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# NEBRASKA'S PUBLIC INVESTMENT IN EARLY CHILDHOOD CARE AND EDUCATION FISCAL YEAR 2021

TECHNICAL REPORT



Buffett  
Early Childhood  
Institute

*at the University of Nebraska*



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# Executive Summary

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*Nebraska's Public Investment in Early Childhood Care and Education, Fiscal Year 2021: Technical Report* builds on the foundation of its predecessors, the technical reports for fiscal year 2017 and fiscal year 2019. The third of a series from the Buffett Early Childhood Institute at the University of Nebraska, this report establishes an estimate of the federal- and state-level public-sector contributions to Nebraska's total investment in early childhood care and education (ECCE) for fiscal year 2021. It also provides a record of where ECCE funds originate, and the pathways used to disseminate them to targeted recipients. Taken together, technical reports for fiscal years 2017, 2019, and 2021 contribute to a chronological record of Nebraska's public-sector investment in ECCE.

Built on what the sciences of early childhood development and early learning have established are necessary to support best practices of ECCE professionals, this study employs a quality-oriented, cost-based approach to ECCE funding and financing. This approach includes the costs associated with three interdependent functions of the system deemed essential for providing quality ECCE with highly qualified and adequately compensated educators: direct service delivery, workforce support, and quality assurance and improvement. To assess public-sector funding of the system we identified ECCE finance mechanisms, the dollars allocated by each, and the path of the funding through the system from the source to the targeted recipients. It is important to note that assessing the impact of COVID-related funding on the ECCE system was not yet discernable in fiscal year 2021. However, understanding its effect on existing finance mechanisms as well as overall funding levels will be examined as the data become available.

## KEY FINDINGS

1. Nebraska's public-sector investment in ECCE was \$201.7 million.
  - Federal funds totaled \$120.7 million
  - State funds totaled \$80.9 million
2. Federal dollars originated from three agencies—the U.S. Department of Health and Human Services, the U.S. Department of Agriculture, and the U.S. Department of Education—and were disseminated through five finance mechanisms.
3. State dollars originated from three pools of money—the State General Fund, the Early Childhood Education Public Endowment Cash Fund (endowment income), and Cash Funds—and were disseminated through eight finance mechanisms that were administered by two agencies—the Nebraska Department of Health and Human Services and the Nebraska Department of Education.
4. As documented in previous technical reports, there continues to be opportunity to streamline finance mechanisms in Nebraska's early care and education system while protecting the value of diverse revenue sources.

### **CONCLUSION**

Establishing an understanding of how best to leverage public investment in ECCE requires systematic examination of each finance mechanism used to fund it as well as a comprehensive assessment of public funding throughout the system. Nebraska decision-makers can use this information to maximize ECCE investments 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. As an addition to the chronological record of Nebraska's public-sector investment in ECCE, this FY 2021 technical report serves as the third biennial account.

# Introduction

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Understanding Nebraska’s public investment in early childhood care and education is central to informed decision-making about funding and how those dollars translate into quality care and education for young children. To this end, *Nebraska’s Public Investment in Early Childhood Care and Education, Fiscal Year 2021: Technical Report* builds on the foundation of its predecessors, the technical reports for fiscal years 2017<sup>i</sup> and 2019.<sup>ii</sup> Establishing a chronological record of public investment in the early childhood care and education system is a body of work set in motion by the Nebraska Early Childhood Workforce Commission and continued by the Buffett Early Childhood Institute. Though this FY 2021 report is the first to include data about public investments occurring after the onset of the COVID-19 pandemic, the unique opportunities provided by COVID-related funding, the timing of the release of these funds, and how the influx of the funds may affect existing finance mechanisms of the early childhood care and education system warrant study. Consequently, a supplement to this report documenting how COVID dollars affect Nebraska’s public investment in the early childhood system is planned.

The contents of the current technical report demonstrate that Nebraska continues to pursue the bold vision laid out in *Elevating Nebraska’s Early Childhood Workforce: Report and Recommendations of the Nebraska Early Childhood Workforce Commission*.<sup>iii</sup> Released by the Workforce Commission on Jan. 30, 2020, the commission 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?”

Continuing the effort to address the question, this study examined the federal- and state-level sources of public funds for Nebraska’s early care and education system using data from fiscal year 2021. The State of Nebraska uses a biennial budget that is split into two fiscal years, and the first fiscal year of each biennium begins July 1 of the odd-numbered year.<sup>iv</sup> Each report in the series presents data from the first fiscal year of the corresponding biennium.

The purpose of this technical report of Nebraska’s public investment in early childhood care and education for fiscal year 2021 is twofold: 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 develop a comparable record of data over time.

The information provided is organized into four sections:

1. an explanation of a quality-oriented, cost-based approach to financing early care and education
2. an overview of the finance mechanisms included in the estimate
3. a 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

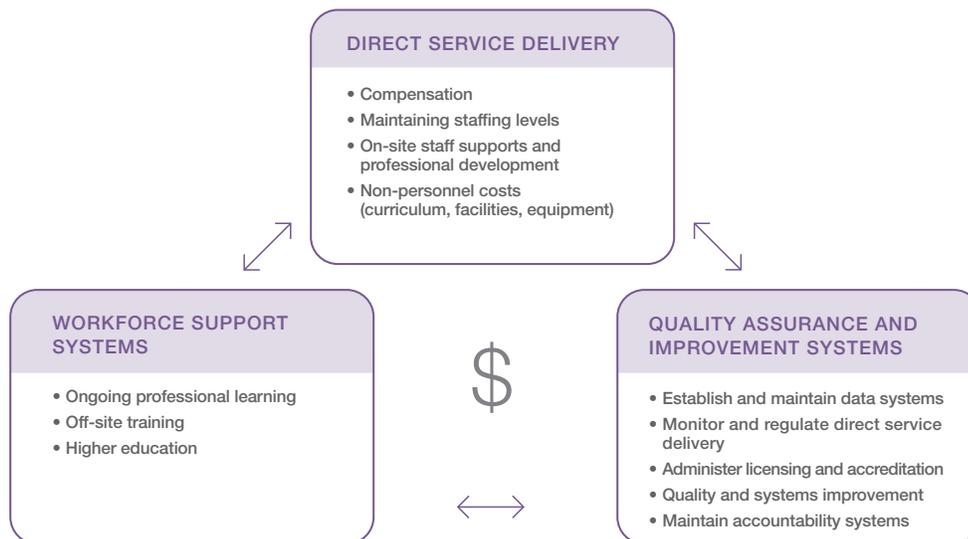
# Quality-Oriented, Cost-Based Approach

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*<sup>v</sup> (the *Transforming* report). 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 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 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 | INTERDEPENDENT FUNCTIONS**



