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NEBRASKA'S PUBLIC INVESTMENT IN EARLY CHILDHOOD CARE AND EDUCATION FISCAL YEAR 2017

TECHNICAL REPORT



Buffett
Early Childhood
Institute

at the University of Nebraska



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Contents

Introduction	4
Quality-Oriented Cost-Based Approach	5
Finance Mechanisms	9
Methodology	15
Head Start/Early Head Start	16
Child Care and Development Fund	18
Child and Adult Care Food Program.....	22
Title I.....	24
Individuals with Disabilities Education Act	26
Tax Equity and Educational Opportunities Support Act – Early Childhood Calculated State Aid.....	28
Nebraska Early Childhood Education Endowment for 0-3	30
Nurturing Healthy Behaviors Appropriation.....	32
Nebraska Early Childhood Grants	34
Early Childhood Provider Appropriations	36
Nebraska Department of Education Administration of Early Childhood Programs...38	
Nebraska Department of Education – Flow-Through Provider Fees	40
The Overall Picture	42
Conclusion	46
End Notes and References	48

TABLES

TABLE 1	FINANCE MECHANISMS.....	11
----------------	-------------------------	-----------

FIGURES

FIGURE 1	DIRECT SERVICE DELIVERY	6
FIGURE 2	SHARE OF PUBLIC CONTRIBUTION BY FINANCE MECHANISM.....	14
FIGURE 3	HEAD START/EARLY HEAD START	17
FIGURE 4	CHILD CARE AND DEVELOPMENT FUND	21
FIGURE 5	CHILD AND ADULT CARE FOOD PROGRAM.....	23
FIGURE 6	TITLE I.....	25
FIGURE 7	IDEA.....	27
FIGURE 8	TEEOSA	29
FIGURE 9	SIXPENCE.....	31
FIGURE 10	NURTURING HEALTHY BEHAVIORS	33
FIGURE 11	EARLY CHILDHOOD GRANTS	35
FIGURE 12	EARLY CHILDHOOD PROVIDER APPROPRIATIONS	37
FIGURE 13	NEBRASKA DEPARTMENT OF EDUCATION ADMINISTRATION OF EARLY CHILDHOOD PROGRAMS.....	39
FIGURE 14	CASH FUNDS FLOW-THROUGH FEES.....	41
FIGURE 15	THE OVERALL PICTURE	44

Introduction

Released in January 2020, *Elevating Nebraska’s Early Childhood Workforce: Report and Recommendations of the Nebraska Early Childhood Workforce Commission*¹, lays out a bold vision for Nebraska. The culmination of three years of work carried out by the Nebraska Early Childhood Workforce Commission, the report identifies the early childhood workforce as essential to the social and economic well-being of communities and critical to the state’s future. The vision—Nebraskans elevate the early childhood workforce to a priority profession benefiting all children from birth through Grade 3—calls for making investments in early care and education professionals a priority and recommends the pursuit of four interdependent goals—addressing workforce qualifications, fully funding the early care and education system, building public will, and engaging communities in implementation—to achieve that vision.

With full funding of the early care and education system as a goal, the commission sought to understand the gap between what it costs to support high-quality early care and education and the level at which Nebraska’s system is currently funded. The money used to finance early care and education comes from both public and private sectors. Public-sector contributions include federal, state, and local government funds. Private-sector contributions are primarily made up of the money families spend on the tuition and fees charged for services rendered but also include funds from the business and philanthropic communities. The commission asked the question, “What is Nebraska investing now?”

To begin to address the question of what Nebraska is investing now, this study examined the federal- and state-level sources of public funds for Nebraska’s early care and education system. The data presented within are from Fiscal Year 2017—the most recent year for which complete data to inform the work of the commission could be accessed.

The purpose of this technical report of Nebraska’s public investment in early childhood care and education for fiscal year 2017 is two-fold: to describe the methods used to establish an estimate of the federal- and state-level public-sector contributions to Nebraska’s total investment in early care and education and to establish a baseline of investment enabling us to track change over time.

The information provided is organized into four sections:

1. Explanation of a quality-oriented cost-based approach to financing early care and education
2. Overview of the finance mechanisms included in the estimate
3. Detailed accounting of the methodology including data sources and funding flow for each finance mechanism
4. The overall picture of the flow of public-sector funds through finance mechanisms to early care and education

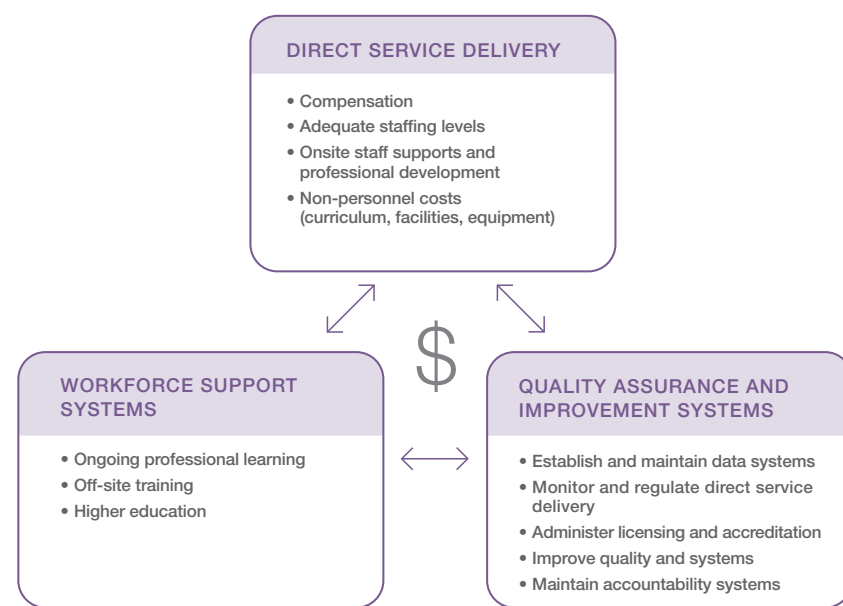
Quality-Oriented Cost-Based Approach

The following section is an explanation of a quality-oriented cost-based approach to financing early care and education.

In 2018 the National Academies of Sciences, Engineering, and Medicine (the Academies) published *Transforming the Financing of Early Care and Education*ⁱⁱ. Authored by a committee of experts convened by the Academies, the resulting consensus report outlines a framework for a funding strategy that would provide reliable, accessible high-quality early care and education for young children from birth to Kindergarten entry that includes a highly qualified and adequately compensated workforce. What sets the estimates developed in the *Transforming* report apart from previous models is a strict adherence to research-based recommendations. Subjected to a rigorous and independent peer-review process prior to publication, the framework proposed in the *Transforming* report reflects what the sciences of early childhood development and early learning have established are necessary to support best practices of early care and education professionals for optimal development of young children starting at birth. The *Transforming* report recommends the use of a quality-oriented cost-based approach to financing early care and education.

A quality-oriented cost-based (QOCB) approach sets funding targets to levels that meet the total cost of high-quality early care and education, including a highly qualified, adequately compensated early childhood workforce. This approach places the emphasis on developing funding levels to cover the cost of quality for all children instead of letting quality and access be determined by the available funding. Figure 1 identifies the early care and education system separated into three interdependent functions: direct service delivery, workforce support, and quality assurance. Recognizing interdependence among these functions is essential to understanding that successful investment in the early childhood workforce is contingent on purposeful coordination of effort and resources across the system.

FIGURE 1 | DIRECT SERVICE DELIVERY



DIRECT SERVICE DELIVERY

Direct service delivery is the most visible function of the early care and education system, accounting for the onsite costs incurred by the home-based, center-based, and school-based providers that families take their children to every day. Examples include teacher compensation, adequate staffing levels to cover hours of operation, and maintenance of facilities and equipment. Two types of capital costs contribute to facilities costs: immediate costs for modernizing or building facilities (transition costs) and long-term costs (occupancy costs) for maintenance or rental costs of the space. Ongoing occupancy costs for facilities are included in onsite cost estimates, but transition costs for building or renovating facilities are generally not accounted for in the costs of delivering services.

WORKFORCE SUPPORT

Direct service delivery depends on the functions of workforce support to ensure individual members of the early childhood workforce have access to credible professional development opportunities that build the knowledge and skills required to work effectively with young children. Funds spent on workforce support include the costs incurred to recruit, prepare, and retain a highly qualified early childhood workforce. Investments in affordable access to higher education programs at Nebraska’s colleges and universities as well as the state’s support of such resources as Nebraska’s Early Learning Coordinators, who provide ongoing professional learning opportunities regionally across the state, are both examples of workforce supports.

QUALITY ASSURANCE AND IMPROVEMENT

Providers, workforce professionals, and families all rely on quality assurance and improvement functions as a stamp of approval that communicates whether an early care and education program or an early childhood professional has met quality standards. Further, quality assurance and improvement systems collect and analyze data to maintain accountability and identify needed improvements. Funds spent on quality assurance and improvement include the costs incurred to maintain the integrity of the early care and education system. This broad category of costs includes monitoring activities, investments in quality and improvement systems (such as Nebraska’s Step Up to Quality program), data systems, and licensing and credentialing systems.

The efficacy of funding any one of these functions is dependent upon investment in the others. From a QOCB perspective on financing early care and education, there is no utility in trying to break down the funding needed for onsite direct service delivery costs separately from the funding needed to cover the costs of workforce support systems or quality assurance and improvement systems. Supporting these functions

Quality-Oriented Cost-Based Approach

is essential to ensuring providers are financially able to deliver high-quality early care and education.

A QOCB approach to financing early care and education also accounts for the funds needed to ensure that no family is priced out of participation and all families have equitable access to affordable services. Achieving revenue stability requires achieving enrollment stability, but enrollment stability is adversely affected by program eligibility requirements that interrupt family participation. Without stable enrollment, providers cannot establish stable revenue, and without stable revenue, providers cannot create business plans that cover the costs of high-quality programs delivered by highly qualified professionals. In the absence of revenue stability, the investments required to ensure that early care and education professionals meet quality standards are too risky, often putting investments in quality at odds with meeting the bottom line and keeping the doors open.

Finance Mechanisms

The following section is an overview of the finance mechanisms included in the estimate.

Public-sector funds are allocated to support the provision of early care and education through finance mechanisms. Finance mechanisms distribute money to providers, families, and the early childhood workforce. Each mechanism has its own set of regulatory standards or monitoring requirements that reflect the policy and program goals of which it is a part. Distinctions between mechanisms can create situations where standards are not coordinated, or are even in conflict, across mechanisms. For providers, the complexity and cost of compliance with the requirements of multiple funders are burdensome, requiring time and energy that is therefore unavailable to the children in their care. National experts find the current structure to be inflexible, siloed, and inefficient and recommend that all finance mechanisms use consistent, high-quality standards as the basis of receipt of funds. This is not to suggest that the policy and program goals of each mechanism be abandoned but that across all mechanisms, the same high-quality standards be expected. In Nebraska, public-sector funds flow to early care and education through 15 finance mechanisms.

