Regional Advisory Councils are funded in part from Prior year investment and partly from new FY25 Smart Start investment

Funding Allocation:

Each year, ECBG funds are allocated to existing grantees, and new applicants. Grantees, once awarded, are eligible for 5 years, and do not need to recompete unless requesting to expand their program to serve more children, or expand to a full day program. Since Smart Start began, ISBE has put out a yearly Request for Sealed Proposals (RFSP), along with a map and a list of school districts that are located in preschool deserts. A preschool desert is an area of the state where there is an insufficient number of publicly funded slots, exclusive of CCAP, to serve at least 80% of 3- and 4-year-old children from low-income families (0-200% Federal Poverty Level). In FY24 and FY25 ISBE prioritizes awarding funding to new programs in preschool deserts.³⁷

The number of programs awarded is determined by the number of applications received and the amount of funds available to award to programs. ISBE determines the number of slots to award based on funded slots needed to serve at least 80% of 3- and 4-year-old eligible children. As a

³⁷ "ECBG Preschool Deserts." *Illinois State Board of Education*. https://www.isbe.net/Pages/ECBG-Preschool-Deserts.aspx.

result, applicants may not be awarded for the full number of slots requested or may not be funded even if they meet scoring requirements. ISBE is required to design and execute a merit-based review and selection process for applications. Proposals are scored based on criteria including population served, program quality, experience and qualifications and cost effectiveness. Priority points are also awarded to programs serving children in preschool deserts, those who do not currently receive ECBG funding and those subcontracting with Family Child Care homes. In FY 24, proposals serving children in preschool deserts were prioritized first, and programs receiving Smart Start Child Care grants were prioritized second, with other programs receiving remaining funding.

The state superintendent of education determines the amount of individual grant awards. For FY24, of the \$75M allocated for new grantees, the per child award amount for PFA was at \$3,900 and PFAE was at \$8500. PFA and PFA/E classrooms are expected to serve 20 children, with a staff-child ratio of one to ten. Total funding per classroom serving 20 children ranges from \$78,000 for a part-day PFA classroom to \$170,000 for a full-day PFAE classroom. Inclusive classrooms may serve a reduced number of children, with a minimum of 15.38

Other District Funding

Title I Supported Preschool

Total Funding: Title I - \$707 Million for all grade levels in FY 24 (Elementary and Secondary Education Act Title Funding – Federal)

Administrator: ISBE

Program Purpose & Description:

A Title I supported preschool program is a preschool program for which a Local Education Agency (LEA) or school uses federal Title I funds, in whole or in part, to improve educational outcomes for eligible children from birth to the age at which the LEA provides a free public elementary education. Such a program is designed to prepare eligible children with the prerequisite skills and dispositions for learning that will enable them to benefit from later school experiences.³⁹

Any LEA or school that receives federal Title I funds (i.e., a Title I LEA or Title I school, respectively) may use Title I funds to operate a preschool program consistent with federal Title I requirements, but are not required to do so. Title I funds are allocated to support services for students from low-income families and to LEAs with high percentages of students from low-income families. Funds are distributed to LEAs through four grants:⁴⁰

³⁸ "Preschool for All/Preschool for All Expansion Implementation Manual." *Illinois State Board of Education*, March 2022. https://www.isbe.net/Documents/Preschool_for_All_Implementation_Manual.pdf.

³⁹ "Serving Preschool Children through Title I, Part A of the Elementary and Secondary Education Act of 1965, as amended." *US Department of Education*, February 2024. https://oese.ed.gov/files/2024/02/Title-l-Preschool-Early-Learning-Guidance-Revised-2023-FINAL.pdf/

⁴⁰ "Title I: At A Glance." *All4Ed*, 2023. https://all4ed.org/publication/title-i-at-a-glance/.

- Basic Grants
- Concentration Grants
- Targeted Grants
- Education Finance Incentive Grants (EFIG)

These are formula grants, not competitive grants, meaning any LEA that meets the program requirements within the law is eligible to receive funding.⁴¹ A Title I LEA or school determines whether to use its Title I funds to operate a preschool program based on the needs of its eligible students and the most effective use of those funds. The decision to use Title I funds for a preschool program is made by an LEA or an individual school.

There are several ways in which an LEA may use its Title I funds to support a preschool program:

- **School-operated Title I preschool program:** A Title I school may use all or a portion of its Title I funds to operate a preschool program for eligible children.
- **District-operated Title I preschool program:** An LEA may reserve a portion of funds from its Title I allocation to operate a preschool program for eligible children districtwide or in a portion of the district.
- Enhancing other preschool programs: An LEA may use Title I funds to fund program enhancements such as improving the quality (which includes providing support services for early childhood educators), extending the day, increasing the number of days, or increasing the number of children served in State preschool, Head Start, child care programs, or other community-based early learning programs for eligible children.

In addition, Title I funding may be used for coordination with and support eligible children enrolled in other preschool programs, professional development for parent and family engagement strategies for Title I early childhood educators, and school readiness services to promote transition.

Eligibility:

In general, eligibility for a Title I-supported preschool program depends on the type of Title I program an LEA or school is operating. 42 43

- School operating a Title I schoolwide program: A preschool that is part of a Title I school operating a schoolwide program is not required to identify particular children as eligible to participate in the Title I preschool. Rather, all children under six years of age are eligible to participate in the Title I preschool program.
 - School operating a Title I targeted assistance program: Preschool-age children residing in the attendance area of a school operating a targeted assistance program

⁴¹ "Title I: At A Glance." *All4Ed*, 2023. https://all4ed.org/publication/title-i-at-a-glance/.

⁴² "Title I: At A Glance." *All4Ed*, 2023. https://all4ed.org/publication/title-i-at-a-glance/.

⁴³ "Elementary and Secondary Education Act of 1965." https://www.ed.gov/sites/ed/files/documents/essa-act-of-1965.pdf/

who are identified as most at risk of failing to meet the challenging State academic standards, are eligible to participate in a Title I preschool program on the basis of criteria, including objective criteria, established by the LEA and supplemented by the school. The use of family income as one factor in determining eligibility is allowable, but children should not be identified for a Title I preschool program solely on the basis of family income. Some children are also automatically eligible based on factors such as: Children who participated in Head Start, received services supported by the Comprehensive Literacy State Development Grants program under the federal Title I, Part B, Subpart 2 of the ESEA, or attended a Title I preschool program at any time in the prior two years;

- Children who received services under Part C of the federal Title I statute (migrant education) in the prior two years;
- Preschool-aged children experiencing homelessness; and
- Children who are in a local institution for neglected or delinquent children and youth or attending a community-day program for these children
- District-operated Title I preschool program: An LEA may reserve a portion of funds from its Title I allocation to operate a preschool program for eligible children in the district as a whole or in a portion of the district. In general, when an LEA reserves funds to operate a districtwide Title I preschool program, it must select children who are eligible to participate in accordance with ESEA. (targeted assistance program) by identifying preschool children most at risk of failing to meet the challenging State academic standards. The use of family income as one factor in determining eligibility for a districtwide Title I preschool program is allowable, especially for the purpose of prioritizing when there are not sufficient Title I funds to serve all eligible preschool-age children. However, children should not be identified as eligible for a Title I preschool program solely based on family income. An LEA may not use Title I funds to implement a districtwide preschool program to benefit all preschool children in the LEA unless all the schools in the LEA are Title I schools operating schoolwide programs.

Governance:

As the Title I grantee, the State Educational Agency (SEA), ISBE in Illinois, is responsible for oversight of all Title I programs, including preschool programs supported with Title I funds.⁴⁴ The SEA is also responsible for administering federal funds according to the federal formula.

SEAs can provide technical assistance to Title I-supported preschools by:

- Supporting collaboration between the LEA, school, and Head Start agency and other entities carrying out early learning programs
- Coordinating Title I preschool efforts with agencies administering other early learning programs and with State Advisory Councils for Early Care and Education (where they exist)

⁴⁴ ESEA sections 1111 and 8304. https://www.congress.gov/114/plaws/publ95/PLAW-114publ95.pdf.