### **DIRECT SERVICE DELIVERY**

Direct service delivery is the most visible function of the early care and education system, accounting for the on-site 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. Ongoing occupancy costs for facilities are included in on-site 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 examples of workforce support.

### **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 quality-oriented, cost-based perspective on financing early care and education, there is no utility in trying to break down the funding needed for on-site 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 is essential to ensuring providers are financially able to deliver high-quality early care and education.

A quality-oriented, cost-based 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, currently, 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 is 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 13<sup>1</sup> 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 2021, the federal and state combined contribution to early care and education in Nebraska was \$201.7 million. Federally, Nebraska received a total of \$120.7 million allocated through five<sup>2</sup> 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 \$80.9 million allocated through eight<sup>3</sup> finance mechanisms originating in two agencies, the Nebraska Department of Health and Human Services and the Nebraska Department of Education. The table below identifies each finance mechanism and provides a brief description, the FY 2021 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.

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<sup>1</sup> Reported elsewhere as 15. The difference is the result of two federal mechanisms reported together and two state mechanisms reported together.

<sup>2</sup> Reported elsewhere as six finance mechanisms. The current report combines Federal CCDF and TANF transfer funds and describes them as a single mechanism.

<sup>3</sup> Reported previously as nine finance mechanisms. The current report describes Sixpence as a single mechanism, combining appropriations of State General Funds with funds from endowment investment income.

**TABLE 1 | FINANCE MECHANISMS**

FEDERAL INVESTMENT		FY 2021	PAGES
<b>1</b>	<b>Head Start/Early Head Start</b> Head Start promotes school readiness for children from birth to age 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 the program.	\$67,177,503	19-20
<b>2</b>	<b>Child Care and Development Fund – Federal Contribution (CCDF) + TANF Transfer*</b> 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 ① on the following page) 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.	\$17,162,044 \$2,404,776*	21-23
<b>3</b>	<b>Child and Adult Care Food Program (CACFP)</b> 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.	\$22,835,539	24-25
<b>4</b>	<b>Title I of the Elementary and Secondary Education Act (Title I)</b> 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.	\$5,719,487	26-27
<b>5</b>	<b>Individuals with Disabilities Education Act (IDEA)</b> 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.	\$5,424,700	28-29
<b>Federal Total</b>		<b>\$120,724,049</b>	

STATE INVESTMENT	FY 2021	PAGES
<p>① <b>Child Care and Development Fund – State Contribution (CCDF)</b>                      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>	\$44,372,405	21-23
<p>② <b>Tax Equity and Educational Opportunities Support Act (TEEOSA) – Early Childhood Calculated State Aid</b>                      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 2007–2008 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>	\$24,872,870	30-31
<p>③ <b>Nebraska Early Childhood Education Endowment for 0–3 (Sixpence)</b>                      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>		32-33
<p><b>Sixpence Endowment Income</b>                      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 funding was made possible through an amendment to the Nebraska Constitution following the passage of LB1256. 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>	\$2,506,460	
<p><b>Sixpence General Fund Appropriation</b>                      The Legislature first appropriated General Funds for Sixpence in 2013.</p>	\$5,000,000	