Nebraska’s public investment in early care and education for children from birth through age 5 is represented by funding streams originating at the federal and state levels. For fiscal year 2017, the federal and state combined contribution to early care and education in Nebraska was \$211.4 million. Nebraska received a total of \$134.7 million in federal funding that was allocated through six finance mechanisms originating in three agencies—the U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the U.S. Department of Education. In addition to the federal dollars, the State of Nebraska provided a total of \$76.7 million allocated through nine finance mechanisms originating in two agencies, the Nebraska Department of Health and Human Services and the Nebraska Department of Education. Table 1 identifies each finance mechanism, provides a brief description, the FY 2017 allocation, and the page number of the report where the associated detail is located. Finance mechanisms with funds originating at the federal level are indicated with a purple dot and those with funds originating at the state level are indicated with a white dot. Numbers within purple and white dots distinguish finance mechanisms from one another, which is helpful when they appear together in figures illustrating the flow of funding throughout the system.

TABLE 1 | FINANCE MECHANISMS

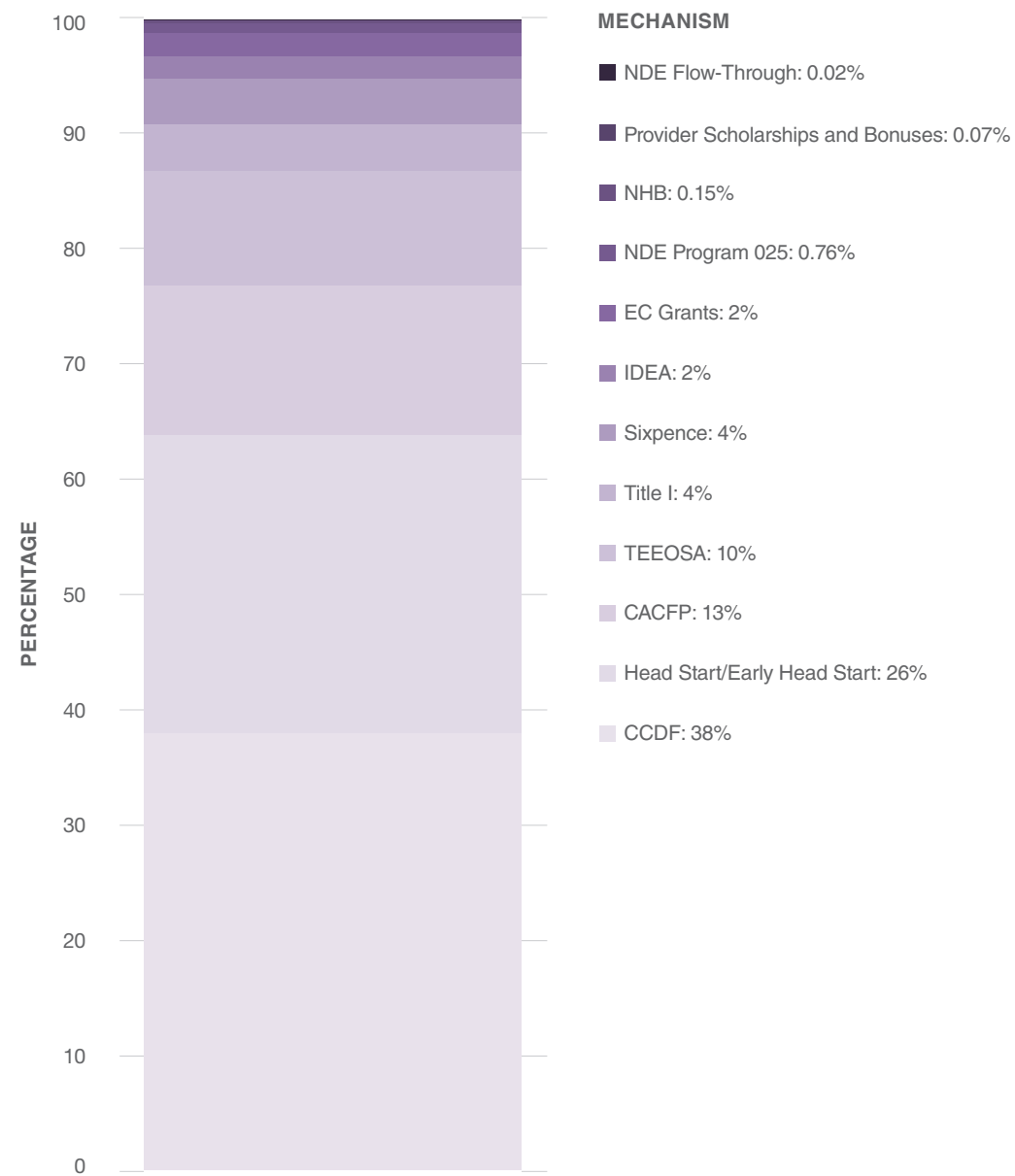
FEDERAL INVESTMENT	FY 2017	PAGES
<p>1 Head Start/Early Head Start Head Start promotes school readiness for children ages 0-5 in low-income families. Health, nutrition, and education services are provided to pregnant women and their young children, including preschool for children ages 3-5. Families must meet income requirements for their children to qualify for program participation.</p>	\$54,190,068	16-17
<p>2 Child Care and Development Fund – Federal Contribution (CCDF) + TANF Transfer* Designed to encourage family economic self-sufficiency by supporting employment and education among low-income parents, CCDF subsidizes the cost of child care. The CCDF-federal contribution (including redistributed funds—the TANF transfer) is combined with a state allocation (see below) to finance Nebraska’s child care subsidy program (previously called Title XX). Payments are made from the Nebraska Department of Health and Human Services to the child care provider. To qualify for the program, families must meet income and work requirements.</p>	\$28,615,966 \$10,324,763*	18-21
<p>3 Child and Adult Care Food Program (CACFP) Subtracting all aid for adult programs, this estimate of CACFP funding provides aid to child care institutions and family child care homes for the provision of nutritious foods that contribute to the wellness, healthy growth, and development of young children. Families must meet income requirements for their children to qualify for the program.</p>	\$28,361,038	22-23
<p>4 Title I of the Elementary and Secondary Education Act (Title I) The stated purpose of Title I is to “ensure that all children have a fair, equal, and significant opportunity to obtain a high-quality education and reach, at a minimum, proficiency on challenging state academic achievement standards and state academic assessments.” Title I funds are allocated to schools through four statutory formulas that are based primarily on census poverty estimates and the cost of education in each state.</p>	\$8,210,489	24-25
<p>5 Individuals with Disabilities Education Act (IDEA) IDEA makes available a free appropriate public education, including early intervention services and special education, to eligible infants and toddlers, preschool, and school-age children with disabilities.</p>	\$5,046,306	26-27
Federal Total	\$134,748,630	

STATE INVESTMENT	FY 2017	PAGES
<p>① Child Care and Development Fund – State Contribution (CCDF) Federal-level CCDF contributions are combined with state Maintenance of Effort (MOE) and matching funds to finance Nebraska’s child care subsidy program (previously called Title XX). Payments are made from the Nebraska Department of Health and Human Services to the child care provider.</p>	\$41,866,708	18-21
<p>② Tax Equity and Educational Opportunities Support Act (TEEOSA) – Early Childhood Calculated State Aid TEEOSA funding, commonly called state aid funding, is allocated to school districts with demonstrated needs greater than their resources available (according to the TEEOSA formula) for public education. Beginning in the 2007-08 school year, eligibility to count early childhood students (4-year-olds) became available. Early childhood students in TEEOSA are weighted as 0.6 (as opposed to K-12 students with a weight of 1.0).</p>	\$20,367,038	28-29
<p>③ Nebraska Early Childhood Education Endowment for 0-3 (Sixpence) The Nebraska Early Childhood Education Endowment, commonly known as “Sixpence,” is a Nebraska-developed, public-private venture funding community partnerships focused on high-quality early learning services for infants and toddlers at risk. Grants are awarded through local school districts, which act as the fiscal agents for their community partnership. Each grantee is required to provide a 100% match to its award through local funds and resources. Funded community partnerships receive intensive, individualized support for achieving and maintaining high standards in teaching practice and program management.</p> <p>Sixpence Endowment Income \$3,600,000 Created in 2006 through Nebraska statute, the Sixpence endowment represented a \$20 million commitment from private donors, matched by a \$40 million investment from Nebraska Educational Lands and Funds. The public portion of the original corpus was made possible through an amendment to the Nebraska Constitution following the passage of LB 1256. These public and private funds are invested separately, and the combined earnings placed into a common cash fund held by the Nebraska Department of Education.</p> <p>Sixpence General Fund Appropriation \$4,800,000 Since the creation of the endowment, Nebraska lawmakers have twice approved legislation providing additional funding streams enabling Sixpence to reach more infants and toddlers at risk statewide.</p>		30-31

<p>④ Nurturing Healthy Behaviors Appropriation “Rooted in Relationships” is a public-private initiative to build capacity of local communities to enhance the social-emotional development of children up to age 8. The Nurturing Healthy Behaviors appropriation makes up a portion of the public investment. The initiative is currently at work in eight Nebraska counties</p>	\$384,000	32-33
<p>⑤ Early Childhood Grants The Nebraska Early Childhood Education Grant Program funds school districts to support the development of children ages 3-5 in center-based programs run by the local school district or educational service unit. All early childhood programs funded by these grants must operate in compliance with Rule 11 regulations, and the fiscal agent for these grant funds may be a public school, consortium of schools, or educational service units.</p>	\$3,619,357	34-35
<p>⑥ Early Childhood Provider (“Scholarships and Bonuses”) Appropriations The Early Childhood Provider Appropriations provide funding for providers seeking to improve the quality of the early learning experience they provide to young children. The funding appropriated finances a limited number of scholarships to providers for coursework in early childhood education and incentive bonuses for program quality improvements.</p>	\$162,240	36-37
<p>⑦ Nebraska Department of Education Administration of Early Childhood Programs Four percent of early childhood education appropriations to the Nebraska Department of Education are utilized for administration of early childhood education programs. These funds are found in Program 025 (Education Administration) of the NDE budget.</p>	\$1,836,887	38-39
<p>⑧ Nebraska Department of Education – Flow-Through Provider Fees The Early Childhood Training Center of the Nebraska Department of Education offers professional development opportunities for members of the early childhood workforce in seven geographical areas of the state. Funds collected from attendees are deposited into one of two cash funds and expended solely for the purpose of trainings. No funds are retained for administrative purposes.</p>	\$35,000	40-41
State Total	\$76,671,230	
TOTAL INVESTMENT – FEDERAL AND STATE COMBINED	\$211,419,860	

Across the various sources of funds invested in early care and education, more than two-thirds of funding is distributed through five mechanisms listed here from largest to smallest proportional contribution. Of the total \$211.4 million investment, CCDF (state and federal combined) makes up 38%, Head Start and Early Head Start makes up 26%, CACFP accounts for 13%, and TEEOSA makes up 10%. Collectively these five finance mechanisms provide 87% of the funds. An additional 12% comes from Title I (4%), Sixpence (4%), IDEA (2%), and EC Grants (2%). The remaining finance mechanisms account for less than 1% of the total investment.