- Coordinating Title I preschool efforts with IDEA, Part B and Part C services to support inclusive preschool classrooms and necessary collaboration and coordination across State and local agencies
- Supporting a child's continued learning and proficiency in their home language in addition to English
- Promoting implementation of high-quality Title I preschool programs as an improvement strategy for schools identified for support and improvement under the ESEA
- Raising awareness about how Title I funds can best be used to support preschool programs and sharing evidence-based practices

Quality:

A Title I-supported preschool program that provides early childhood educational services to children from low-income families below the age of compulsory school attendance must ensure that those services comply at a minimum with the education performance standards in effect under section 641A(a) of the Head Start Act.⁴⁵

Funding:

Funds for Title I, Part A are distributed via formula grants based on the low-income census count and set by the federal government. As per federal requirements, the state allocates not less than 95 percent of the funding to districts on a formula basis. The information below shows the Title I, Part A grant award allocation at the state level based on ESSA In FY24, the Illinois State Board of Education (ISBE) provided over \$707 million in Title I funding to LEAs (note that funding total is for all grade levels, not only early childhood). The specific percentage of Title I funding that is allocated for preschool is not reported on separately from Title I expenses for K-12. Of the 800+ school districts within Illinois, 11 districts do not receive Title I funding because they report serving a student population with a percentage of low-income students below 40%, making the district ineligible for funding⁴⁶

Title II. III. and IV

While Title I is the largest form of federal funding available to Local Education Agencies (LEAs), districts may utilize additional forms of federal funding from sources including Title II, III and IV to support preschool programs and related services. A brief description of these programs and allowable uses are included below:

• Title II, Part A: To increase the academic achievement of all students by assisting schools and school districts to prepare, train, and recruit high-quality teachers, principals, and other school leaders. More information on allowable uses can be found here.

⁴⁵ ESEA section 1112(c)(7)). https://www.congress.gov/114/plaws/publ95/PLAW-114publ95.pdf.

⁴⁶ Final FY24 Title I II IV Allocations.xlsx (isbe.net)

- Title III, EL: To help English Learners (Els) and immigrant children and youth attain English language proficiency (ELP) by supporting the development and implementation of new language instruction educational programs and academic content for Els. More information on allowable uses can be found here.
- Title IV, Part A: To improve students' academic achievement by increasing the capacity of states, Local Education Agencies, schools, and local communities to provide all students with access to a well-rounded education; improve school conditions for student learning; and improve the use of technology in order to improve the academic achievement and digital literacy of all students. More information on allowable uses can be found <a href="https://example.com/here/beta/fig/here/beta/f

Evidence Based Funding (EBF)

Total Funding: \$8.6 Billion in FY25 (GRF – State)

Administrator: ISBE

In addition to exercising flexibility within federal Titles I, II, III, and IV local education agencies may also utilize state funding allocated through the Evidence-Based Funding (EBF) formula to support preschool programs. The EBF formula prioritizes the distribution of new funding to the students with the most need and the most poorly funded school districts. The formula calculates the cost of providing students with a high-quality education, the cost of adequacy, and assesses how far districts currently are from reaching that amount. Similar to the discretion LEAs have as to whether or not to use federal title funding in support of preschool the decision to use EBF funds for a preschool program is made by an LEA and/or an individual school.

Head Start/Early Head Start

Total Funding: \$421 Million in FY22 (Head Start – Federal)

Administrator: ACF Office of Head Start

Program Purpose & Description:

Head Start is a federal program and is designed to support school readiness for low-income children through providing early learning opportunities and wraparound support for families.

- Early learning opportunities at Head Start (HS) and Early Head Start (EHS) programs help to enhance cognitive, social, and emotional development
- They also offer comprehensive services such as nutrition, health, family well-being and parent engagement to further support children and their families.

Head Start serves children ages three to five, while Early Head Start serves pregnant women, infants, and toddlers through age two. Illinois also has Migrant and Seasonal Head Start (MSHS)

and Early Head Start Child Care partnership.⁴⁷ Illinois does not currently have any American Indian/Alaska Native tribal Head Start programs.⁴⁸

Eligibility:

Children ages 0 to 5 and pregnant women are eligible for Head Start services if they have a household income below 100% FPL, receive public assistance, are experiencing homelessness, are in foster care, or receive Supplemental Nutrition Assistance Program (SNAP) benefits.⁴⁹ In FY 2022, Head Start in Illinois had a funded enrollment of 17,971 children and Early Head Start had a funded enrollment of 11,059.⁵⁰ MSHS, which serves children under 5 who have at least one parent with primary income from agricultural work, had a funded enrollment of 233 children in FY 2023.⁵¹

Head Start programs can be operated in K-12 school systems, Community-Based early childhood centers, some Family Child Care homes, and child and family support entities. These programs can be school districts, non-profits or for-profits, or faith-based institutions.⁵²

Governance:

Head Start is a federal program administered by the US Department of Health and Human Services (HHS), specifically the Administration for Children and Families (ACF) and its Office of Head Start (OHS). Head Start and Early Head Start are direct-to-grantee programs that the state cannot administer (with few exceptions). Illinois' MSHS programs' grantee is the Illinois Department of Human Services.

In addition, each state must have a HS State Collaboration Office (HSSCO) which supports collaboration between HS and other programs or initiatives and facilitates its involvement in state policies and planning.⁵³ In Illinois, the HSSCO currently sits within IDHS-DEC. Regional and state collaboration offices currently focus on collaboration between HS and other programs and make efforts to include HS in state policy and planning.

⁴⁷ "Early Childhood Funding in Illinois." *The Early Learning Lab and Start Early*, 2019. https://www.startearly.org/app/uploads/2023/05/Early-Childhood-Funding-in-Illinois.pdf.

⁴⁸ "Head Start Locator." *Early Childhood Learning and Knowledge Center.*

https://eclkc.ohs.acf.hhs.gov/center-locator?latitude=40.633&longitude=-89.399&state=IL&type=5,6.

⁴⁹ "Federal Funding Streams for Child Care and Early Childhood Education." *National Conference of State Legislatures*, May 2024. https://www.ncsl.org/state-federal/federal-funding-streams-for-child-care-and-early-childhood-

 $[\]underline{education\#:} \sim : text = Some \% 20 federal \% 20 funding \% 20 streams \% 20 are, \underline{child \% 20 care \% 20 and \% 20 early \% 20 child \% 20 care \% 20 and \% 20 early \% 20 child \% 20 care \% 20 and \% 20 early \% 20 child \% 20 care \% 20 and \% 20 early \% 20 child \% 20 care \% 20 and \% 20 early \% 20 child \% 20 care \% 20 early \% 20 child \% 20 early \% 2$

⁵⁰ "Head Start Program Facts: Fiscal Year 2022." *Early Childhood Learning and Knowledge Center*, July 2024. https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/head-start-program-facts-fiscal-year-2022.

⁵¹ "Migrant and Seasonal Head Start Annual Report for Fiscal Year 2023." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=159577.

⁵² "Head Start Services." *Administration for Children and Families*, June 2024.

https://www.acf.hhs.gov/ohs/about/head-start.

⁵³ "Head Start Collaboration." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=30356.

Programs must meet 100% of funded enrollment and maintain an active wait list. Programs who are not in compliance are entered into the <u>Full Enrollment Initiative</u>.

Quality:

The Head Start Program Performance Standards (HSPPS) use research and best practices to define the minimum standards and requirements for HS and EHS programs. The original standards were written when HS began in 1965 but were updated significantly in 2016. The current HSPPS support programs to meet the expectations for program implementation, while allowing them to tailor approaches to meet their community's needs. The standards reflect best practices and research on child development and school readiness and include educational standards and curriculum requirements, among other program requirements. Early Head Start also has standards specifically tailored to infants and toddlers.⁵⁴

Head Start Performance Standards include expectations for classroom instruction and interactions, measured by the Classroom Assessment Scoring System (CLASS), which is "an observation instrument that assesses the quality of teacher-child interactions in center-based preschool classrooms". CLASS for preschool classrooms covers three domains: emotional support, classroom organization and instructional support. ⁵⁵ CLASS also has a measurement tool adapted for toddlers which includes two domains: emotional and behavioral support, and engaged support for learning.