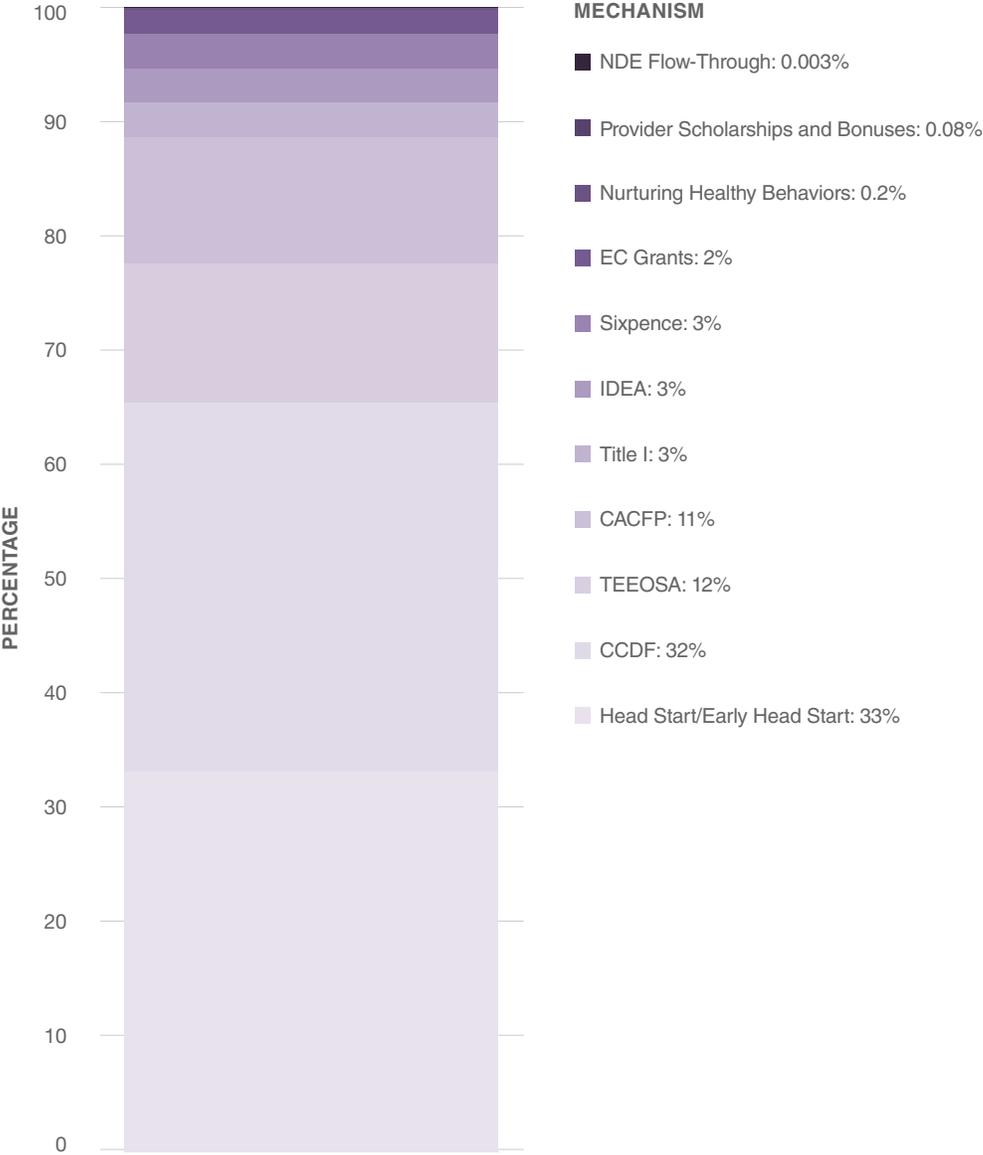
## Finance Mechanisms

<p>④ <b>Nurturing Healthy Behaviors Appropriation</b></p> <p>“Rooted in Relationships” is a public-private initiative to build capacity of local communities to enhance the social-emotional development of young children up to age 8. The Nurturing Healthy Behaviors (NHB) appropriation makes up a portion of the public investment. The initiative is currently at work in 27 Nebraska counties.</p>	<p>\$400,000 34-35</p>
<p>⑤ <b>Early Childhood Grants</b></p> <p>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>	<p>\$3,619,357 36-37</p>
<p>⑥ <b>Early Childhood Provider (“Scholarships and Bonuses”) Appropriations</b></p> <p>The Early Childhood Provider Appropriations support providers seeking to improve the quality of the early learning experience they offer young children. The funding finances a limited number of scholarships to providers for coursework in early childhood education and incentive bonuses for program quality improvements.</p>	<p>\$169,000 38-39</p>
<p>⑧ <b>1Nebraska Department of Education – Flow-Through Provider Fees</b></p> <p>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 training. No funds are retained for administrative purposes.</p>	<p>\$4,953 40-41</p>
<p><b>State Total</b></p>	<p><b>\$80,945,045</b></p>
<p><b>TOTAL INVESTMENT—FEDERAL AND STATE COMBINED</b></p>	<p><b>\$201,669,095</b></p>

<sup>1</sup> The numbering of the finance mechanisms has been kept consistent with the previous report. Missing numbers indicate a mechanism funded in a previous fiscal year but not in the reporting year.

Across the various sources of the total \$201.7 million investment in early childhood care and education, Head Start/Early Head Start makes up the largest proportion of funds (33%) with a nearly equivalent proportion (32%) coming from the child care subsidy program (federal CCDF + TANF transfer and state maintenance of effort and matching funds). In addition, TEEOSA makes up 12%, and CACFP accounts for 11%. Collectively these six finance mechanisms provide 88% of the total funds. The last 12% comes from Title I (3%), IDEA (3%), Sixpence (3%), and EC Grants (2%) with the remaining less than 1% coming from the remaining finance mechanisms. All finance mechanisms are listed here by proportional contribution.

**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

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## FUNDING AMOUNT

**\$67,177,503**

### **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 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 2021.<sup>vi</sup> Nebraska receives a total of \$67,177,503 from the federally funded program.

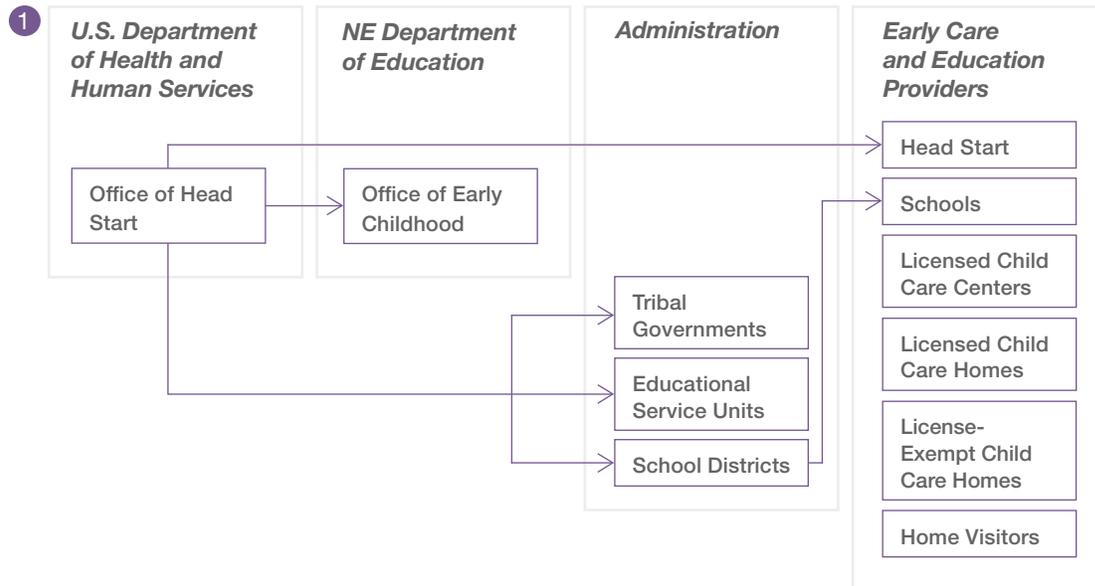
Annual Federal Funding Allocation	=	Funding to NE Programs	+	Funding to Tribal Governments
\$67,177,503	=	\$61,472,858	+	\$5,704,645

### **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 and Human Services (Administration for Children and Families). Figure 3 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.