FIGURE 2 | SHARE OF PUBLIC CONTRIBUTION BY FINANCE MECHANISM



Methodology

The following section provides a detailed accounting of the methodology including data sources and funding flow for each finance mechanism.

Head Start/Early Head Start

FUNDING AMOUNT

\$54,190,068

Authority

Head Start was first enacted as a summer project under the Economic Opportunity Act of 1964. Based on its success, Congress authorized it as a primarily part-day, nine-month program in 1966. Authority for Head Start transferred from the Office of Economic Opportunity to Health and Human Services in the Community Services Act of 1974. The program has been reauthorized several times over the years, including 1994, when Congress established Early Head Start. The most recent reauthorization is under the Improving Head Start for School Readiness Act of 2007.

Establishing the Funding Estimates

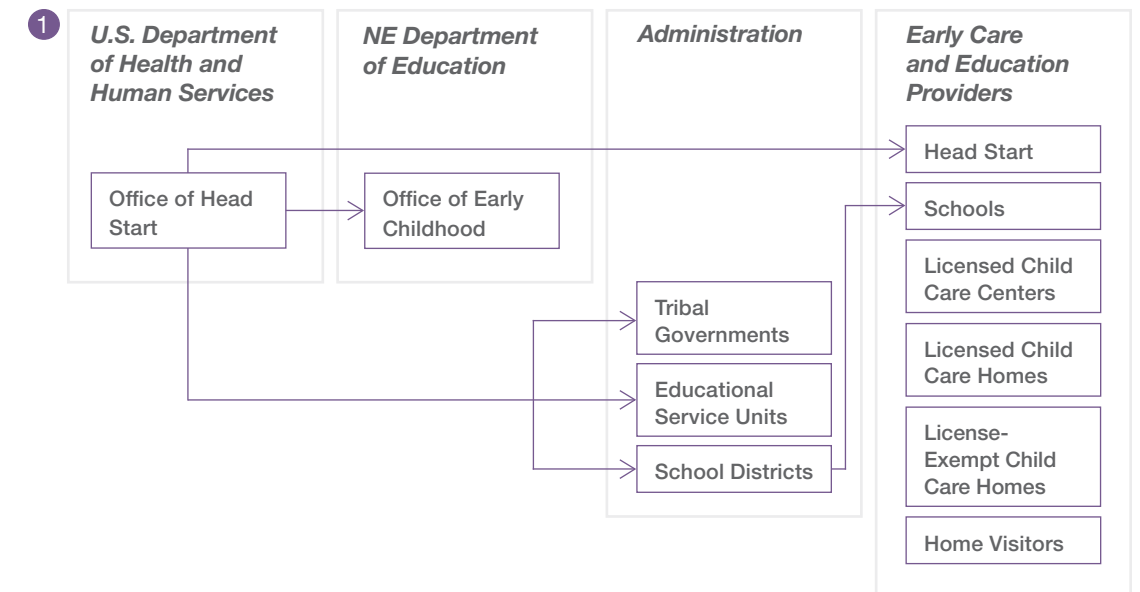
Congress authorizes the amount of federal spending for Head Start/Early Head Start each year. Information regarding the allocation of funds to states and to tribal governments is provided online by the Early Childhood Learning and Knowledge Center (ECLKC) of the Administration for Children and Families within the U.S. Department of Health and Human Services. Funding data reported in the current report are available in the Head Start Program Facts reported for Fiscal Year 2017ⁱⁱⁱ. Nebraska receives a total of \$54,190,068, the sum of \$49,547,684 allocated to Nebraska programs and \$4,642,384 allocated to tribal governments headquartered in Nebraska.

Annual Federal Funding Allocation = Funding to NE Programs + Funding to Tribal Governments
\$54,190,068 = \$49,547,684 + \$4,642,384

Administration of Funds

The Head Start/Early Head Start finance mechanism is administered by the Office of Head Start within the U.S. Department of Health & Human Services (Administration for Children and Families). Figure 2 illustrates the path Head Start/Early Head Start funding takes from the administrative source to the entities ultimately receiving funds. Federal grants are awarded directly to public agencies, private nonprofit and for-profit organizations, tribal governments, and school systems to operate Head Start programs in local communities. The path that Head Start/Early Head Start funding follows through the Nebraska early childhood education system was established by the authors and then confirmed by the administrator of the Office of Early Childhood in the Nebraska Department of Education.

FIGURE 3 | HEAD START/EARLY HEAD START



Child Care and Development Fund

FUNDING AMOUNT

FEDERAL: \$28,615,966 AND \$10,324,763; STATE: \$41,866,708

Authority

The Child Care and Development Fund (CCDF) is the finance mechanism that funds Nebraska’s child care subsidy program (previously called Title XX). Separate federal- and state-level funding streams are combined to subsidize the cost of child care for children of low-income parents. Authorization of funds originates from four sources: (1) Discretionary funding authorized by the Child Care and Development Block Grant (CCDBG) Act, subject to annual appropriation; (2) an entitlement portion of mandatory and matching funds made available under Section 418 of the Social Security Act; (3) state Maintenance of Effort (MOE) and matching funds; and (4) federal funds transferred to CCDF from states’ Temporary Assistance for Needy Families (TANF) block grants. The Child Care and Development Block Grant Act (CCDBG) was first enacted under the Omnibus Budget Reconciliation Act of 1990 and then was amended and reauthorized by the Personal Responsibility and Work Opportunity Act of 1996, the act that also established TANF block grants. The most recent reauthorization of the CCDBG was under the CCDBG Act of 2014^{iv}.

Establishing the Funding Estimates

Funds for Nebraska’s child care subsidy program, labeled as “subprogram 44 child care for 341 public assistance,” reside within a larger pot of public assistance funds. The Child Care and Development Fund administrator in the Office of Children and Family Services at the Nebraska Department of Health and Human Services reported \$103,934,058 in total CCDF funds serving children up to age 12 in FY 2017. Of this total, \$61,695,531 were funds from the Nebraska General Fund and \$42,238,527 were funds from U.S. Department of Health and Human Services Office of Child Care. The values provided by the administrator were used to calculate the federal and state contributions as a percentage of the total with federal funds at 40.6% and state funds at 59.4%.

Percent CCDF Federal Portion = Federal Portion / Total CCDF Funds
0.406 = \$42,238,527 / \$103,934,058

Percent CCDF State Portion = State Portion / Total CCDF Funds
0.594 = \$61,695,531 / \$103,934,058

The administrator reported \$70,482,674 of these funds served children ages 0-5. As a percent of the total CCDF funds, over two-thirds, 67.8%, were used to serve children 0-5.

Percent CCDF Funds for 0-5 = CCDF Funds for 0-5 / Total CCDF Funds
0.678 = \$70,482,674 / \$103,934,058

To estimate the federal and state split of the \$70.4 million in funds for children 0-5, the 0-5 total was multiplied by each corresponding percentage. This yielded an estimate of \$28,615,966 from federal funds and \$41,866,708 from state funds.

Federal CCDF Funds for 0-5 = CCDF Funds for 0-5 * Percent CCDF Federal Portion
\$28,615,966 = \$70,482,674 * 0.406

State CCDF Funds for 0-5 = CCDF Funds for 0-5 * Percent CCDF State Portion
\$41,866,708 = \$70,482,674 * 0.594

In addition to the federal CCDF allocation, states are permitted to transfer a portion of their Temporary Assistance for Needy Families (TANF) grant to be used for their child care subsidy program. The administrator reported that Nebraska transferred a total of \$15,228,264 from TANF to CCDF. To estimate the TANF transfer for 0-5, the total TANF transfer was multiplied by the percent of CCDF funds for children 0-5. This yielded an estimate of \$10,324,763 of TANF dollars for 0-5.

TANF Transfer for 0-5 = Total TANF Transfer * Percent CCDF Funds for 0-5
\$10,324,763 = \$15,228,264 * 0.678

Administration of Funds

At the federal level, funds are administered through two offices of the U.S Department of Health and Human Services. The Office of Child Care administers CCDF funds through its Administration for Children and Families. The Office of Family Assistance administers TANF block grants to states, a portion of which may be transferred to CCDF. The State of Nebraska CCDF funds are administered through the Office of Children and Family

Services (OCFS) within the Nebraska Department of Health and Human Services. Figure 3 shows this, illustrating the path of CCDF funding from the originating sources, through OCFS to then be allocated to various entities.

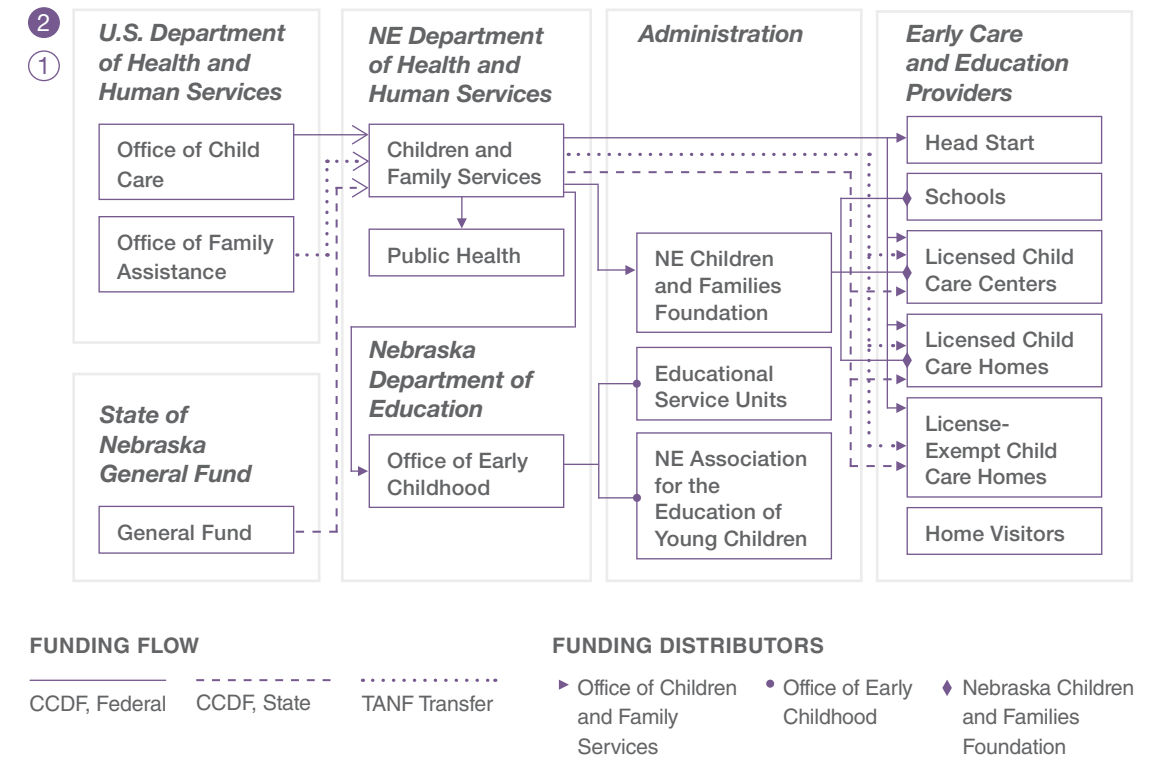
To more fully understand the complexity of administering CCDF as a finance mechanism of the Nebraska early childhood system, the authors worked collaboratively with the Child Care and Development Fund administrator to accurately represent the dissemination of funds throughout the system. Additionally, the administrator of the Office of Early Childhood within the Nebraska Department of Education provided input. Developed in consultation with these two state agency administrators, Figure 3 represents the most accurate illustration of the flow of CCDF funding from the administrative sources to the ultimate recipients of the funds.