CLASS is scored on a scale of 1-7, with 7 being the highest. Programs who receive an average CLASS score below the "competitive threshold" (5 for emotional support and classroom organization, and 2.3 for instructional support) on any of the three domains are required to recompete for a grant through the Designation Renewal System.⁵⁶

In November 2023, the OHS announced a proposed rule that would change the HSPPS to include fair compensation as a key component of high-quality early childhood education and care. The final rule, published in August 2024, makes significant changes to support the workforce, including requirements for wages and benefits, and support for staff health and wellness. The rule requires programs to create or update a salary scale, align wages with preschool teachers in public school settings and offer benefits such as health insurance and paid leave by 2031 (89 FR 67720). HHS

⁵⁴ "INFANTS AND TODDLERS AND EARLY HEAD START." The Administration for Children and Families, December 2016. https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/ehs-infant-toddler-hspps-chart.pdf. https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/ehs-infant-toddler-hspps-chart.pdf. https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/ehs-infant-toddler-hspps-chart.pdf. https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/ehs-infant-toddler-hspps-chart.pdf. https://eclkc.ohs.acf.hhs.gov/default/files/pdf/ehs-infant-toddler-hspps-chart.pdf. https://eclkc.ohs.acf.hhs.gov/designation-renewal-system/article/use-classroom-assessment-scoring-system-class-head-start.

⁵⁶ "Use of Classroom Assessment Scoring System (CLASS®) in Head Start." *Early Childhood Learning and Knowledge Center*, January 2023. https://eclkc.ohs.acf.hhs.gov/designation-renewal-system/article/use-classroom-assessment-scoring-system-class-head-start.

estimates that the rule would increase Head Start teacher annual wages by more than \$10,000 on average.⁵⁸

Funding:

Head Start uses a federal-to-local funding model, meaning that HS funds are awarded directly from the federal government to eligible programs at the local level (e.g., centers, school districts). Grants are competitive and provide funding for comprehensive services in specific communities.⁵⁹ Funds can be used for many purposes including, operations, professional development, quality improvement and technology.⁶⁰ The law requires that communities contribute at least 20 percent of the cost of the HS program. This contribution can be met in multiple ways aside from direct funding, including in-kind contributions such as donated volunteer hours, space and materials.⁶¹

Total Head Start annual funding is determined by federal appropriations, and a federal formula is then used to determine funding by region and program based on enrollment. Recent federal appropriations have focused on prioritizing cost of living adjustments and new EHS slots instead of distributing new funds to current HS grantees.⁶²

Head Start grantees also have the opportunity for additional funding through competitive grants to expand services. Head Start has two funding streams for expansion funding, one is shared by all states proportionally, and the other is reserved for states where relatively less eligible children are served. During the last funding round, 39 states qualified for both funding streams, leading to thinly spread funding. ⁶³ For EHS, the federal government distributes expansion grant funds equally across states, rather than ensuring equitable access across states.

Illinois Head Start Funding Amounts:

- FY22 Head Start Preschool Annual Operations Funded Amount: \$229,511,185⁶⁴
- FY22 Early Head Start Annual Operations Funded Amount: \$191,734,11665

⁵⁸ "HHS Proposes New Rule to Strengthen the Head Start Workforce, Increase Wages & Support Quality Programming." *Administration for Children and Families*, November 2023.

https://www.acf.hhs.gov/media/press/2023/biden-harris-administration-proposes-new-rule-strengthen-head-start-workforce.

⁵⁹ "Grants." *Administration for Children and Families*. https://www.acf.hhs.gov/ohs/about/grants.

⁶⁰ "Early Childhood Funding in Illinois." *The Early Learning Lab and Start Early*, 2019.

https://www.startearly.org/app/uploads/2023/05/Early-Childhood-Funding-in-Illinois.pdf.

⁶¹ "Non-federal Match Narrative." *Early Childhood Learning and Knowledge Center*, March 2023. https://eclkc.ohs.acf.hhs.gov/fiscal-management/article/non-federal-match-narrative.

⁶² "GAO Report: Opportunities Within Head Start to Better Align Resources with Child Poverty." *First Five Years Fund*, March 2024. https://www.ffyf.org/resources/2024/03/gao-report-opportunities-within-head-start-to-better-align-resources-with-child-poverty/.

⁶³ "GAO Report: Opportunities Within Head Start to Better Align Resources with Child Poverty." *First Five Years Fund*, March 2024. https://www.ffyf.org/resources/2024/03/gao-report-opportunities-within-head-start-to-better-align-resources-with-child-poverty/.

 ^{64 &}quot;Head Start Program Facts: Fiscal Year 2022." Early Childhood Learning and Knowledge Center, July 2024.
 https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/head-start-program-facts-fiscal-year-2022.
 65 "Head Start Program Facts: Fiscal Year 2022." Early Childhood Learning and Knowledge Center, July 2024.
 https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/head-start-program-facts-fiscal-year-2022.

FY 23 Migrant and Seasonal Head Start received \$4,559,613⁶⁶

As of FY22, Illinois received a higher rate of federal funding for HS programs than states serving a similar number of children, such as Pennsylvania, Ohio, Michigan and Georgia. However, programs in Illinois also served a much higher proportion of children in EHS, which is more expensive, in comparison to those states. The average funding per slot for Head Start was about \$11,500 and but was somewhat higher in Illinois at approximately \$12,800. For Early Head Start, the average was about \$16,700, and Illinois also had a higher rate at \$17,300.

Special Education

Early Intervention

Total Funding: \$230.8 Million estimated for FY25 (IDEA Part C – Federal, Medicaid – Federal/State, GRF - State, private funding through Private Insurance and Private Co-Pay)

Administrator: IDHS- DEC

Program Purpose & Description:

Illinois' Early Intervention (EI) system supports families of children 0 to 3 who are experiencing developmental delays. Services are provided to children who are currently experiencing delays or at-risk of experiencing delays. The goal of the EI system is to help children in the program to learn and grow in a variety of domains including physical, cognitive, and social development. It also intentionally coaches and educates family members and caregivers to support their children. The most common services in EI include speech, occupational, physical and development therapy, but EI provides a range of 16 services. Services are required to be provided in the child's natural environment such as the home or child care. Children who are eligible for the service receive an Individualized Family Service Plan (IFSP).⁶⁸

Eligibility:

In Illinois, children 0-3 who are experiencing a developmental delay or at risk of experiencing a delay are eligible for services. At-risk includes if a parent has a serious mental illness or emotional disorder, experiences homelessness, or suffers from alcohol/drug abuse, among other risk factors. 69 Recently, Illinois also extended eligibility for children who turn 3 in the summer months so they are able to continue El services until they begin the school year and can transition to ECSE

⁶⁶ "Migrant and Seasonal Head Start Annual Report for Fiscal Year 2023." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=159577.

⁶⁷ Calculated from: "Head Start Program Facts: Fiscal Year 2022." *Early Childhood Learning and Knowledge Center*, July 2024. https://eclkc.ohs.acf.hhs.gov/data-ongoing-monitoring/article/head-start-program-facts-fiscal-year-2022

⁶⁸ "IDEA Early Intervention and Preschool Programs." *First Five Years Fund*. https://www.ffyf.org/wp-content/uploads/2022/03/FFYF_IDEA_FY2022.pdf.

⁶⁹ "Chapter 9 - Early Intervention Eligibility Criteria, Evaluation and Assessment." *Illinois Department of Human Services*. https://www.dhs.state.il.us/page.aspx?item=96963.

(see above/below). They also expanded eligibility by automatically qualifying children who experience abuse or neglect. The program serves about 60,000 children annually.⁷⁰

Licensed providers can work in the EI system as independent contractors or for agencies once they have acquired their Early Intervention credential.