# Head Start/Early Head Start

**FIGURE 3 | HEAD START/EARLY HEAD START**



# Child Care and Development Fund (CCDF)

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## FUNDING AMOUNT

**FEDERAL: \$17,162,044 AND \$2,404,776; STATE: \$44,372,405**

### **Authority**

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. Statutorily, the 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*.<sup>vii</sup>

### **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. Historically, the raw data provided included funding for children up to the age of 12 and a series of evidence-based assumptions were applied to arrive at an estimate of the dollars allocated for children ages 0–5. For the current FY 2021 report, data were disaggregated and a Public Records and Discovery Attorney at the Nebraska Department of Health and Human Services<sup>viii</sup> reported the 0–5 funding separately by source:

State CCDF Funds for 0–5
\$44,372,405
Federal CCDF Funds for 0–5
\$17,162,044
Federal TANF Transfer for 0–5
\$2,404,776

## Child Care and Development Fund

In total, \$63,939,226 in combined state and federal funding was allocated for Nebraska's child care subsidy program.

### ***Administration of Funds***

At the federal level, funds are administered through two offices of the 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. Nebraska CCDF funds are administered through the Office of Children and Family Services (OCFS) within the Nebraska Department of Health and Human Services. Figure 4 shows this, illustrating the path of CCDF funding from the originating sources, through OCFS to then be allocated to various entities.

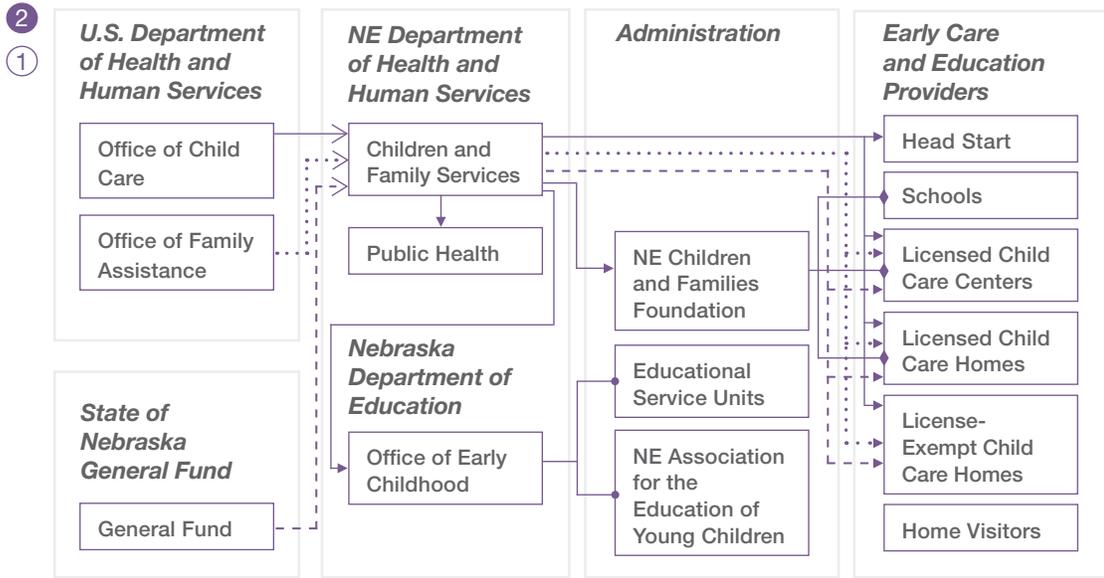
To more fully understand the complexity of administering CCDF as a finance mechanism of the Nebraska early childhood system, the authors worked collaboratively with the Child Care and Development Fund Administrator to accurately represent the dissemination of funds throughout the system. Additionally, 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 4 represents the most accurate illustration of the flow of CCDF funding from the administrative sources to the ultimate recipients of the funds.

In Figure 4, 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 arrow-end) as well as through the Nebraska Children and Families Foundation (NCFF) (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



FUNDING FLOW

CCDF, Federal    CCDF, State    TANF Transfer

FUNDING DISTRIBUTORS

▶ Office of Children and Family Services    • Office of Early Childhood    ♦ Nebraska Children and Families Foundation

# Child and Adult Care Food Program

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## FUNDING AMOUNT

**\$22,835,539**

### **Authority**

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 adults “over the age of 60 or living with a disability and enrolled in day care facilities.”<sup>ix</sup> In seeking an estimate of the CACFP funds allocated to children 0–5, report authors consulted the Director of Nebraska Child Nutrition Programs in the Office of Coordinated Student Support Services at the Nebraska Department of Education.<sup>x</sup> An estimate of the CACFP funds allocated solely to 0–5 was not available, but the director reported the funds serving children 0–12. 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.