In Figure 3, line-type and arrow-end are used to distinguish the various paths taken by a single funding stream. The three separate funding streams that make up the CCDF finance mechanism are distinguished by line-type:

- The solid line represents the flow of federal funding for CCDF that is authorized through CCDBG.
- The dotted line represents the flow of federal funding authorized through the TANF transfer of funds.
- The dashed line represents the flow of funding provided for child care and allocated to public assistance in Nebraska’s biennial budget.

In addition to line-type, distinct arrow-ends indicate when the same funding stream (e.g., solid line) takes more than one path to the receiving entity. For example, Licensed Child Care Centers receive federal CCDF funds (solid line) directly from OCFS (as indicated by the arrowhead-end) as well as through the Nebraska Children and Families Foundation (as indicated by the diamond-end). It is noteworthy that Nebraska exceeds federal minimal requirements, a testament to its commitment to early childhood. No funds are ever paid to the family.

FIGURE 4 | CHILD CARE AND DEVELOPMENT FUND



Child and Adult Care Food Program

FUNDING AMOUNT

\$28,361,038

Authority

The Child and Adult Care Food Program (CACFP) is a finance mechanism that funds the provision of nutritious foods in early care and education settings. First authorized by the Child Nutrition Act of 1966, CACFP was reauthorized in the Healthy, Hunger-Free Kids Act of 2010 and again in 2014 by the Richard B. Russell National School Lunch Act.

Establishing the Funding Estimates

Nebraska receives CACFP funds from the Food and the Nutrition Service at the U.S. Department of Agriculture to aid Nebraska’s child and adult care institutions and family or group day care homes in the provision of nutritious foods. Serving children and adults, the program aims to “contribute to the wellness, healthy growth, and development of young children” as well as “the health and wellness of older adults and chronically impaired disabled persons.” In seeking an estimate of the CACFP funds allocated to children 0-5, report authors consulted the administrator of the Nutrition Services Office at the Nebraska Department of Education. An estimate of the CACFP funds allocated solely to 0-5 was not available, but a report of the funds serving children 0-12 was provided. The administrator reported a total of \$28,361,038 in funds serving children 0-12, the bulk of which were distributed for meals (\$27,237,629), but also distributed for cash in lieu of food (\$980,409) and in trainings (\$143,000)^{vii}. Because the reported figures include children up to age 12, the total reported here is an overestimate of the funding amount serving children 0-5.

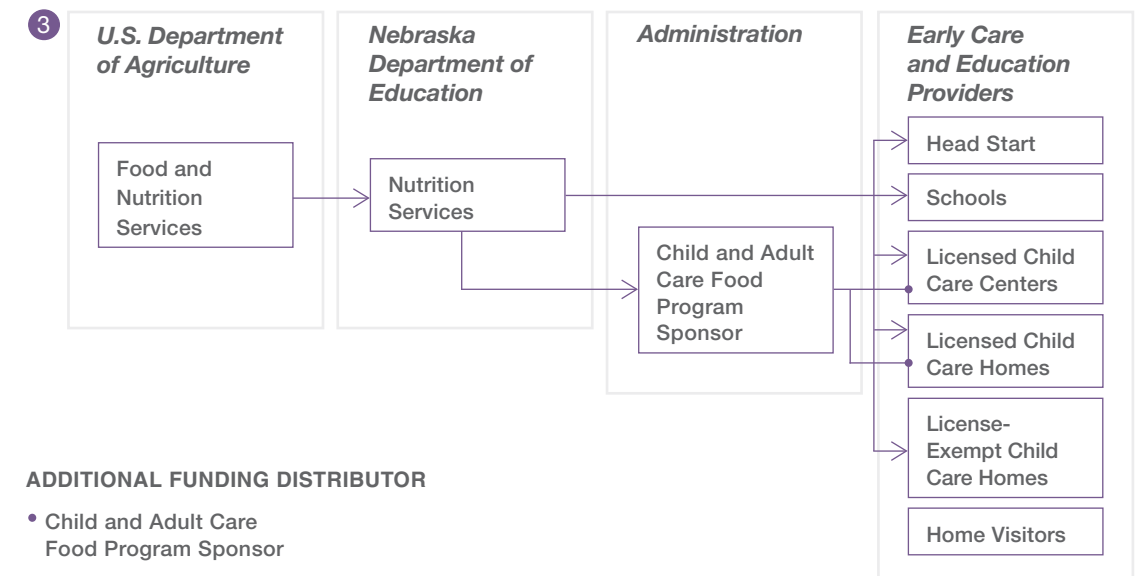
CACFP Allocation for Children 0-12 = Funding for Meals + Cash in Lieu of Food + Trainings
\$28,361,038 = \$27,237,629 + \$980,409 + \$143,000

Administration of Funds

CACFP is administered by Food and Nutrition Service at the U.S. Department of Agriculture. CACFP provides aid to child and adult care institutions and family or group day care homes. For purposes of this report, only the aid for child programs is included. Figure 4 illustrates the path CAFCP funding takes from the administrative source to the entities ultimately receiving funds ^{viii}. Funds from the U.S. Department of Agriculture’s Food and Nutrition Service are allocated to the Nebraska Department of Education’s Nutrition Services. NDE Nutrition Services distributes these funds directly

to Family Child Care Homes, Child Care Centers, Head Start programs, and schools (as indicated by the arrowhead-end) as well as distributing them to CACFP sponsors who serve Family Child Care Homes and Child Care Centers (as indicated by the circle-end). Families must meet income requirements for their children to qualify for the program. No funds are ever paid to the family.

FIGURE 5 | CHILD AND ADULT CARE FOOD PROGRAM



Title I

FUNDING AMOUNT
\$8,210,489

Authority

The finance mechanism commonly referred to as “Title I” is the first title, “Improving the Academic Achievement of the Disadvantaged,” in the Elementary and Secondary Education Act (ESEA) of 1965. The passage of ESEA elevated the federal government’s involvement in public education by authorizing federal spending on public K-12 programs, primarily funding initiatives to support low-income and special-needs students through Title I. In 2015 ESEA was amended and reauthorized by the Every Student Succeeds Act (ESSA). ESSA is the sixth reauthorization of ESEA.

Establishing the Funding Estimates

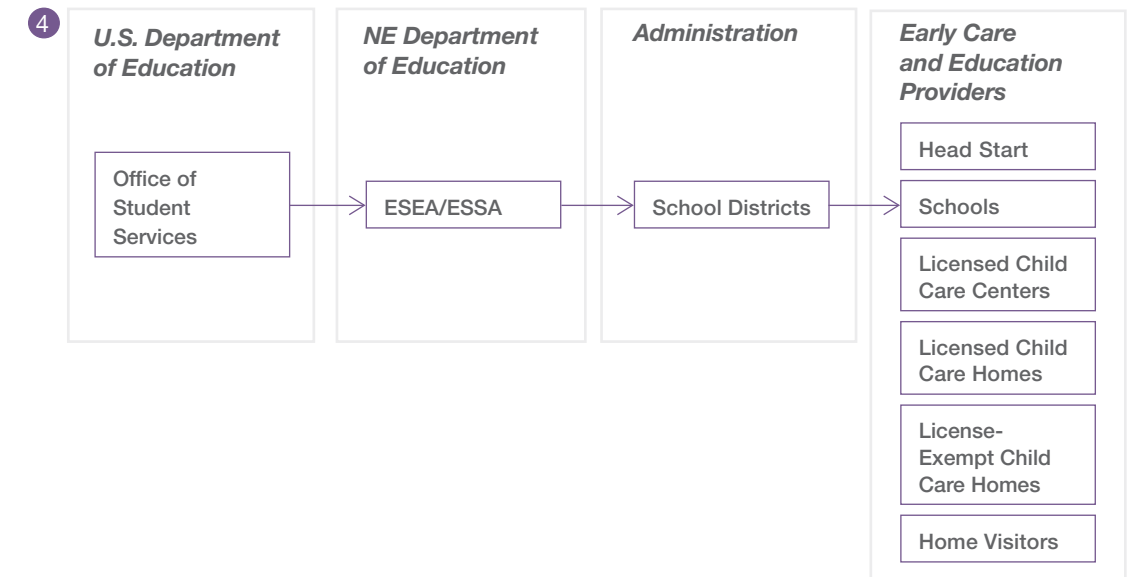
Title I funds flow from the Office of Student Services at the U.S. Department of Education to the ESEA/ESSA office at the Nebraska Department of Education^{ix}. A portion of the funds received are attributed to children 0-5, referred to as the preschool set-aside. This portion attributable to children 0-5 was provided by the assistant director in the Office of Student and School Support and Services at NDE as \$8,210,489^x in FY 2017.

Title I Preschool Set-Aside
\$8,210,489

Administration of Funds

Administered by the Office of Student Services at the U.S. Department of Education, Title I funds are allocated to schools through four statutory formulas that are based primarily on census poverty estimates and the cost of education in each state. At the state level, this process is carried out in the ESEA/ESSA office. Figure 5 illustrates the path Title I funds take from the administrative source to the entities ultimately receiving funds. No funds are ever paid to families whose children qualify for Title I services.

FIGURE 6 | TITLE I



Individuals with Disabilities Education Act

FUNDING AMOUNT

\$5,046,306

Authority

The Education for All Handicapped Children Act, now known as the Individuals with Disabilities Education Act (IDEA), was first signed into law in 1975. Congress reauthorized the IDEA in 2004 and it was most recently amended through the Every Student Succeeds Act (ESSA) in 2015. Infants and toddlers, birth through age 2, with disabilities and their families receive early intervention services under IDEA Part C. Children and youth ages 3 through 21 receive special education and related services under IDEA Part B.

