

**NEWS RELEASE**

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**NEW REPORT HIGHLIGHTS COMPLEXITY OF FUNDING  
FOR EARLY CHILDHOOD CARE AND EDUCATION PROGRAMS**

*Shift in Approach Can Better Serve Child Care Programs and Improve Services*

Omaha, Neb. — A new report from the Buffett Early Childhood Institute at the University of Nebraska illustrates the complexity of financing early care and education, and it highlights the opportunity for strategically aligning funding streams to better serve child care providers and families.

“At a time when there is increasing recognition of the importance of early childhood programs as crucial economic infrastructure and that child care professionals are the lynchpin holding the system together, it is vital to understand how these programs are funded and how we can leverage important public investments on their behalf,” said Cathey Huddleston-Casas, associate director of workforce planning and development at the Buffett Institute. “The current system is overly complex, inflexible, and inefficient, which too often has the direct effect of child care providers spending their time navigating bureaucracy to prove they qualify for funding streams rather than providing quality care and education for children.”

[Nebraska’s Public Investment in Early Childhood Care and Education, Fiscal Year 2017 Technical Report](#), authored by Huddleston-Casas and policy consultant Jen Goettemoeller, details the steps taken to document the complexities inherent in financing the early care and education system and establishes a baseline for tracking the public dollars Nebraska invests. The report was produced under the auspices of the [Nebraska Early Childhood Workforce Commission](#), a group convened by the Buffett Institute to develop a comprehensive plan for strengthening and expanding the state’s early childhood workforce. A central focus of the commission’s recommendations deals with funding, and the commission has called for fully funding Nebraska’s early childhood system by 2030.

The technical report is being shared with the Nebraska State Legislature at the request of Senator John Stinner, chair of the Appropriations Committee and a member of the Workforce Commission, and is included in an interim study report for Legislative Resolution 390, which examined the requirements for a fully funded early childhood system. The report draws from the work of the National Academies of Sciences, Engineering, and Medicine in advocating for an early childhood system that is funded based on the total cost of quality, a simple but meaningful difference from traditional funding approaches that rely on piecemeal funding availability.

At the request of Stinner and in separate analyses for the commission, Huddleston-Casas led the effort at the Buffett Institute to determine the size of Nebraska’s funding gap for a quality early childhood system. Using economic models from the National Academies’ 2018 report, [Transforming the Financing of Early Care and Education](#), the analysis showed that Nebraska currently funds early childhood at about half the level that is required to ensure access to quality early care and education for children in the state.

The report includes information on how early childhood is funded in Nebraska and maps 13 state and federal funding streams that channel public funds to child care programs in the state. The report notes the ways in which public programs have evolved incrementally over time while capturing the challenges faced by community child care providers, who face the complicated challenge of navigating multiple government bureaucracies in order to care for young children.

“We can and ought to do a better job at getting funds to child care providers who do the hard work of caring for and educating young children,” said Stinner. “The pandemic has made clear how much our economy relies on child care, so let’s get the government part right and not make this harder or more expensive than it needs to be.”

In 2017, Nebraska received \$134.7 million in federal funding that was allocated through five financing mechanisms originating in three federal agencies, the U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the U.S. Department of Education. These funds combined with \$76.7 million in state funds that were allocated through eight finance mechanisms originating from three pools of money, the State General Fund, the Early Childhood Education Public Endowment Cash Fund, and Cash Funds. Finance mechanisms funded from these sources were then administered by two state agencies, the Nebraska Department of Health and Human Services and the Nebraska Department of Education.

The Institute’s report highlights the work and the recommendations of the Nebraska Early Childhood Workforce Commission in providing an overall picture of the opportunities for Nebraska to address public- and private-sector funding. In particular, the report notes the commission’s vision for early childhood financing where Nebraska maximizes public-sector investments in early care and education by reducing the administrative burden of pursuing multiple funding streams, increasing coordination across government agencies, and aligning the receipt of funds to high-quality standards.

To read the report go to <https://buffettinstitute.nebraska.edu/fundingreport>.

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*The Buffett Early Childhood Institute at the University of Nebraska promotes the development and learning of children from birth through age 8. Our vision is to make Nebraska the best place in the nation to be a baby. Visit [buffettinstitute.nebraska.edu](https://buffettinstitute.nebraska.edu) for more information.*