Child and Family Connections (CFC) offices serve as the point of entry for families needing El services and provide service coordination for eligible children. Some are independent organizations, or CBOs, while others are housed within medical centers.

Governance:

Early Intervention is a federal program out of the US Department of Education and is administered in Illinois through IDHS-DEC, EI Programs are required to meet the standards set by the federal IDEA Part C statute and detailed in the "quality" section below. Lead Agencies must complete an Annual Performance Report that details their progress in meeting the indicators. IDHS funds a variety of programs who help administer the EI program including Provider Connections, the Early Intervention Training Program, Central Billing Office and Early Intervention Training and Monitoring program. IDEA Part C also requires that the state have an Early Intervention Interagency Coordinating Council (ICC) which advises and assists IDHS in implementing and evaluating the EI program; in Illinois, this is the Illinois Interagency Council on Early Intervention (IICEI).

IDHS provides grants to CFC offices who coordinate services for families in the EI program. There are 25 CFCs across the state.

Resources:

- IDEA Part C Early Intervention Program for Infants and Toddlers with Disabilities
- State Statute Early Intervention Services System Act (325 IL CS 20/)
- State Administrative Code <u>Title 89</u>: <u>Social Services Chapter IV</u>: <u>Department of Human Services Subchapter E</u>: <u>Early Childhood Services</u>, <u>Part 500 Early Intervention Program</u>

Quality:

States that receive IDEA funds must produce an Annual Performance Report that describes the state's progress on various required indicators. Programs must meet federal standards for IDEA Part C services that are delineated in 11 indicators, including, but not limited to:⁷¹

- Timely provision of evaluations, assessments and services
- Provision of services in the natural environment (i.e. home or child care setting)
- Early Childhood Outcomes, including measuring social-emotional and cognitive development
- Child Find, which requires a system to identify children who may be eligible for services
- Family involvement
- Transition to ECSE services

⁷⁰ Children served provided by IDHS in October 2024.

⁷¹ "FY23 Annual Performance Report." *Illinois Department of Human Services*, 2024. https://www.dhs.state.il.us/page.aspx?item=164336.

Additionally, services are required to be provided in a child's natural environment which supports quality and allows providers to better coach families to support their children through day-to-day routines and activities. Currently, natural environment services can be delivered in-person or through telehealth services, which are known in Illinois as Live Video Visits (LVV).

Funding:

El is funded by the Individuals with Disabilities Education Act (IDEA) Part C, Medicaid, State General Revenue, private insurance, and private co-pay. In Illinois, the majority of El funding comes from Illinois' general revenue fund, followed by Medicaid reimbursement. IDEA Part C and family fees are relatively small revenue sources. In FY25 Illinois has a total expected financial liability of \$230.8 million for El services, with 71% of funding from the state's general revenue fund, 19% from Medicaid and 9% from IDEA Part C. The remaining 1% is from family fees.

While it is difficult to compare funding across states for Early Intervention, in a comparison to six other states with similar characteristics (Connecticut, Missouri, New York, Ohio, Utah and Virginia), Illinois spends a much higher percentage of state dollars. Illinois's cost per child is about average, at \$5,625. States that are serving a higher percentage of children through EI, such as Massachusetts and New Mexico, also have higher Medicaid revenues.

Federal funding for each states' Part C programs is determined based on the state's proportion of the number of children under three in the general population. ⁷² Part C grants primarily finance administrative functions instead of funding direct service and are distributed as grants from the federal government to the lead state agency, which is IDHS in Illinois. ⁷³

Provider Funding/Payment: In Illinois, providers working in the EI system operate in a fee-for-service model where they are reimbursed for providing services from private insurance, Medicaid, or State General Revenue funds. Families must consent to providers billing private insurance for EI services, and if approved the provider can bill insurance directly or use the state's Insurance Billing Unit, which bills private insurance on a providers' behalf. Services provided through Early Intervention receive an enhanced Medicaid reimbursement rate that is higher than the standard Medicaid rate. For example, Speech Evaluations, Speech Therapy and Physical Therapy have a standard Medicaid rate of \$14.84 per 15-minute unit, but the EI rates pay \$16.96 for onsite services and \$21.16 for offsite services. Illinois EI rates were increased by 10% in July 2023.

CFC Funding: Child and Family Connections (CFC) offices, which provide intake and service coordination for families, are directly funded by IDHS through a competitive grant process. Since FY19, IDHS has increased funding for CFC offices from \$37 million to \$56 million in FY24. The main portion of a CFC award comes from the Service Coordination award which is calculated based on

⁷² "The Individuals with Disabilities Education Act (IDEA), Part C: Early Intervention for Infants and Toddlers with Disabilities." *Congressional Research Service*, February 2024.

https://crsreports.congress.gov/product/pdf/R/R43631#:~:text=Funding%20for%20Part%20C%20and,with %20disabilities%20and%20their%20families...

the highest combined average number of children with active IFSPs and intake in any one month in the previous fiscal year. The combined number is divided by 45 to determine the number of funded service coordinators, with each position allocated \$68,513 to cover wages and any related administrative or supporting costs. ⁷⁴ CFCs also receive funds for other roles and activities including Local Interagency Council Coordination, Parent Liaison Activities, Developmental Pediatrics Consultation, and Infant Early Childhood Mental Health Consultation.

ECSE

Total Funding: \$19.5 Million in FY24 (IDEA Part B – Federal)

Administrator: Office of Special Education and Rehabilitative Services, Department of Education

Program Purpose & Description:

The Individuals with Disabilities Education Act (IDEA) is a federal law that has been in effect since 1975. IDEA provide federal funding to states and local educational agencies to help children with disabilities receive special education and related services. The IDEA Part B provisions and requirements apply to children with disabilities ages 3–21 who are served under their state's Part B system, consistent with each state's determined age range.

Section 619 of IDEA Part B authorizes an additional preschool formula grant for states that are eligible for grants under Section 611 of Part B if the state makes available Free Appropriate Public Education (FAPE) to all children with disabilities ages 3–5 in the state. If consistent with state policy, IDEA funds can be used to provide services to 2-year-old children with disabilities who will turn 3 during the school year.

IDEA Part B, Section 619 provides supplemental funds to ensure that all children with disabilities ages 3 through 5 receive a free appropriate public education in the least restrictive environment. Funds may be used to support the salaries of staff who provide services for special education students. This may include teachers, aides, administrative staff, and other personnel such as social workers, psychologists, and physical therapists. Funds may also be used to support training and specialized consultants and to purchase instructional supplies, materials, and equipment.

In FY 23, Illinois served a total of 25,336 children ages three through five with IDEA Part B, Section 619 funding.⁷⁵

Eligibility:

State eligibility: A State is eligible for assistance under this subchapter for a fiscal year if the State submits a plan that provides assurances to the US Secretary of Education that the State has in

⁷⁴ "Special Education - El Child & Family Connections (25-444-84-2880-01)." *Illinois Department of Human Services*, April 26, 2024. https://www.dhs.state.il.us/page.aspx?item=160835

⁷⁵ "IDEA Section 618 Data Products: Static Tables Part B Child Count & Educational Environments Table 2" Office of Special Education Programs, January 2024. https://data.ed.gov/dataset/idea-section-618-data-products-static-tables-part-b-count-environ-table2/resources.

effect policies and procedures to ensure that the State meets required conditions outlined in the Individuals with Disabilities Education Act. 76

Local Educational Agency Eligibility: An LEA is eligible for assistance under Part B of the Act for a fiscal year if the agency submits a plan that provides assurances to the SEA that the LEA meets each of the conditions in §§ 300.201 through 300.213.

Child and Parent eligibility criteria, eligibility determination, can be found here <u>IDEA Part C and IDEA Part B Policy Differences.pdf</u>

Governance:

IDEA Part B is governed by the Office of Special Education and Rehabilitative Services (OSERS) in the Department of Education. Part B regulations define how the program will be implemented, and states are obligated to have a process that ensures that these regulations are implemented.⁷⁷ State statutes and regulations can be stricter than federal statute or regulations, but they cannot be less restrictive, nor can they provide fewer protections.