Establishing the Funding Estimates

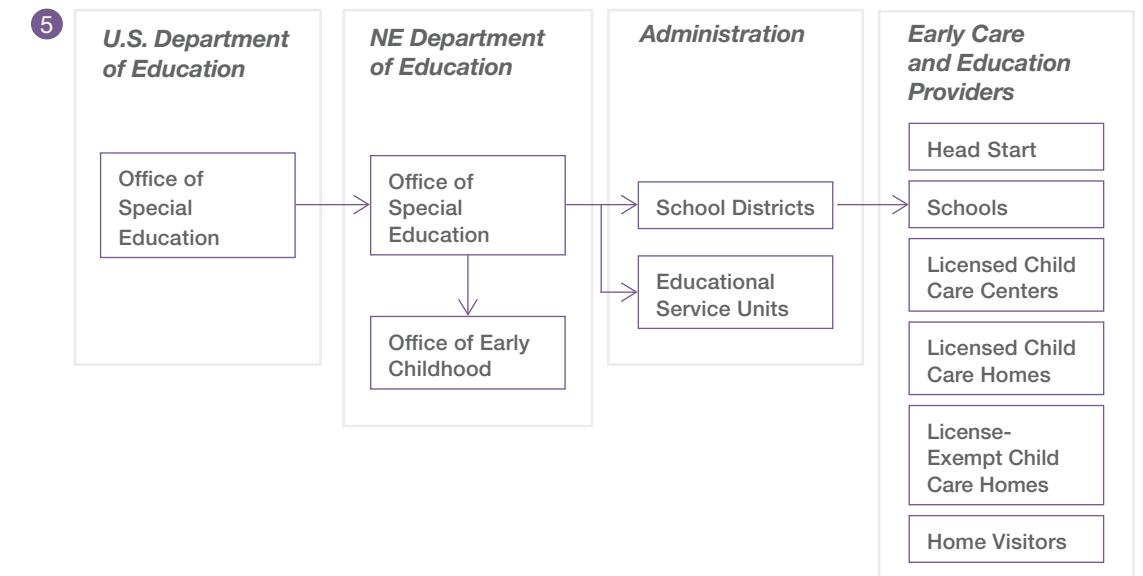
The Office of Special Education within the U.S. Department of Education allocates IDEA funds to the Nebraska Department of Education's Office of Special Education. Parts B and C formula grants are awarded to states annually. Report authors consulted with the Nebraska Office of Special Education to estimate the IDEA funds attributed to children ages 0-5. The fiscal director reported \$5,046,306 in IDEA funds invested in Nebraska's 0-5 early education system. Because no methodology exists to identify Part B usage for children under 5, the estimate does not include any Part B funding (other than Section 619) attributable to ages 3-5.

Total IDEA for Ages 0-5 = IDEA Part C + IDEA Part B Section 619 Only
\$5,046,306 = \$2,859,428 + \$2,186,878

Administration of Funds

The path IDEA funding takes from the administrative source, the Office of Special Education within the U.S. Department of Education, to the entities ultimately receiving funds is illustrated in Figure 6. The flow of funds through the early care and education system was established collaboratively with the administrator of the Office of Early Childhood in the Nebraska Department of Education. No funds are ever paid to families whose children qualify for IDEA services.

FIGURE 7 | IDEA



Tax Equity and Educational Opportunities Support Act – Early Childhood Calculated State Aid

FUNDING AMOUNT
\$20,367,038

Authority

In 1990 the funding of public education in Nebraska was restructured by LB 1059, the Tax Equity and Educational Opportunities Support Act (TEEOSA). Since adoption of TEEOSA, it has been modified to some extent in each legislative session. In 2005, 15 years after TEEOSA was first passed by the Nebraska Legislature, LB 577 granted authority for early childhood students to be included in a school’s student count for the purposes of state aid if the early childhood program met certain accountability requirements. Schools became eligible to count early childhood students (4-year-olds) in their student count if their early childhood program received an early childhood education grant (meeting Rule 11 requirements) for three consecutive years. Only schools receiving equalization aid receive this TEEOSA funding for early childhood students (called early childhood calculated state aid). Due to frequent changes to TEEOSA over the three decades since its inception, approximately 28% of schools in Nebraska are equalized. This means 72% of schools are non-equalized and do not qualify for TEEOSA funding for early childhood students even if they meet the necessary accountability requirements to operate an NDE-approved early childhood program. Statutory authority for Early Childhood Calculated State Aid (ECCSA) in TEEOSA is found in sections 79-1003 and 79-1003.01 of the Nebraska Revised Statutes.

Establishing the Funding Estimates

TEEOSA funds for early childhood are estimated by totaling the ECCSA amounts (up to their “equalization aid” amount) for equalized school districts only. Any amount of early childhood calculated state aid over and above the district’s equalization aid is not awarded. This methodology was confirmed as the most accurate way of estimating TEEOSA funding for early childhood by the administrator of the Office of Financial and Administrative Services at the Nebraska Department of Education.

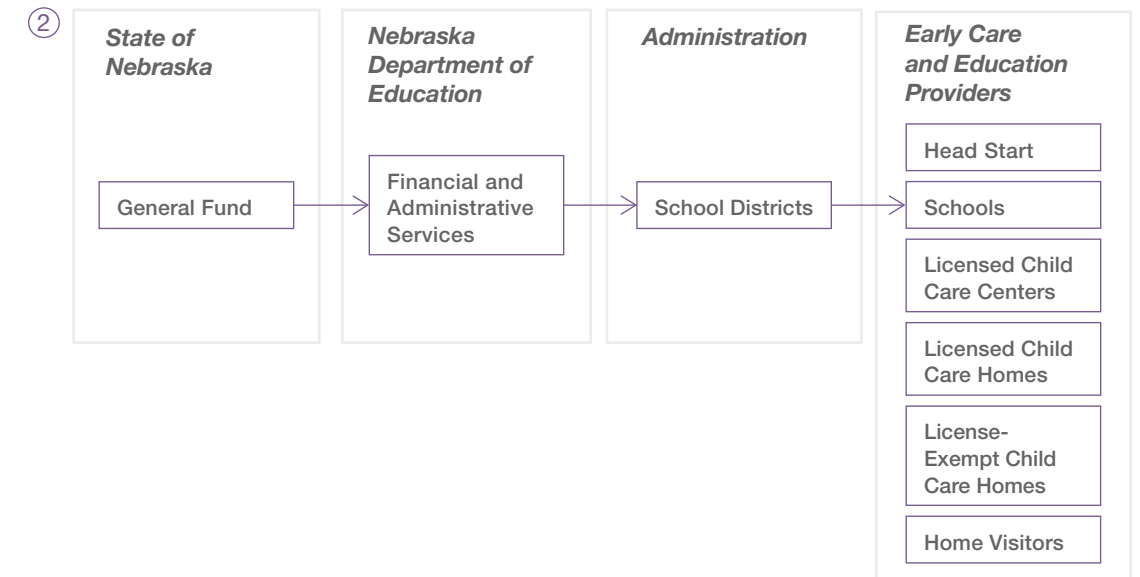
$$\text{Total TEEOSA ECCSA awarded} = \sum (\text{ECCSA for each equalized district, up to, but not in excess of, the district's Equalization Aid amount})$$

\$20,367,038

Administration of Funds

The Nebraska Legislature allocates TEEOSA funding to the Nebraska Department of Education (commonly called state aid funding) for distribution to school districts for public education. No funds are ever paid to families whose children are served in TEEOSA-funded early childhood programs.

FIGURE 8 | TEEOSA



Nebraska Early Childhood Education Endowment for 0-3

FUNDING AMOUNT

\$4,800,000 – GENERAL FUND; \$3,600,000 – PUBLIC ENDOWMENT INCOME

Authority

Created in 2006 through LB 1256, the Sixpence endowment was established with a \$20 million commitment from private donors, matched by a \$40 million investment from Nebraska Educational Lands and Funds. These public and private funds are invested separately, and the combined earnings placed into a common cash fund held by the Nebraska Department of Education. A governor-appointed six-member Board of Trustees oversees the competitive grant process. Grants are awarded through local school districts, which act as the fiscal agents for their community partnership. Each grantee is required to provide a 100% match to its award through local funds and resources. Since the creation of the endowment, Nebraska lawmakers have twice approved legislation providing additional funding streams enabling Sixpence to reach more infants and toddlers at risk statewide. In 2013, the Legislature approved an additional allocation of dollars to the Cash Fund, enabling Sixpence to increase its statewide reach from 11 to 31 communities. In 2015, LBs 489 and 547 enabled the use of existing federal dollars to fund Sixpence school-child care partnership grants in 34 communities. Statutory authority for the Nebraska Early Childhood Education Endowment is found in sections 79-1104.01 to 1104.05 of the Nebraska Revised Statutes.

Establishing the Funding Estimates

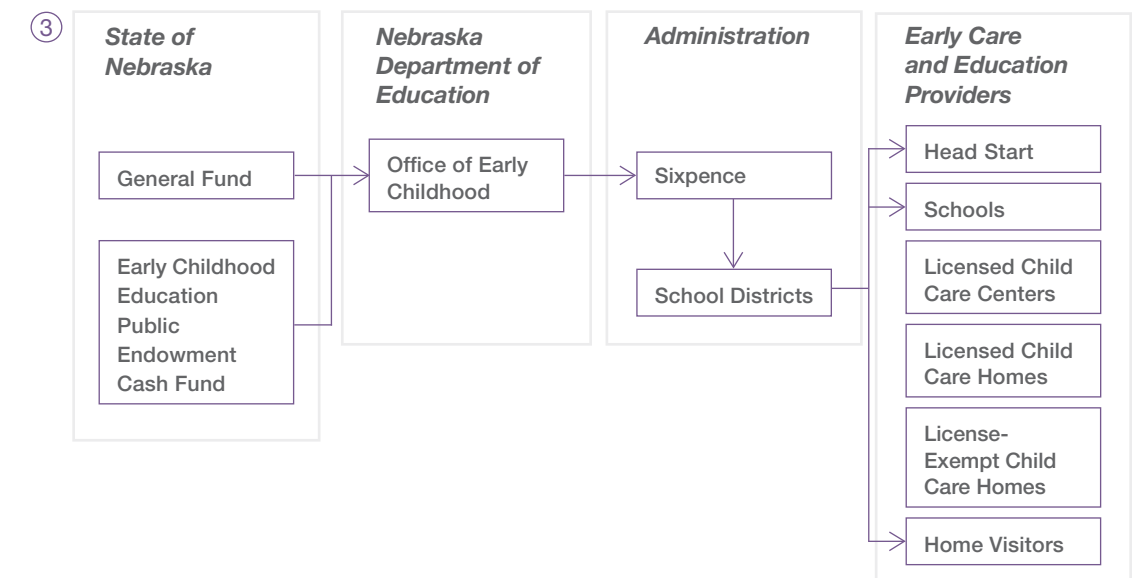
General Fund^{xx} investment is cited from the State of Nebraska FY 2017-18 and 2018-19 Biennial Budget, revised May 2018 (page 67), Appendix C.^{xxi} Accessed at <https://nebraskalegislature.gov/pdf/reports/fiscal/2018budget.pdf>. The public endowment income investment was provided by NDE’s Office of Financial and Administrative Services in a “Early Childhood Education Appropriations: State Fiscal Year Ended June 30, 2017” report.^{xxii}

EC Education Endowment for 0-3 = GF Appropriation + Public Endowment Income
\$8,400,000 = \$4,800,000 + \$3,600,000

Administration of Funds

State statute requires the Nebraska Department of Education to identify a private endowment provider to administer Sixpence grants under the authority of a Board of Trustees. This function has been carried out by Nebraska Children and Families Foundation^{xxiii} since the creation of the endowment in 2006. Funds flow through the Office of Early Childhood at NDE to the public-private Sixpence Board of Trustees, where they are awarded to school districts and their partners.^{xxiv}

FIGURE 9 | SIXPENCE



Nurturing Healthy Behaviors Appropriation

FUNDING AMOUNT

\$384,000

Authority

Through its biennial budget, the Nebraska Legislature appropriated general funds to the Nebraska Department of Education for Nurturing Healthy Behaviors beginning in 2014. This Nurturing Healthy Behaviors appropriation is separate and distinct from another effort (funded with CCDF quality funds) also called “Nurturing Healthy Behaviors.” All CCDF funds are accounted for in the Child Care and Development Fund section found on pages 18-21 of this report. The Nurturing Healthy Behaviors appropriation dealt with in this section is administered by the Nebraska Department of Education.