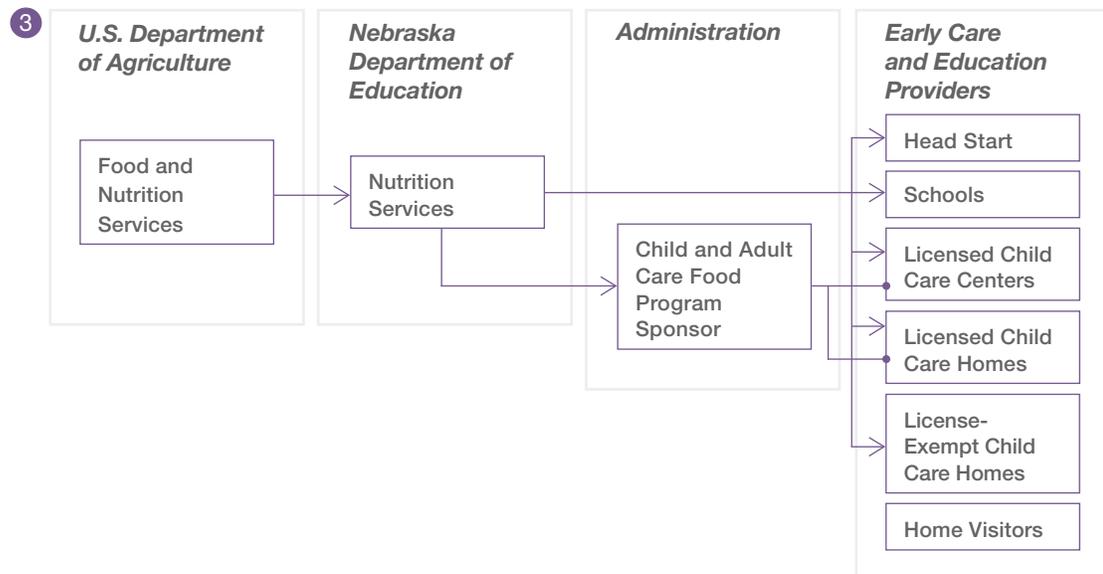
CACFP Allocation for Children 0–12 = Funding for Meals + Cash in Lieu of Food

**\$22,835,539 = \$22,039,728 + \$795,811**

**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 5 illustrates the path CACFP funding takes from the administrative source to the entities ultimately receiving funds.<sup>xi</sup> 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 arrow-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**



**ADDITIONAL FUNDING DISTRIBUTOR**

- Child and Adult Care Food Program Sponsor

# Title I

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## FUNDING AMOUNT

**\$5,719,487**

### **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**

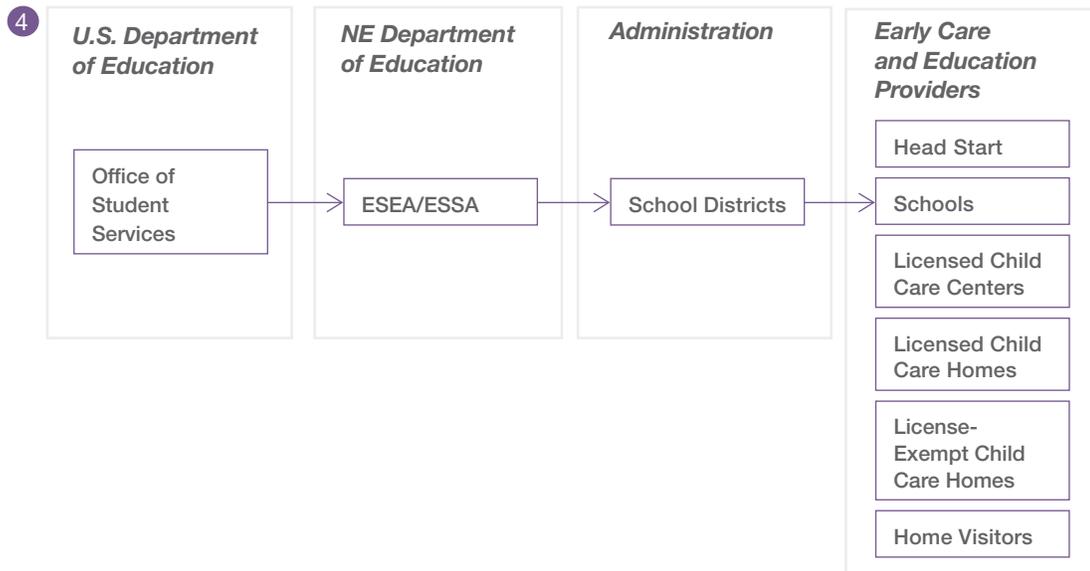
Title I funds flow from the Office of Student Services at the U.S. Department of Education to the ESEA/ESSA office at the Nebraska Department of Education.<sup>xii</sup> A portion of the funds received are attributed to children 0–5, referred to as the preschool set-aside. This portion attributable to children 0–5 was provided by the Administrator of the Office of ESEA Federal Programs.<sup>xiii</sup>

Title I Preschool Set-Aside
<b>\$5,719,487</b>

### **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.<sup>xiv</sup> Figure 6 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 (IDEA)

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## FUNDING AMOUNT

**\$5,424,700**

### **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 IDEA in 2004, and it was most recently amended through the *Every Student Succeeds Act (ESSA)* in 2015. Children 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.<sup>xv</sup>

### **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 0–5. The fiscal director reported \$5,424,700 in IDEA funds invested in Nebraska's 0–5 early education system.<sup>xvi</sup> 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.