Quality:

There are key components when providing IDEA services for children ages 3–5. These components provide the framework and context for the delivery of high-quality services.⁷⁸

- Free Appropriate Public Education (FAPE): Every child eligible under IDEA has the right to receive individualized special education and related services to meet their unique needs and provide access to the general curriculum. These services are provided at no cost to families under the supervision of the education system, that help the child participate in the general education curriculum according to Part B requirements.
- Child Find System: The child find system—also referred to as appropriate identification—requires that states have policies and procedures in place that ensure all children in need of special education and related services, regardless of the severity of their disabilities, are located, identified, and evaluated. An appropriate evaluation is non-discriminatory, uses sound materials and procedures, and is administered in all areas of suspected disability by qualified staff. Based on consideration of all required information, a group including the parent and other qualified individuals determines whether the child is eligible under the state's eligibility criteria.
- Individualized Education Program (IEP): An Individualized Education Program (IEP) is an annual written plan designed to meet the unique and individual educational needs of each eligible child. The IEP is developed by a team made up of a school district representative, general and special educators, an individual who can interpret evaluation results and the

⁷⁶ Individuals with Disabilities Education Act. Subchapter II (Part B), Section 1412. https://sites.ed.gov/idea/statute-chapter-33/subchapter-ii/1412.

⁷⁷ 34 CFR Part 300. https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300?toc=1.

^{78 34} CFR Part 300. https://www.ecfr.gov/current/title-34/subtitle-B/chapter-III/part-300?toc=1.

parents of the child. Others can be invited to participate. IEPs must be reviewed at least annually. An IEP for a preschool-aged child includes, but is not limited to:

- Present Levels of Educational Performance how the child's disability affects his
 or her involvement and progress in the general curriculum. For preschool-aged
 children, how the disability affects the child's participation in appropriate activities,
 those activities in which children of the same age participate.
- Annual goals educational goals and functional goals, defined as goals around independent and daily life tasks, hat the child can reasonably accomplish in a year.
- Special education and related services Services, with dates, times and duration, provided to the child or on behalf of the child. This includes any needed supplementary aids and services, adaptations, or supports for the child and training necessary for school personnel.
- Participation with nondisabled children The IEP must explain the extent (if any) to which the child will not participate with children without disabilities.
- Measuring progress The IEP must state how the child's progress will be measured and how parents will be informed of that progress.
- Least Restrictive Environment (LRE): The IDEA places a strong emphasis on educating children with disabilities in settings with children without disabilities with needed supports and aids. For preschool-aged children these regular early childhood settings might be a program such as a public or private preschool program, Head Start, child care, Title I, State Pre-K or other early care and education program. Once the team develops the IEP and determines the services a child needs, a decision must be made about where services will be provided. To determine the LRE, the team—which includes the parents—must first consider the supplementary aids and services the child would need for their IEP to be implemented in a setting with children without disabilities. IDEA presumes the first placement option considered is the regular public preschool program the child would attend if the child did not have a disability. Only when the team determines the education of a particular child with a disability cannot be achieved satisfactorily in a regular early childhood educational environment, even with the provision of supplementary aids and services, can the team consider placement in a more restrictive environment.
- Parent Participation: Parent participation requirements under IDEA include communications, processes and required procedures to include parents and facilitate their meaningful involvement in developing their child's IEP and participating in their child's education. Parents are also essential partners in assisting state and local agencies in the development and implementation of IDEA programs.
- Procedural Safeguards: IDEA procedural safeguards are designed to protect the rights of parents and their child with a disability. Parents must be provided with these safeguards, including the right to:
 - o meaningfully participate in meetings about their child;
 - o request an independent educational evaluation should they disagree with the school's evaluation; and

 receive prior written notice before the agency proposes or refuses to initiate or change the identification, evaluation, educational placement, or the provision of FAPE to their child.

Parents must provide consent before a child is evaluated and before the initial provision of special education and related services. IDEA includes procedural safeguard procedures for resolving disagreements or disputes between families and the school system.

Illinois specific standards pertaining to ECSE:

- PART 28 STANDARDS FOR ENDORSEMENTS IN SPECIAL EDUCATION: Sections Listing (ilga.gov)
- PART 226 SPECIAL EDUCATION : Sections Listing (ilga.gov)
- PART 401 SPECIAL EDUCATION FACILITIES UNDER SECTION 14-7.02 OF THE SCHOOL CODE:
 Sections Listing (ilga.gov)

Funding:

Under Part B, Section 611, annual funding is provided to each state educational agency to support the provision of special education and related services to children with disabilities ages 3–21. In addition to 611 funds, states receive Section 619 funds which are allocated for and must be spent on children with disabilities ages 3–5. Allocation amounts for 611 and 619 formula grants are determined for each state based on calculations required by the federal statute. The regulations for both 611 and 619 funds include the required process for allocating funds to local districts and the allowable use of funds. IDEA funds are generally used to provide the excess cost that is associated with the provision of special education.

IDEA permits a portion of both 611 and 619 funds to be set-aside at the state level for administering IDEA, providing technical assistance, and other state-level allowable activities.

Set-aside funds for 611 are calculated using the following approach:79

- "For state administration, the maximum amount is equal to the maximum amount the state
 was eligible to reserve for federal fiscal year (FFY) 2004 or \$800,000, adjusted for inflation,
 whichever is greater, or, for outlying areas, 5 percent of the award it receives currently or
 \$35,000, whichever is greater."
- "For other state-level activities, the maximum amount is equal to a percentage of the state's grant award for FFY 2006, adjusted for inflation. The percentage varies depending on the amounts reserved for state administration and whether the state uses Part B dollars to support a high-cost fund for LEAs under 34 CFR \$300.704(c)."

⁷⁹ "Quick Reference Guide on IDEA Part B State Set-Aside Funds." *Center for IDEA Fiscal Reporting,* June 2023. https://cifr.wested.org/wp-content/uploads/2023/07/CIFR-Quick-Reference-Guide-on-IDEA-Part-B-State-Set-Aside-Funds.pdf.

In addition to federal funds, states often provide state funds for special education and related services, some of which might be specifically designated for preschool-aged children with disabilities.

Depending on the finance structure in each state, local school districts often also contribute funds for special education and related services. Some states include preschool-aged children in their calculation and allocation of regular education funds (average daily membership, basic education funds). Some states or local programs access federal Medicaid to fund some services or have access to other public or private funds. Illinois can also use EBF to support ECSE services.

Home Visiting

Home Visiting: \$183 Million in FY22 (MIECHV – Federal, GRF – State, Head Start – Federal, Private Funding)

Administrator: IDHS-DEC, ISBE

Program Purpose & Description:

Home visiting programs support children and their families through regular home visits that support child development and parenting skills. In Illinois, home visiting programs are funded through multiple sources, including through state general revenue funds from IDHS and ISBE (Prevention Initiative) and federal funds through MIECHV and Early Head Start. Each funding source and governing agency have their own priorities for their programs, although some efforts have been made to align requirements. All publicly funded home visiting programs in Illinois are required to use evidence-based home visiting models.

Illinois implements the following evidence-based models:

- Parents As Teachers (PAT) This model provides comprehensive parent education for prenatal through kindergarten. It includes personal visits, group connections, resource networks and child and caregiver screenings. Families are served for a minimum of two years. Programs must offer a minimum of 12 home visits and 12 group meetings annually.⁸⁰
- Baby TALK Works with families prenatal to three to support child development and family interactions/responsive relationships. Home visits are either weekly or bi-weekly and other additional family engagements are held twice a month. Families also are supported in accessing healthcare services.⁸¹
- Healthy Families America (HFA) Goals are to reduce child maltreatment, improve
 parent-child interactions and children's social-emotional wellbeing, and promote school
 readiness. This program supports prenatal to 5-year-olds, with programs beginning
 prenatally or within the first three months. Families receive weekly hour-long visits until the

⁸⁰ "Parents as Teachers (PAT)." *Home Visiting Evidence of Effectiveness*, 2019. https://homvee.acf.hhs.gov/effectiveness/Parents%20as%20Teachers%20%28PAT%29%C2%AE.