Establishing the Funding Estimates

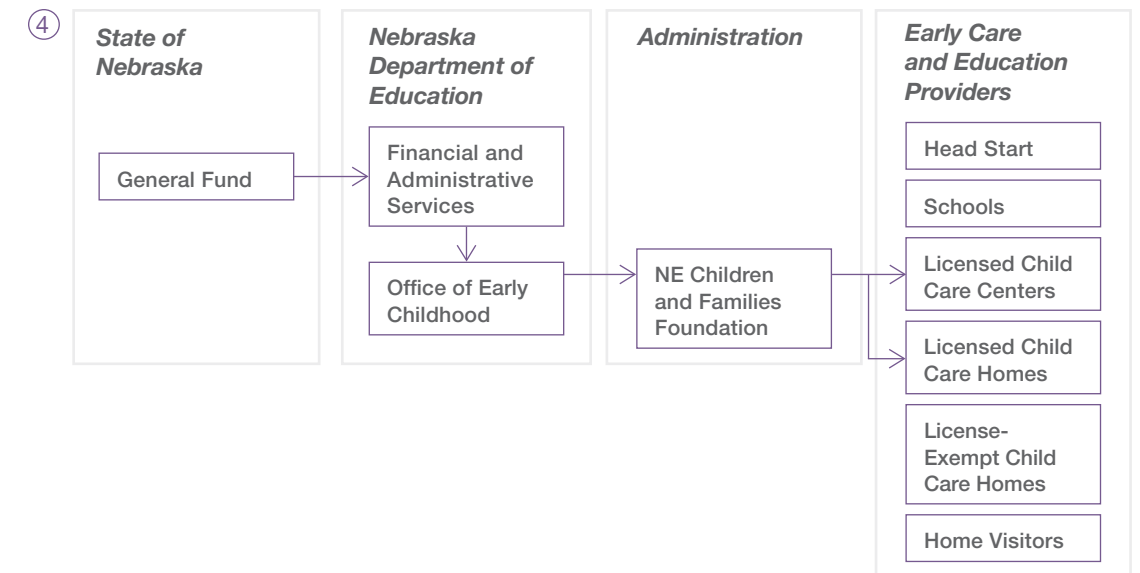
The General Fund appropriation amount was reported in the State of Nebraska FY 2017-18 and 2018-19 Biennial Budget^{xxv}. Of the \$400,000 total appropriation made in 2016-2017, 4% of the funds were utilized by the department for administrative purposes. The Nebraska State Board of Education approved the remaining \$384,000 to be invested in a program called “Rooted in Relationships.”

Nurturing Healthy Behaviors = Appropriation – 4% Used for Administrative Purposes
\$384,000 = \$400,000 - \$16,000

Administration of Funds

The Nurturing Healthy Behaviors appropriation makes up a portion of the public investment in “Rooted in Relationships,” a public-private Nebraska initiative that builds the capacity of local communities to enhance the social-emotional development of young children up to age 8. Private funds established the project in 2013, with a state General Fund appropriation following in 2014 after initial promising results. Rooted in Relationships is currently at work in eight Nebraska counties.

FIGURE 10 | NURTURING HEALTHY BEHAVIORS



Nebraska Early Childhood Grants

FUNDING AMOUNT

\$3,619,357

Authority

The precursor to the Nebraska Early Childhood Education Grant Program, the Early Childhood Education Pilot Project Program was established with LB 567 in 1990 under the auspices of the Nebraska Department of Education. In 2001, LB 759 ended the pilot program, replaced it by establishing the Early Childhood Education Grant Program, and expanded the availability of funds to early childhood programs beyond those that were in the original pilot.^{xxvi} Statutory authority for the Nebraska Early Childhood Education Grant Program is found within sections 79-1101 to 1104 and 79-318 of the Nebraska Revised Statutes.

Establishing the Funding Estimates

Funding investment for the Nebraska Early Childhood Grants program was reported in the State of Nebraska FY 2017-18 and 2018-19 Biennial Budget.^{xxvii} Of the \$3,770,164 line item for the Early Childhood Grant Program, \$3,619,357 was spent directly on the program. The remaining \$150,807 (4%) was spent on administration of the program and is counted in the “Nebraska Department of Education Administration of Early Childhood Programs” investment section of this report, found on page 38.

History Note: During FYs 2011-12 through 2015-16, the Legislature utilized a portion of lottery funds (the Education Innovation Fund) to finance the EC Grants program. In FY 2016-17, the Legislature determined the EC Grants program should be funded by the General Fund.

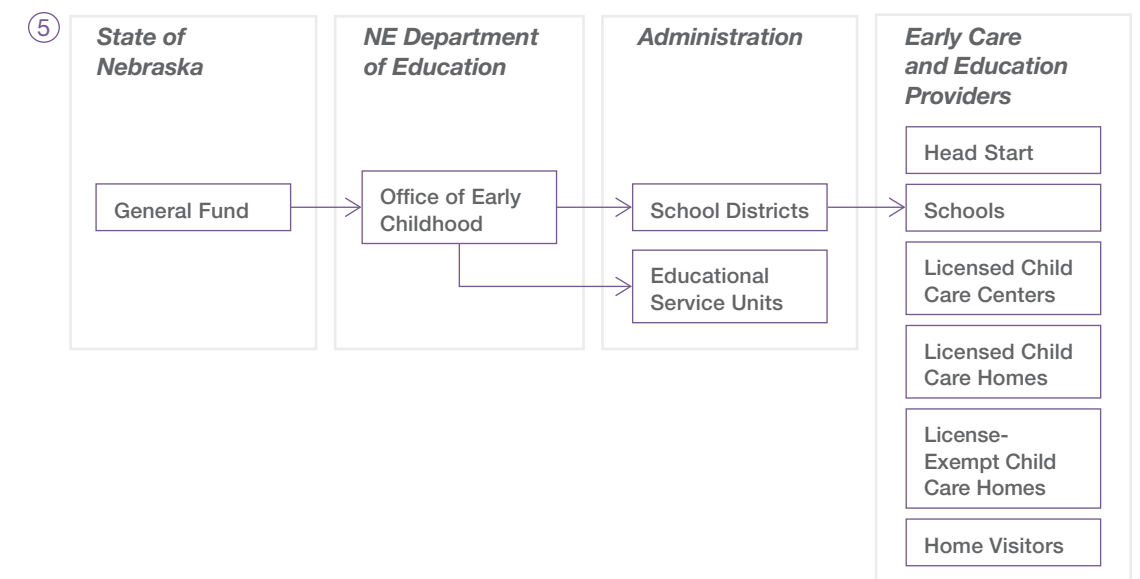
NDE Early Childhood Grants = Appropriation – 4% for Administrative Purposes
\$3,619,357 = \$3,770,164 - \$150,807

Administration of Funds

The Nebraska Department of Education, under the Office of Early Childhood, administers a grant program that funds school districts to support the development of children ages 3-5 in center-based programs run by the local school district or educational service unit. These NDE grant funds cover up to one-half of the total operating budget of a school district’s early childhood program. Funding for the

remainder of the budget is secured by the local school district. Historically speaking, these grants fund part-time programs offered solely during the typical school year (August – May). Some schools offer full-day programs, but they continue to be limited to a school calendar year and are not year-round programs. All early childhood programs funded by these grants must operate in compliance with Rule 11 regulations. The fiscal agent for these grant funds may be a public school, consortium of schools, or educational service units. No funds are ever paid to families whose children are served in NDE Early Childhood grant-funded programs.

FIGURE 11 | EARLY CHILDHOOD GRANTS



Early Childhood Provider Appropriations

FUNDING AMOUNT

\$162,240

Authority

Through its biennial budget, the Nebraska Legislature appropriates general funds for early childhood provider scholarships and bonuses to the Nebraska Department of Education.

Establishing the Funding Estimates

Funding investment for early childhood provider “scholarships and bonuses” was reported in the State of Nebraska FY 2017-18 and 2018-19 Biennial Budget.^{xxix} Of the \$169,000 line items for early childhood provider appropriations (called StepUp Quality Scholarships and Bonuses in the state budget), \$162,240 was spent directly on the programs. The remaining \$6,760 (4%) was spent on administration of the program and is counted in the “Nebraska Department of Education Administration of Early Childhood Programs” investment section of this report, found on page 38.

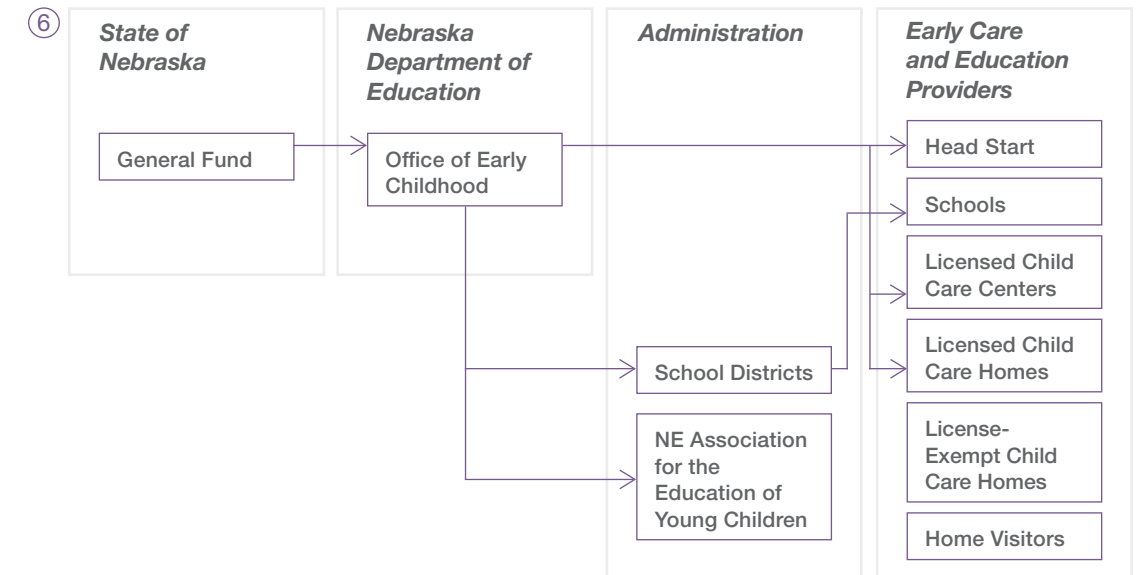
Provider Scholarships and Bonuses = Appropriation – 4% for Administrative Purposes

\$162,240 = \$169,000 - \$6,760

Administration of Funds

Incentive bonuses and a limited number of scholarships are available to Nebraska early childhood providers seeking to improve the quality of the early learning experience they provide to young children. Incentive bonuses are offered through Step Up to Quality, jointly administered by the Nebraska Department of Health and Human Services and the Nebraska Department of Education. Providers must meet minimal quality standards in order to qualify. In addition, some scholarships are awarded by the Nebraska Association for the Education of Young Children to early care and education professionals completing coursework at a local college toward a degree in early childhood education.