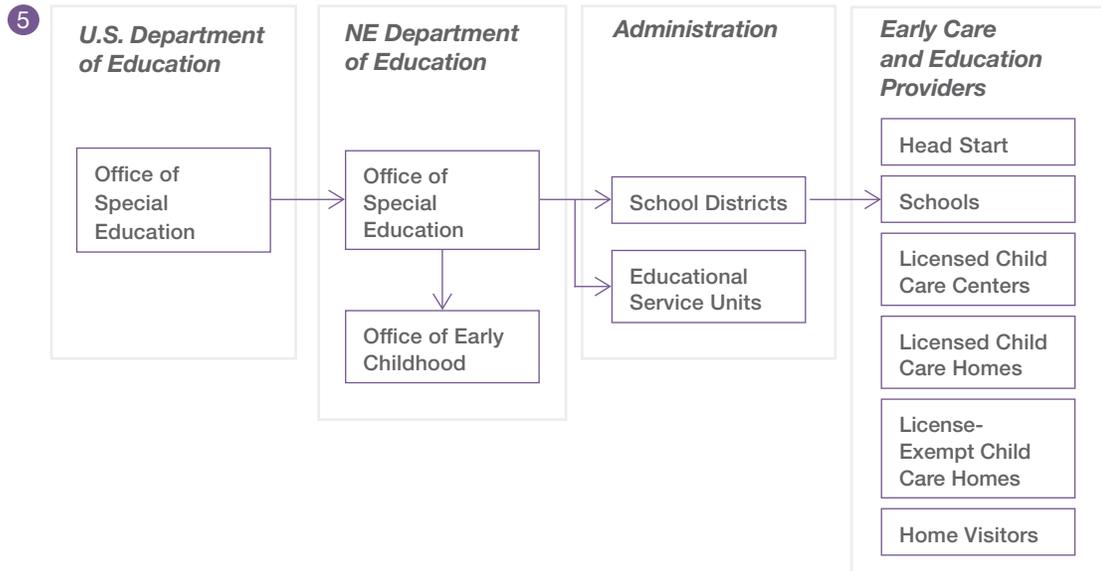
Total IDEA for Ages 0–5 = IDEA Part C + IDEA Part B Section 619 Only
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\$5,424,700 = \$3,033,881 + \$2,390,819
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### **Administration of Funds**

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 7. 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

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## FUNDING AMOUNT

**\$24,872,870**

### **Authority**

In 1990 the funding of public education in Nebraska was restructured by LB 1059, the *Tax Equity and Educational Opportunities Support Act (TEEOSA)*.<sup>xvii</sup> Since adoption of TEEOSA, it has been modified to some extent in each legislative session. In 2005, 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<sup>xviii</sup> if their early childhood program received an early childhood education grant (meeting Rule 11 requirements) for three consecutive years.<sup>xix</sup> 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 32% of schools in Nebraska are equalized. This means 68% 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.<sup>xx</sup> 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.

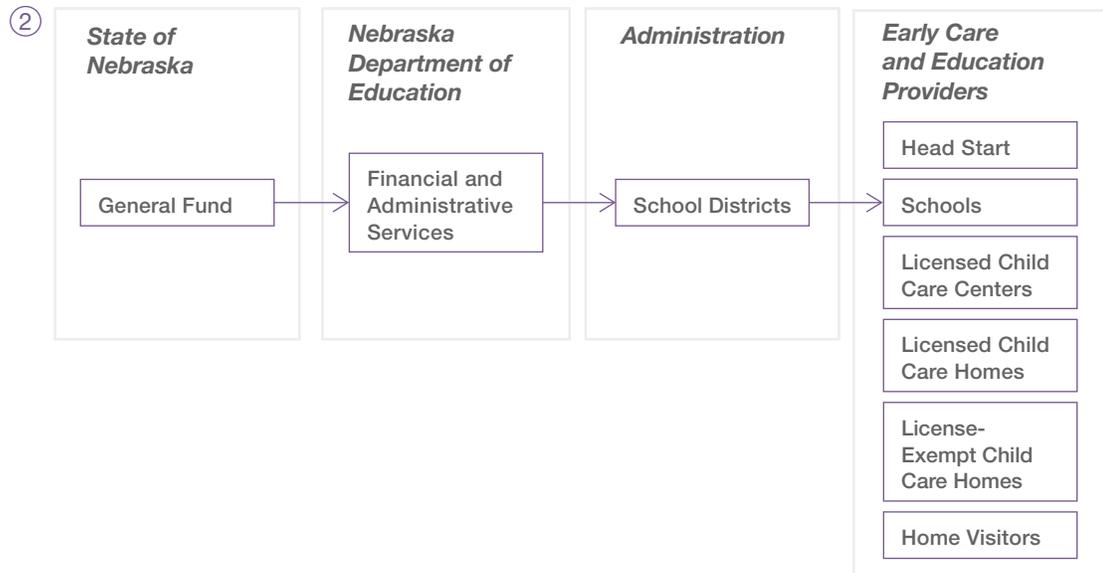
Total TEEOSA ECCSA awarded	=	$\Sigma$ (ECCSA for each equalized district, up to, but not in excess of, the district’s Equalization Aid amount)
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**\$24,872,870**

**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

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## FUNDING AMOUNT

**\$5,000,000 – GENERAL FUND; \$2,506,460 – 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 are 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.<sup>xxi</sup> Since the creation of the endowment, Nebraska lawmakers have three times 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 General Fund 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*

Both the General Fund<sup>xxii</sup> appropriation and the public endowment income investment are cited from the State of Nebraska FY 2021–2022 and FY 2022–2023 Biennial Budget, August 2021 (page 55).<sup>xxiii</sup>

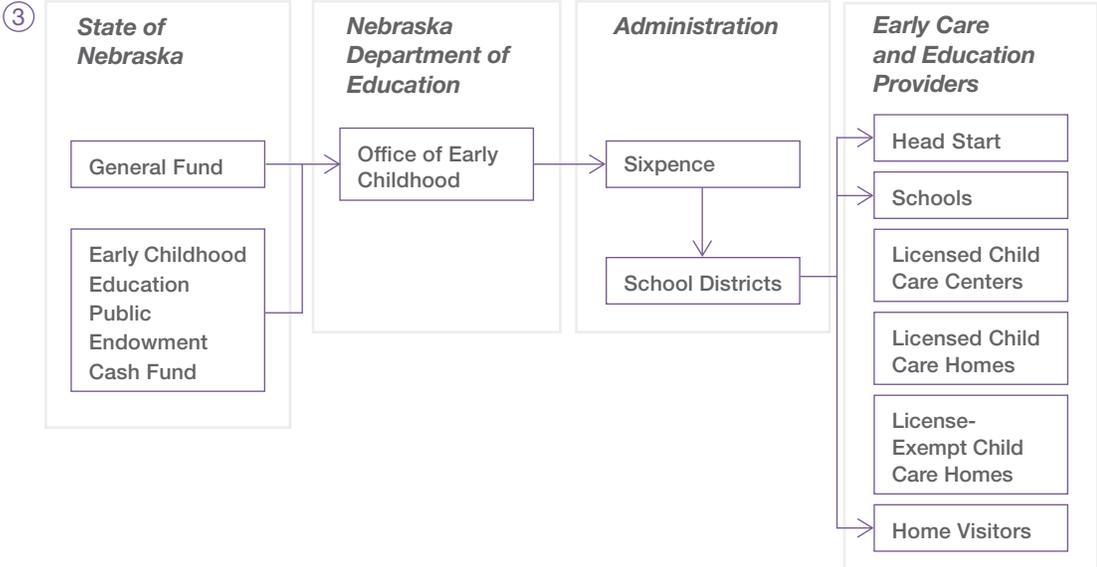
EC Education Endowment for 0–3 = GF Appropriation + Public Endowment Income