^{81 &}quot;Home Visiting." BabyTALK. https://babytalk.org/decatur-il/home-visiting/.

- child is 6 months old, and then visits can be lessened. Many sites offer parent support groups and father involvement programs. The model requires screenings and assessments for risk of maltreatment, home visiting and routine screening of parent-child interactions, child development and maternal depression.⁸²
- Early Head Start Home-Based: Serves low-income pregnant women and families with children under 3. It takes a two-generation approach with the goal of enhancing child development and strengthening families. The program provides a minimum of a weekly 90-minute home visit and 2 group activities per month. Home-visitors are required to have a CDA or comparable credential or coursework.⁸³
- Home Instruction for Parents of Preschool Youngsters (HIPPY) Model is designed to support parents as their child's first teacher, helping them to gain confidence to prepare them for success. Works specifically with parents that face challenges in their ability to provide quality preschool education for their kids (ie. Limited formal education, limited Englis proficiency). Weekly, hour-long home visits for at least 30 weeks/year and at least 6 group meetings per year. Program supports parents of 2-5 year olds for at least 2 years, and parents directly implement learnings with their children. Home-visitors are typically from the communities they serve.⁸⁴
- Family Connects: Universal nurse home visiting model that aims to enhance maternal and child health and well-being and reduce abuse and neglect. Includes one nurse home visit within three weeks of child's birth and follow-up communication to ensure the family is connected to services. During the visit a nurse conducts assessments of the mother and child.⁸⁵
- Nurse Family Partnership (NFP): This program is designed for low-income, first-time mothers. Mothers must enroll during pregnancy and receive visits through the child turning 2. Home visits are conducted by a registered nurse and are designed to support mother and baby health outcomes, child development, and families' economic self-sufficiency.⁸⁶ This program has received additional increased private funding in Illinois.⁸⁷

https://homvee.acf.hhs.gov/effectiveness/Family%20Connects.

https://iecam.illinois.edu/data-descriptions/home-visiting-idhs-programs.

⁸² "Healthy Families America (HFA)." *Home Visiting Evidence of Effectiveness*, 2020.

 $[\]underline{\text{https://homvee.acf.hhs.gov/effectiveness/Healthy\%20Families\%20America\%20\%28HFA\%29\%C2\%AE.}$

^{83 &}quot;Early Head Start – Home-based option." Home Visiting Evidence of Effectiveness, 2016.

 $[\]underline{\text{https://homvee.acf.hhs.gov/effectiveness/Early\%20Head\%20Start\%E2\%80\%94Home-based\%20option.}$

⁸⁴ "Home Instruction for Parents of Preschool Youngsters (HIPPY)." *Home Visiting Evidence of Effectiveness*, 2023.

https://homvee.acf.hhs.gov/effectiveness/Home%20Instruction%20for%20Parents%20of%20Preschool%20Youngsters%20%28HIPPY%29%C2%AE.

^{85 &}quot;Family Connects." Home Visiting Evidence of Effectiveness, 2023.

⁸⁶ "Nurse-Family Partnership (NFP)." Home Visiting Evidence of Effectiveness, 2019.

https://homvee.acf.hhs.gov/effectiveness/Nurse-Family%20Partnership%20%28NFP%29%C2%AE.

⁸⁷ "Home Visiting in Illinois FY2022." *Illinois Early Childhood Asset Map,* November 2023.

Home visiting programs in Illinois are under IDHS-DEC Home Visiting, ISBE's Prevention Initiative and Early Head Start.

The overarching goals of IDHS Home Visiting are to:88

- 1. Improve maternal and child health
- 2. Prevent child abuse and neglect
- 3. Reduce crime and domestic violence
- 4. Increase family education level and earning potential
- 5. Promote children's development and readiness to participate in school
- 6. Connect families to needed community resources and supports

The goal of the ECBG Prevention Initiative program is to provide "intensive, research-based, and comprehensive child development and family support educational services for expectant parents and families with children from birth to age 3 years to help them build a strong foundation for learning and to prepare children for later school success." Prevention Initiative funds both center-based care and home visiting services.

Eligibility:

Eligibility varies by model:

Model	Eligibility
Parents As	Families prenatally through the child turning 5 and families can enroll at any
Teachers	point. PAT affiliates select the specific characteristics and eligibility criteria of the
(PAT)	population they plan to serve, such as children with special needs or families at
	risk for child abuse. ⁹⁰
BabyTALK	Prenatal mothers and families with children 0-3.91
Healthy	"New and expectant parents who are at risk of child abuse or neglect. Programs
Families	identify the unique demographics of the population they are targeting for
America	services. Population: e.g., first-time and/or teenage parents, parents in specific
	geographic communities, parents with language barriers."92
Early Head	Low-income pregnant women and families with children under 3. Most are at or
Start Home-	below FPL or eligible for Part C (EI) services. Can be at any age to enroll.93
Based	

⁸⁸ "FY 2024 Home Visiting Program Manual." *Illinois Department of Human Services*, 2024." https://www.dhs.state.il.us/page.aspx?item=149493.

https://www.dhs.state.il.us/page.aspx?item=149493.

https://homvee.acf.hhs.gov/effectiveness/Parents%20as%20Teachers%20%28PAT%29%C2%AE.

^{89 &}quot;Prevention Initiative Manual." Illinois State Board of Education.

⁹⁰ "Parents as Teachers (PAT)." Home Visiting Evidence of Effectiveness, 2019.

⁹¹ "Home Visiting." BabyTALK. https://babytalk.org/decatur-il/home-visiting/.

⁹² "2020 Healthy Families Illinois (HFI) Fact Sheet." *Illinois Department of Human Services*, 2020. https://www.dhs.state.il.us/page.aspx?item=122287.

⁹³ "Early Head Start – Home-based option." *Home Visiting Evidence of Effectiveness*, 2016. https://homvee.acf.hhs.gov/effectiveness/Early%20Head%20Start%E2%80%94Home-based%20option.

HIPPY	Children and families living in poverty, in Chicago and Suburban Cook County.94
Family	All families with newborns that reside within a certain area.95
Connects	
Nurse-	Low-income, first-time parents. Must register before 28 weeks of pregnancy. 96
Family	
Partnership	

IDHS-DEC Home Visiting lists the following priority populations, which programs are expected to prioritize for enrollment:⁹⁷

- Low-income household (below 100% FPL)
- Household contains an enrollee who is pregnant and under age 21
- · Household has a history of child abuse or neglect or had interactions with child welfare
- Household has a history of substance abuse or needs substance abuse treatment
- Someone in the household uses tobacco products in the home
- Someone in the household has attained low student achievement or has a child with low student achievement
- Household has a child with developmental delays or disabilities
- Household includes individuals who are serving or formerly served in the United States armed forces

Prevention Initiative primarily funds center-based child care, but it also funds some home visiting services. Across both program types, Prevention Initiative (PI) funding is for at-risk expecting parents and children 0-3. At-risk is determined based on various factors including, but not limited to, home and community environment, language, cultural and economic disadvantages. According to the PI manual, "the program must prioritize children/families experiencing homelessness, Youth in Care, children/families experiencing deep poverty, 50 percent Federal Poverty Level (FPL), and children identified by Early Intervention as having a measurable developmental delay."98

As of FY20, Parents as Teachers was the most common home visiting model in Illinois, followed by Baby Talk and Early Head Start.⁹⁹

Center for Prevention Research and Development, September 2020.

https://homvee.acf.hhs.gov/effectiveness/Family%20Connects.

^{94 &}quot;HIPPY." Kids Above All. https://www.kidsaboveall.org/what-we-do/early-childhood/hippy/.

^{95 &}quot;Family Connects." Home Visiting Evidence of Effectiveness, 2023.