FIGURE 12 | EARLY CHILDHOOD PROVIDER APPROPRIATIONS



Nebraska Department of Education Administration of Early Childhood Programs

FUNDING AMOUNT
\$1,836,887

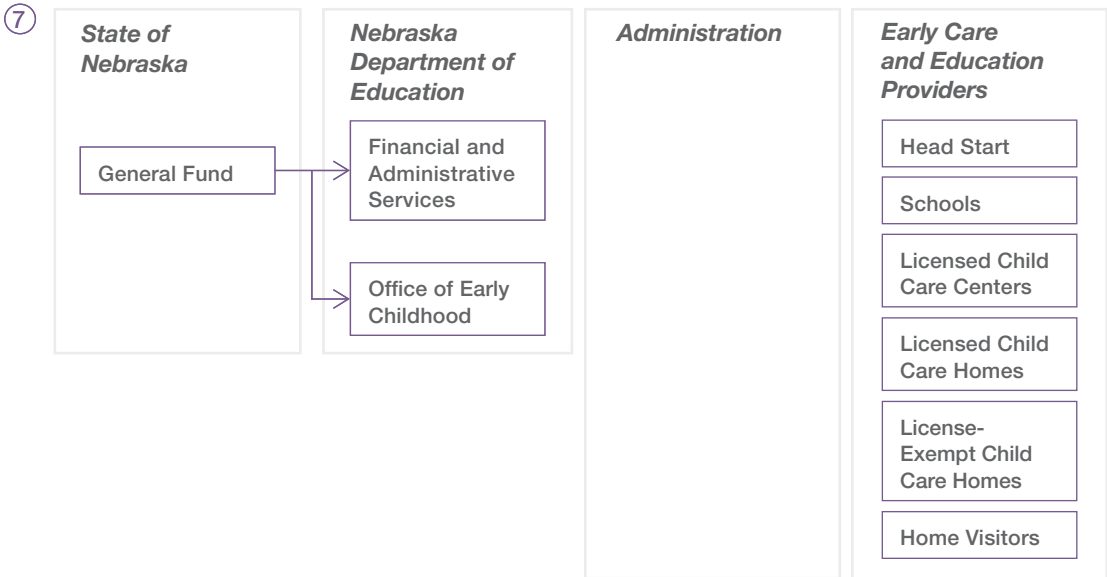
Authority
 Nebraska Revised Statute 79-303 states: The State Department of Education may provide for a system of charges for services rendered by the administrative support programs of the department to all other programs within the department. Such charges received for administrative support services shall be credited to the State Department of Education Revolving Fund, which fund is hereby created. Expenditures shall be made from such fund to finance the operation of the administrative support programs of the department in accordance with appropriations made by the Legislature.^{xxx}

Establishing the Funding Estimates
 Funding investment for NDE Administration of Early Childhood Programs was provided by the Office of Financial and Administrative Services at the Nebraska Department of Education in the NDE “Early Childhood Education Appropriations: State Fiscal Year Ended June 30, 2017” report.^{xxxi}

GF Appropriation for Program 025 = Portion of ECE Appropriations Allowed for Administration
\$1,836,887

Administration of Funds
 Four percent of early childhood education appropriations to the Nebraska Department of Education are utilized for administration of early childhood education programs. These funds are found in Program 025 (Education Administration) of the NDE budget.

FIGURE 13 | NEBRASKA DEPARTMENT OF EDUCATION ADMINISTRATION OF EARLY CHILDHOOD PROGRAMS



Nebraska Department of Education – Flow-Through Provider Fees

FUNDING AMOUNT
\$35,000

Authority

Funds (noted as “flow-through provider fees” in this report) are fees collected from attendees of early childhood professional development trainings. These training fees are deposited into one of two cash funds^{xxxii} and expended solely for the purpose of trainings. Statutory authority for the Early Childhood Program Training Cash Fund^{xxxiii} is found in Nebraska Revised Statute 43-2607. Statutory authority for the State Department of Education Cash Fund^{xxxiv} is found in Nebraska Revised Statute 79-1064.

Establishing the Funding Estimates

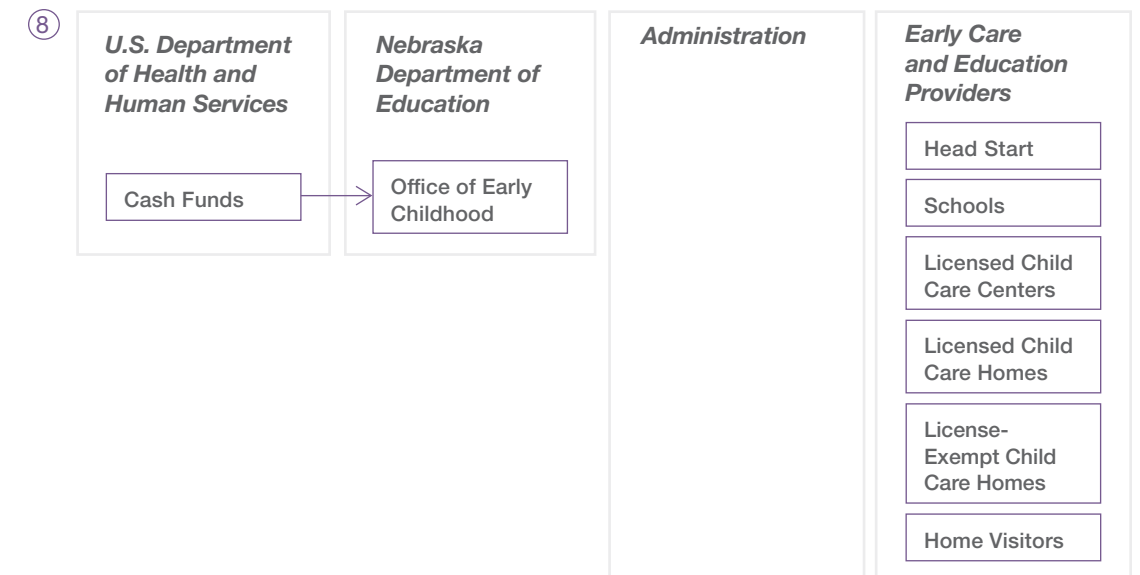
Funding investment for NDE “flow-through provider fees” was provided by the Office of Financial and Administrative Services at the Nebraska Department of Education in the NDE “Early Childhood Education Appropriations: State Fiscal Year Ended June 30, 2017” report.^{xxxv}

Flow-Through ECE Provider Fees = Cash Funds for Program 025
\$35,000

Administration of Funds

The Early Childhood Training Center of the Nebraska Department of Education offers professional development opportunities for members of the early childhood workforce in seven geographical areas of the state. Many of these opportunities are funded by fees paid by attendees. These funds paid by attendees are expended solely for the purpose of trainings. None of these funds are retained by NDE for administrative purposes.

FIGURE 14 | CASH FUNDS FLOW-THROUGH FEES



The Overall Picture

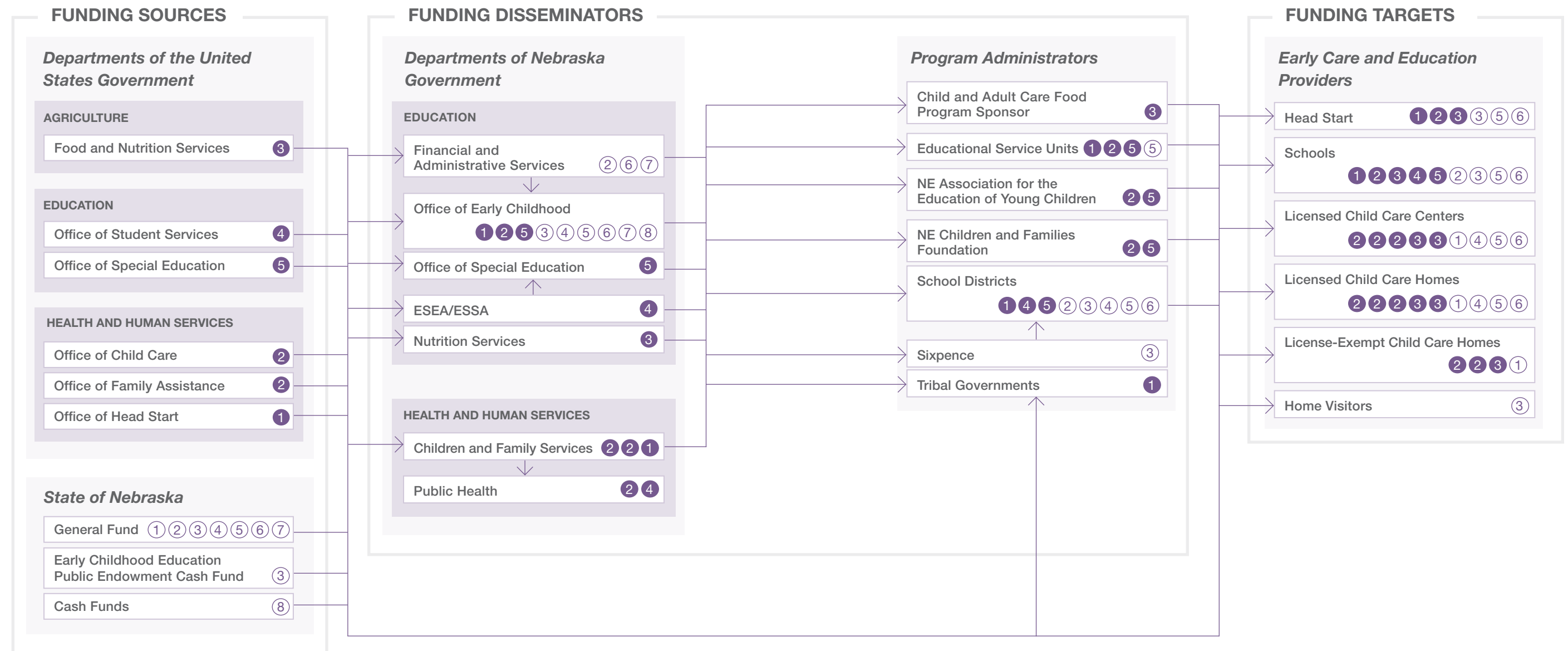
The following section provides an overall picture of the flow of public-sector funds through finance mechanisms to early care and education delivery.

Nebraska received a total of \$134.7 million in federal funding that was allocated through five^{xxxvi} financing mechanisms originating in three agencies—the U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the U.S. Department of Education. The State of Nebraska provided a total of \$76.7 million allocated through eight^{xxxvii} finance mechanisms originating from three pools of money, the State General Fund, the Early Childhood Education Public Endowment Cash Fund (endowment income), and Cash Funds. The finance mechanisms funded from these sources are administered by two state agencies—the Nebraska Department of Health and Human Services and the Nebraska Department of Education. Mechanisms to finance early care and education have emerged through incremental policy changes targeted at specific goals. The resulting funding structures are often inflexible, siloed, and inefficient. A simplified illustration of the complexity inherent in financing a fragmented early care and education system is provided on pages 44-45.