**\$7,506,460 = \$5,000,000 + \$2,506,460**

### *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<sup>xxiv</sup> 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.

FIGURE 9 | SIXPENCE



# Nurturing Healthy Behaviors Appropriation

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## FUNDING AMOUNT

**\$400,000**

### ***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 21–23 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***

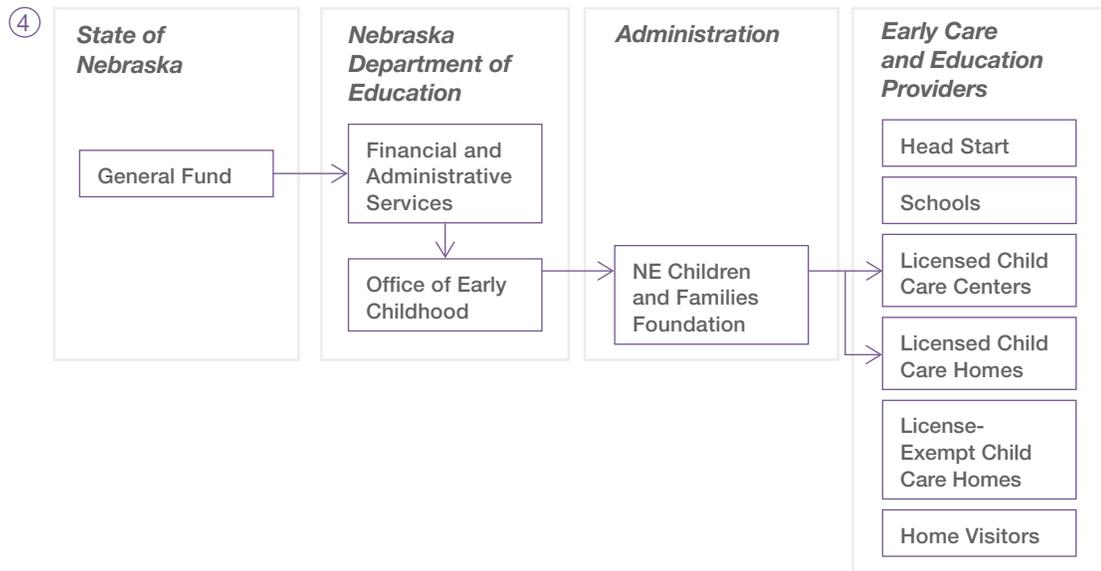
General Fund investment is cited from the State of Nebraska FY 2021–2022 and FY 2022–2023 Biennial Budget, August 2021 (page 53).<sup>xv</sup> The Nebraska State Board of Education approved the appropriation to be invested in a program called “Rooted in Relationships.”

Nurturing Healthy Behaviors Appropriation
<b>\$400,000</b>

### ***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 27 Nebraska counties.

**FIGURE 10 | NURTURING HEALTHY BEHAVIORS**



# Nebraska Early Childhood Grants

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## 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.<sup>xxvi</sup> 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 2021–2022 and 2022–2023 Biennial Budget, August 2021 (page 54).<sup>xxvii</sup>

History Note: During fiscal years 2011–12 through 2015–16, the Legislature used 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.

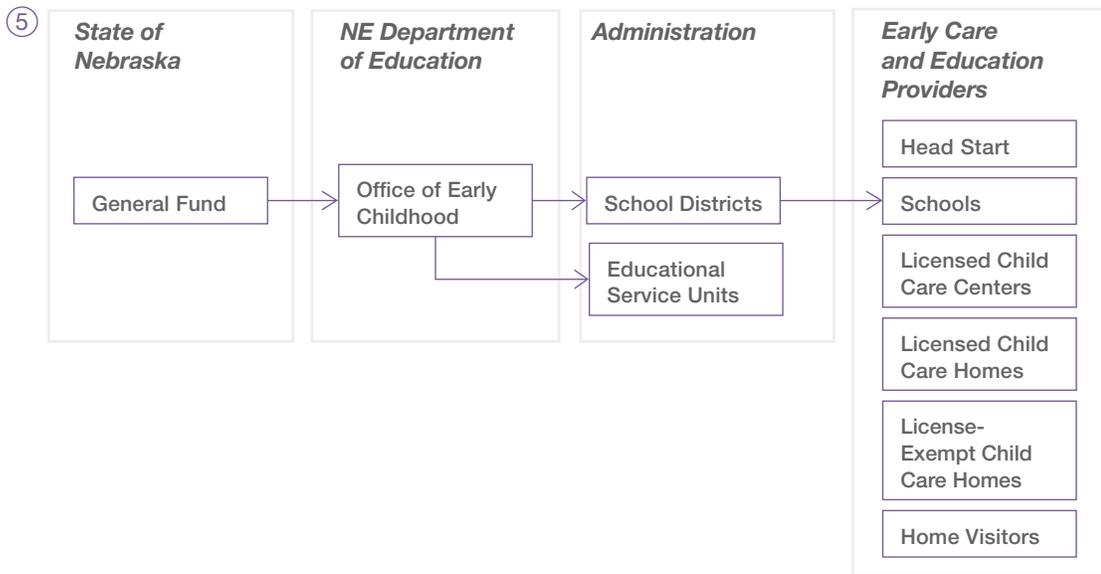
NDE Early Childhood Grants
<b>\$3,619,357</b>