⁹⁶ "Nurse Family Partnership." *Nurse Family Partnership*. https://www.nursefamilypartnership.org/first-time-moms/#:~:text=You%20must%20be%20a%20first,connected%20with%20your%20personal%20nurse.

^{97 &}quot;Illinois Division of Early Childhood Home Visiting." Igrow Illinois. https://igrowillinois.org/about-il-miechv/

^{98 &}quot;Illinois Division of Early Childhood Home Visiting." Igrow Illinois. https://igrowillinois.org/about-il-miechv/99 "Illinois Home Visiting: 2020 Statewide Needs Assessment Update Report to HRSA." University of Illinois

https://cprd.illinois.edu/files/2020/12/Illinois-HV-Needs-Assessment-Report-CPRD-2020.pdf.

Table 4. Illinois Home Visiting Programs – Models and Children Served*

Models	Number of Programs	Children Served
Baby TALK	66	3,881
Early Head Start	121	3,589
Family Connects	3	NA
Healthy Families Illinois	46	2,248
HIPPY	1	60
Nurse Family Partnership	4	544
Parents as Teachers	96	9,288
Unknown**	40	825
Totals	377	20,435

^{*} Data are from HV model administrative datasets from either FY18, FY19, or FY20.

The number of children served can also be looked at by funding stream. A report by the Illinois Early Childhood Asset Map shows that across the various HV programs, 20,655 children were served in FY22.¹⁰⁰ Based on this chart, the majority of home visiting slots in Illinois are funded through ISBE's Prevention Initiative program followed by Early Head Start home visiting.

Table 3. Total Number of Target Children Served, FY2016–2022								
Funder	FY16	FY17	FY18	FY19	FY20	FY21	FY22	
ISBE	10,183	11,414	10,057	13,231	13,464	13,134	12,574	
EHS/HS	5,966	5,248	5,752	5,455	5,455	3,869	5,484	
IDHS	1,865	1,227	1,731	644	1,412	1,450	1,320	
MIECHV	982	1,064	811	995	876	759	757	
Start Early	697	524	844	861	938	824	530	
TOTAL	19,693	19,477	19,195	21,186	22,145	20,036	20,665	

For this and all other tables below, ISBE data include 1,101 children served by Chicago's DFSS.

Governance:

Home visiting programs are administered by multiple agencies in Illinois. IDHS-DEC administers the IDHS-DEC Home Visiting Program and ISBE administers Prevention Initiative. Head Start funds are administered by the Illinois Head Start Association.

Resources:

- IDHS Home Visiting Program Manual
- ECBG Administrative Code

^{**} Data sources were missing model information for these programs.

¹⁰⁰ "Home Visiting in Illinois FY2022." *IECAM*, November 2023. https://iecam.illinois.edu/data-descriptions/home-visiting-idhs-programs.

MIECHV PL - 111-148 Sec 511, reauthorized in 2022 HR 2617 Sec 6101

Quality:

Programs funded using the Maternal Infant and Early Childhood Home Visiting (MIECHV) and PI revenue sources must be "evidence-based" home visiting models. All of the models described above are considered "evidence-based." Program standards are set by the national organizations overseeing each model. In general, local affiliates can go beyond national standards (e.g. by adopting a smaller caseload than required by the national model).

• Prevention Initiative Program Criteria

Funding:

Home visiting in Illinois is funded primarily through federal MIECHV, State General Revenue Funds (including through ECBG) and federal Head Start funding. Other funding sources include Chicago Department of Family Support Services (DFSS), other state or federal grants, and local funding. Some home visiting programs also receive private funding. For example, Start Early, an advocacy and direct services organization, funds and provides home visiting services in Chicago. ¹⁰¹ In 2023, INCCRRA completed a Staffing and Salary Survey of Home Visiting Programs that showed a breakdown of funding across program sites.

Table 1. Type of Site Program Revenues (n = 176)

Type of Program Revenue	Percentage of Programs ¹	n
Illinois State Board of Education, Prevention Initiative	72.2%	127
Illinois Department of Human Services, state funding	16.5%	29
Early Head Start/Head Start	14.2%	25
Illinois Department of Human Services, Maternal, Infant, and Early Childhood Home Visiting (MIECHV)	13.6%	24
Private donations, grants (e.g., foundations, United Way), or fundraising	9.7%	17
City of Chicago Department of Family and Support Services (DFSS)	8.0%	14
Other	6.8%	12
Local government funding (e.g., county or city funds)	5.7%	10
Illinois Department of Human Services, Maternal and Child Home Visiting (formerly Parents Too Soon)	4.5%	8

Figure and Table should be read: "72.2 percent of home visiting sites received Illinois State Board of Education funds."

IDHS funds Home Visiting through MIECHV and State General Revenue Funds. MIECHV is a federal funding source that allocates funding through a federal formula that includes base funds, matching funds and additional matching funds. MIECHV is administered by the Health Resources and Services Administration (HRSA), an agency of the US Department of Health and Human Services. Base funds are determined based on the state's share of children under 5, but all states receive a minimum of \$1,000,000. For the matching funds, the federal government will contribute 75% to the state's 25%. Starting in FY25 states can also apply for additional matching funds, which are allocated using the same principles as the matching fund. This funding includes any leftover

¹Percentages add up to greater than 100 percent as respondents were asked to endorse all items applicable to their programs.

¹⁰¹ "Illinois Staffing and Salary Survey of Home Visiting Programs." *INCCRRA*, 2024. https://www.inccrra.org/images/datareports/Illinois_Staffing_and_Salary_Survey_of_Home_Visiting_Programs.pdf.

matching funds that that were not distributed or returned to HRSA in the prior year. The MIECHV Reauthorization act also limits state administrative spending to 10% of the state's grant.

ISBE's Prevention Initiative funds home visiting services through ECBG funding, which comes from State General Revenue Funds. According to ECBG requirements, "Not less than 14% of the Early Childhood Education Block Grant allocation of funds shall be used to fund programs for children ages 0-3. Beginning in Fiscal Year 2016, at least 25% of any additional Early Childhood Education Block Grant funding over and above the previous fiscal year's allocation shall be used to fund programs for children ages 0-3." About 80% of children in PI received home-based services in FY23.

Head Start (Healthy Parents & Babies Program) home visiting is funded through federal Head Start funding.

IECAM reports that the total expenditure for home visiting programs in FY22 totaled over \$182 million.¹⁰⁶

Table 1. Total Funding for Home Visiting Programs, FY2016–2022								
Funder	FY16	FY17	FY18	FY19	FY20	FY21	FY22	
ISBE	56,910,065	68,552,785	53,797,622	65,893,425	68,252,181	70,145,952	67,065,021	
EHS/HS	46,956,977	37,811,010	46,828,293	47,103,527	47,103,527	75,014,416	88,243,570	
IDHS	8,115,146	9,761,477	10,040,000	10,040,000	10,040,000	10,040,000	10,040,000	
MIECHV	12,415,508	8,618,334	8,618,833	8,107,541	9,461,228	8,816,464	8,683,114	
Start Early	8,604,899	9,962,003	5,647,290	9,318,338	9,474,793	9,634,388	8,664,631	
TOTAL	133,002,595	134,705,609	124,932,038	140,462,831	144,331,729	173,651,220	182,696,336	

Note: The ISBE and MIECHV totals include funding for infrastructure activities, including professional development supports (mental health consultation, technical assistance, and monitoring).

Note: ISBE funds for Home Visting are from the state's General Revenue Funds through ECBG. IDHS also funds Home Visting through separate state General Revenue Funds.

¹⁰² "MIECHV Program Reauthorization." *Health Resources and Services Administration*.

https://mchb.hrsa.gov/programs-impact/programs/miechv-reauthorization#:~:text=Base%20funds,-Congress%20increased%20appropriations&text=HRSA%20will%20distribute%20the%20funds,FY23%20to %20determine%20this%20share..