Access to as many funding sources as possible is a lifeline to keeping early childhood program doors open and lights on, but the process of acquiring and braiding funds can be burdensome to maintain and complex to master. As illustrated in the figure, five of the six identified funding targets are recipients of funds from two or more sources and, in some instances, there is more than one pathway by which funds can flow to providers. For example, licensed child care centers can receive funds through six finance mechanisms and among those, federal CCDF funds have three distinct paths and CACFP funds have two. Schools have the most diversified funding base with nine finance mechanisms: Head Start providers, licensed child care centers and licensed child care homes each receive funds from six finance mechanisms, and license-exempt child care homes receive funds from three finance mechanisms. Home visitors are the only provider entity whose public funding comes from a single finance mechanism. Though there is risk associated with failing to diversify sources of income, braiding funding from multiple sources can be costly. The time and energy that professionals would otherwise make available to children and families must be devoted to the administrative task of securing and combining separate sources of funding to generate enough revenue to cover the cost of providing early care and education. There appears to be opportunity to streamline finance mechanisms in Nebraska's early care and education system while protecting the value of diverse revenue sources.

The Nebraska Early Childhood Workforce Commission articulated a vision for early childhood financing where Nebraska maximizes public-sector investments in early care and education by reducing the administrative burden of pursuing multiple finding sources, increasing coordination across government agencies, and aligning the receipt of funds to high-quality standards. Assessing progress toward this future includes periodic examination of each finance mechanism used to fund early care and education as well as a comprehensive assessment of public funding throughout the system. As such, this document serves as the first biennial report of Nebraska's early childhood public funding flow.

FIGURE 15 | THE OVERALL PICTURE



Finance mechanisms with funds originating at the federal level are indicated with a purple dot and those with funds originating at the state level are indicated with a white dot. Numbers within purple and white dots distinguish finance mechanisms from one another and are provided in the finance mechanism key.

FINANCE MECHANISM KEY			
①	Head Start/Early Head Start	③	Sixpence
②	CCDF + TANF Transfer	④	Nurturing Healthy Behaviors
③	CACFP	⑤	Early Childhood Grants
④	Title I	⑥	Provider Scholarships and Bonuses
⑤	IDEA	⑦	NDE 025 Administration
①	CCDF	⑧	NDE Flow-Through Fees
②	TEEOSA		

Conclusion

The Nebraska Early Childhood Workforce Commission articulated a vision in which Nebraskans elevate the early childhood workforce to a priority profession benefiting all children from birth through Grade 3, calling for making investments in early care and education professionals a priority. As a first step to understanding the level of investment needed, study authors employed a quality-oriented cost-based approach to establish an estimate of Nebraska's current public-sector investment across the three, broad, interdependent functions of the early care and education system: direct service delivery, workforce support, and quality assurance and improvement. By shifting to the cost-based approach, emphasis is placed on developing funding levels adequate to cover the cost of a system providing quality early care and education for all children instead of letting quality and access be determined by the level of funding available.

This technical report provides a detailed accounting of the methodology employed. Though data may be publicly available, establishing the portion of a budget line-item going to functions within the early care and education system is not possible without working collaboratively with state agency partners. Until indicators of these data are explicitly gathered, the best estimates available are based on assumptions made and the calculations applied to accessible data. The information provided in this report serves as documentation of the limits of available data.

In addition to establishing the funding estimates, state agency partners helped to document the path of each finance mechanism through the early care and education systems. Results of the research show, for fiscal year 2017, \$134.7 million was disseminated through six federal-level finance mechanisms and \$76.7 million was disseminated through nine state-level finance mechanisms. Tracking funding from the administrative source through the system to the entities ultimately receiving funds was an iterative process between study researchers and agency partners. The information presented in this technical report provides a window into the complexities of combining funding sources as many providers currently do.

In the report of its recommendations, the Nebraska Early Childhood Workforce Commission describes a future where Nebraska maximizes public-sector investments in early care and education by reducing the administrative burden of pursuing multiple funding sources, increasing coordination across government agencies, and aligning the receipt of funds to high-quality standards. Assessing progress toward this future must include systematic examination of each finance mechanism used to fund early care and education as well as a comprehensive assessment of public funding throughout the system. As such, this document serves as the first biennial report of Nebraska's early childhood public funding flow.

End Notes and References

- i. Sarver, S.L., Huddleston-Casas, C.A., Charlet, C., & Wessels, R. (2020). Elevating Nebraska's Early Childhood Workforce: Report and Recommendations of the Nebraska Early Childhood Workforce Commission. Omaha, NE: Buffett Early Childhood Institute at the University of Nebraska.
- ii. National Academies of Sciences, Engineering, and Medicine (2018). Transforming the Financing of Early Care and Education. Washington, DC: The National Academies Press.
- iii. Head Start Program Facts (Fiscal Year 2017). U.S. Department of Health and Human Services, Administration for Children and Families, Office of Head Start. Accessed 4/8/19 at <https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/hs-program-fact-sheet-2017.pdf>
- iv. Office of Child Care Fact Sheet. U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care. Accessed 4/1/19 at <https://www.acf.hhs.gov/occ/fact-sheet-occ>
- v. Personal communication with Child Care and Development Fund administrator: 4/4/19 (meeting), 5/9/19 (email).
- vi. Child and Adult Care Food program website. Food and Nutrition Service, United States Department of Agriculture. Accessed 4/17/19 at <https://www.fns.usda.gov/cacfp/child-and-adult-food-care-program>
- vii. Personal communication with the administrator of the Nutrition Services Office, Nebraska Department of Education: 2/27/19 (email).
- viii. The path that CACFP funding follows was established collaboratively with the administrator of the Nutrition Service Office and the administrator of the Office of Early Childhood at the Nebraska Department of Education.
- ix. FY 17 Title I Grants to Nebraska. United States Department of Education. Accessed 4/17/19 at <https://www2.ed.gov/about/overview/budget/titlei/fy17/nebraska.pdf>
- x. Personal communication with the assistant director of the Office of Student and School Support and Services at the Nebraska Department of Education: 2/7/19 (email).
- xi. The administrative path of funds was confirmed by the administrator of the Office of Early Childhood in the Nebraska Department of Education.
- xii. Individuals with Disabilities Education Act "About IDEA" webpage. United States Department of Education. Accessed 4/17/2019 at <https://sites.ed.gov/idea/about-idea/>
- xiii. IDEA Part B, Section 619 investment found in Funds for State Formula-Allocated and Selected Student Aid Programs Report (pages 63-64). Accessed at <https://www2.ed.gov/about/overview/budget/statetables/17stbystate.pdf>

- xiv. Personal communication with fiscal director of the Office of Special Education at the Nebraska Department of Education: 2/13/19 (email).
- xv. Program Description of State Aid to Schools webpage. Nebraska Unicameral Legislature. Accessed 4/18/19 at https://nebraskalegislature.gov/app_rev/uses/narr_schools_stateaiddescrip.htm
- xvi. Early childhood students in TEEOSA are weighted as 0.6 (as opposed to K-12 students with a weight of 1.0).
- xvii. Unicameral Update: 2005 Session Review. Nebraska Unicameral Legislature. Accessed 4/18/19 at <https://www.nebraskalegislature.gov/update/year-end%20issues/2005.pdf>
- xviii. Early childhood calculated state aid and equalization aid amounts are taken from the Nebraska Department of Education's 2016/17 State Aid Certification "Inferred Calculated Early Childhood State Aid" document.
- xix. Sixpence Early Learning Fund, 2016-2018 Biennial Report to the Nebraska Legislature. Accessed 5/19/19 at <https://www.singasongofsixpence.org/resources/resource-library.html>
- xx. History Note: During FYs 2013-14, 2014-15, and 2015-16, the Legislature appropriated \$1 million in lottery funds (Education Innovation Fund) to Sixpence with LB 495. By FY 2016-17, lottery funds were no longer invested in Sixpence.
- xxi. Note: Of the \$5,000,000 line item for the Early Childhood Endowment, \$4,800,000 was spent directly on the program. The remaining \$200,000 (4%) was spent on administration of the program and is counted in the "Nebraska Department of Education Administration of Early Childhood Programs" investment section of this report, found on page 26.
- xxii. Personal communication with staff in the Office of Financial & Administrative Services, Nebraska Department of Education: 1/31/19 (email).
- xxiii. In addition to its grant management role, Nebraska Children coordinates a team of experienced professionals who offer expert guidance to funded community partnerships. This team delivers intensive, individualized support to grantees, enabling them to achieve and maintain high standards in teaching practice and program management. All programs funded through Sixpence are required to participate in a rigorous annual evaluation conducted by an independent research team. These evaluations measure children's developmental gains, improvements in parenting practice and family cohesion, and overall program quality.
- xxiv. Among all licensed child care centers, only Educare Centers, of which there are four, are eligible for Sixpence funding.

- xxv. State of Nebraska FY 2017-18 and 2018-19 Biennial Budget, revised May 2018 (page 67), Appendix C. <https://nebraskalegislature.gov/pdf/reports/fiscal/2018budget.pdf>
- xxvi. School Finance website. Nebraska Council of School Administrators. Accessed 5/15/19 at <http://schoolfinance.ncsa.org/2005-early-childhood-education>
- xxvii. State of Nebraska FY 2017-18 and 2018-19 Biennial Budget, revised May 2018 (page 67), Appendix C. Accessed at <https://nebraskalegislature.gov/pdf/reports/fiscal/2018budget.pdf>
- xxviii. Early Childhood Education Grant Program – Ages 3-5 webpage. Nebraska Department of Education, Office of Early Childhood. Accessed 5/8/19 at <https://www.education.ne.gov/oec/early-childhood-education-grant-program-ages-3-to-5/>
- xxix. State of Nebraska FY 2017-18 and 2018-19 Biennial Budget, revised May 2018 (page 67), Appendix C. <https://nebraskalegislature.gov/pdf/reports/fiscal/2018budget.pdf>
- xxx. Nebraska Revised Statute 79-303. Accessed at <https://www.nebraskalegislature.gov/laws/statutes.php?statute=79-303>
- xxxi. Personal communication with staff in the Office of Financial & Administrative Services, Nebraska Department of Education: 1/31/19 (email).
- xxxii. The Early Childhood Program Training Fund and the State Department of Education Cash Fund.
- xxxiii. Nebraska Revised Statute 42-2607. Accessed at <https://www.nebraskalegislature.gov/laws/statutes.php?statute=42-2607>
- xxxiv. Nebraska Revised Statute 79-1064. Accessed at <https://www.nebraskalegislature.gov/laws/statutes.php?statute=79-1064>
- xxxv. Personal communication with staff in the Office of Financial & Administrative Services, Nebraska Department of Education: 1/31/19 (email).
- xxxvi. Reported elsewhere as six finance mechanisms, the current report combines federal CCDF and TANF transfer funds and describes them as a single mechanism.
- xxxvii. Reported elsewhere as nine finance mechanisms, the current report describes Sixpence as a single mechanism, combining funds from state general funds with funds from endowment income.

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