¹⁰³ "The Jackie Walorski Maternal and Child Home Visiting Reauthorization Act of 2022." *United Staes House Committee on Ways and Means*. https://waysandmeans.house.gov/wp-content/uploads/2022/11/Walorski-Maternal-and-Child-Home-Visiting-Reauthorization-Act-of-202222.pdf.

¹⁰⁴ 105 ILCS 5/ (School Code). *Illinois General Assembly*.

 $[\]frac{\text{https://www.ilga.gov/legislation/ilcs/ilcs4.asp?DocName=010500050HArt\%2E+1C\&ActID=1005\&ChapterID}{=17\&SeqStart=4300000\&SeqEnd=4900000}.$

¹⁰⁵ "Prevention Initiative (PI)." *Illinois Early Childhood Asset Map.* https://iecam.illinois.edu/data-descriptions/prevention-initiative-

pi#:~:text=PI%20funds%20are%20distributed%20to,entities%2C%20on%20a%20competitive%20basis.

¹⁰⁶ "Home Visiting in Illinois FY2022." *IECAM*, November 2023. https://iecam.illinois.edu/data-descriptions/home-visiting-idhs-programs.

Appendix A: Illinois Early Childhood Programs Overview

Purpose:	Who's eligible?	Number of children served (Illinois):	Who administers it?	Annual Funding Amount:	Funding Sources:
CCDF: Child Care Assis	stance Program (CCAP)				
Help low-income, working families pay for child care for children under 13 (or under 19 with a documented disability).	Families: IL residents working or enrolled in education and training programs who meet income requirements (at or below 225% of Federal Poverty Level (FPL) upon initial application). Providers: licensed child care, certain license-exempt child care and certain FFN care providers.	Roughly 115,800 children ages 0-5 199,724 total children ages 0-19 (average monthly enrollment across all age groups)	Illinois Department of Human Services – Division of Early Childhood	\$1.27 billion (FY23)	For FY23: State General Revenue Fund (10%) Temporary Assistance for Needy Families (TANF) federal funding (61%) Child Care Development Fund (CCDF) federal funding (29%)
CCDF: Illinois Network	of Child Care Resource	and Referral Agencies (I	NCCRRA)		
Serve as resource hub for families to find care and run programs for providers including Quality Rating and Improvement System (QRIS), Professional Development (PD) and implementing grant programs.			Illinois Department of Human Services – Division of Early Childhood	\$62M for CCR&Rs	CCDF federal funding
Smart Start Workforce	Grants (SSWG) – New Pr	ogram in FY 25			

Provides eligible child care programs with stable, ongoing funding to support wages, and participating programs are required to pay a specific base wage	Licensed child care (centers, family child care and family group child care) serving at least 15% children enrolled in CCAP. Within the program, eligible classrooms	TBD. Cost model estimates up to 140,000	Illinois Department of Human Services – Division of Early Childhood	\$200 million* *This is the annualized cost for FY 25. Additional detail included in narrative	State General Revenue Fund and American Rescue Plan Act federal funding (for FY 25)
level to teachers and	are those that rely				
assistant teachers in	solely on CCAP and/or				
grant-funded	private tuition.				
classrooms.	anart (CCOC) IDUC araa	oing a radaaign and ayna	noion for EV26		
		osing a redesign and expa		\$10 million (F)(0F)	Ctata Canaral Barrager
Grant for licensed child care centers to	Current participants invited based on the	2,495 (FY 24) children	Illinois Department of Human Services –	\$10 million (FY25)	State General Revenue Fund
support structural	following criteria:	ages 0-5 in 34 centers	Division of Early		runa
quality components,	Licensed child		Childhood		
including:	care center		Cilitariood		
implementing a wage	Located in CCAP				
ladder and embedding	Region 2				
continuous quality	At least 40% of				
improvement (CQI)	enrolled children				
systems throughout	participate in CCAP				
their organizations.	participate in COAI				
Child and Adult Food C	are Program (CACFP)			<u> </u>	
Provides funding for	Children who are	123,675 (daily average,	United States	\$149.9 million	CACFP federal funding
nutritious meals in	under 130% FPL	including child and	Department of	(including child and	
child care programs.	receive free meals,	adult care) (FY23)	Agriculture (USDA),	adult care)	
	and those between	, , , ,	Illinois State Board of	·	
	130-185% FPL receive	~5,400 programs	Education (ISBE)		
	reduced price meals.	(2022)			
State Preschool/Early (Childhood Block Grant (I	ECBG)			

Provides funds for	Eligible programs	102,964 children	Illinois State Board of	\$748 million (FY25)	State General Revenue
early childhood and	include, but are not	through PFA/PFAE	Education (ISBE)		Fund
family education	limited to, public	(FY24)			
programs that prepare	schools, charter				
children for	schools, family child	20,483 children			
kindergarten. Includes	care homes and more.	through PI (FY24)			
funding for Preschool		(this includes home			
for All and Preschool	Program primarily	visiting and other			
for All Expansion.	serves preschool age,	services)			
ECBG also, funds	at-risk and low-income				
Prevention Initiative	children.				
which provides child					
care placements,	Prevention Initiative				
home visiting and	serves at-risk and low-				
other services for	income children birth				
children birth to three.	to three.				
Title Funding (I, II, III, IV	')				
Federal programs that	Eligibility is dependent		Illinois State Board of	Title I - \$707 million	Title federal funding
provide funding to	on type of Title		Education (ISBE)	(FY24) for all grade	
support efforts to	program being			levels and ages	
ensure all students	operated (more detail				
receive a high-quality	in Title I Supported				
education, with a	Preschool section).				
focus on closing					
achievement gaps for					
disadvantaged					
students.					
Evidence-Based Fundi	ng (EBF)				
EBF is a formula that			Illinois State Board of	\$8.6 billion (FY25)	State General Revenue
calculates the cost of			Education (ISBE)		Funds
providing students					
with a high-quality					
with a night-quality		i			
education, the cost of					
•					

	1	T	1	1	1			
districts currently are								
from reaching that								
amount.								
Head Start/Early Head Start (HS/EHS)								
Anti-poverty ECEC	Children ages 0 to 5	HS: 17,971	Administration for	HS: \$229.5 million	Head Start federal			
program that supports	and pregnant women if	EHS: 11,059	Children and Families	(FY22)	funding			
school readiness for	who have an income	(FY22)	(ACF) Office of Head	EHS: \$191.7 million				
young children.	below 100% FPL,		Start (OHS)	(FY 22)				
	receive public							
	assistance, or							
	experience other risk							
	factors.							
Early Intervention (EI)	<u>, </u>	<u>'</u>			<u> </u>			
Services that promote	Children 0-3 who are	23,000 (June 2023)	Illinois Department of	\$230.8 million	Federal IDEA Part C,			
growth and	experiencing or at-risk		Human Services –	(Estimated FY25	Medicaid, State			
development for	of experiencing		Division of Early	Liability)	General Revenue			
children with	developmental delays.		Childhood		Fund, Private			
developmental delays					Insurance, Private Co-			
and support					pay			
parents/caregivers.								
Early Childhood Specia	al Education (ECSE)							
Provides Special	Children ages 3	25,336 (Feb 2024)	Office of Special	\$19.5 million (FY24)	Federal IDEA Part B,			
Education and related	through 5 with		Education and		Section 619			
services for children	disabilities.		Rehabilitative					
ages 3 through 5 with			Services, Department					
disabilities in a child's			of Education					
least restrictive								
environment (LRE).								
Home Visiting								
Programs offer	Varies by program,	20,665 (FY22)	Illinois Department of	\$183 million (FY22)	MIECHV, State			
coaching and support	mainly pregnant		Human Services –		General Revenue			
to expecting and new	women and children		Division of Early		Fund, Head Start,			
parents.	birth to 5 who are low-		Childhood		Private Funding			
	income/at-risk.							

Includes Parents As		Illinois State Board of	
Teachers, BabyTALK		Education (ISBE)	
Healthy Families			
America, Early Head		Head Start	
Start Home-Based,			
Home Instruction of			
Parents of Preschool			
Youngsters, Family			
Connects, Nurse-			
Family Partnership			