### ***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 to 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.<sup>xxviii</sup> 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 ("Scholarships and Bonuses") Appropriations

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## **FUNDING AMOUNT**

**\$169,000**

### ***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***

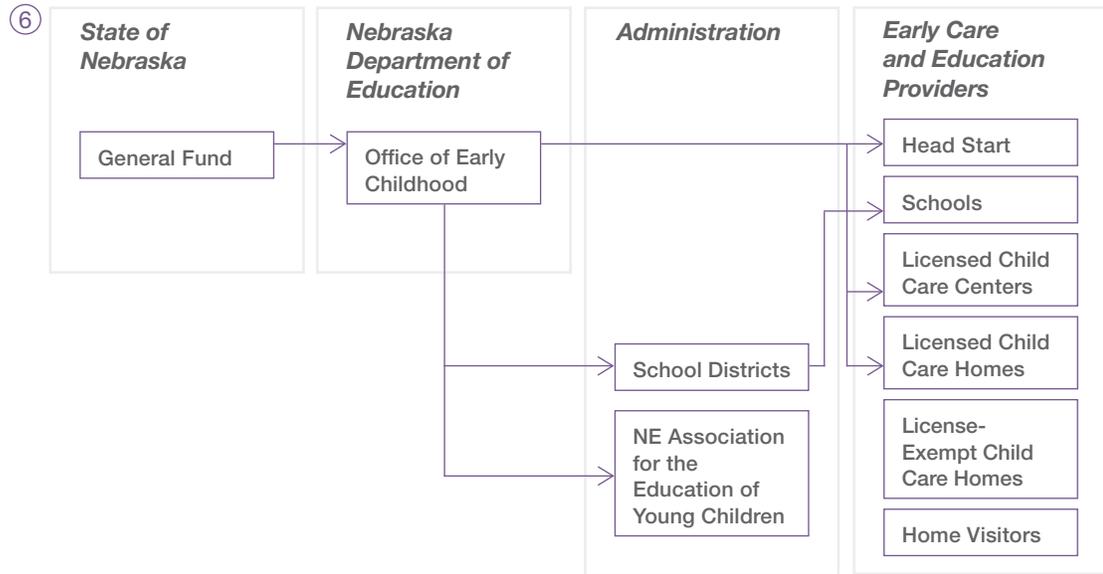
Funding investment for Early Childhood Provider "Scholarships and Bonuses" was reported in the State of Nebraska FY 2021–2022 and FY 2022–2023<sup>xxix</sup> Biennial Budget, August 2021 (page 53).

Provider Scholarships and Bonuses	=	Appropriation for Scholarships + Appropriation for Bonuses
\$169,000	=	\$100,000 + \$69,000

### ***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 experiences they offer 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 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—Flow-Through Provider Fees

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## FUNDING AMOUNT

**\$4,953**

### ***Authority***

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

### ***Establishing the Funding Estimates***

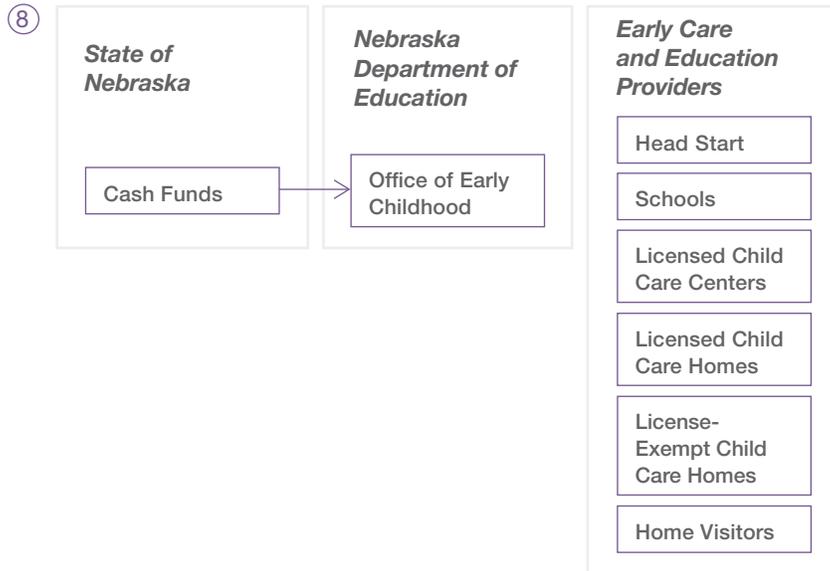
Funding investment for NDE “flow-through provider fees” was reported in the 2021 Directory of State Agency Programs and Funds.<sup>xxxiii</sup> The reported total reflects dollars from the Early Childhood Program Training Fund (page 110) and the State Department of Education Cash Fund (page 102).

Flow-Through ECE Provider Fees	=	Early Childhood Program Training Fund + State Department of Education Cash Fund
\$4,953	=	\$0 + \$4,953

### ***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 training. None of these funds are retained by NDE for administrative purposes.

**FIGURE 13 | 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 \$120.7 million in federal funding that was allocated through five 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. When compared to previous fiscal years, the 2021 funding level is \$4.6 million lower than FY 2019 and \$14.1 million lower than FY 2017. This appears to be a decrease in funding. However, the time frame in which Nebraska must allocate federal funds varies by program (some allow up to three years to spend the funds) and can make some years appear leaner than others. By tracking the flow of funding through the system over time, we hope to be able to document these factors and provide a clearer understanding of the trajectory of funding beyond year-to-year variation.

The State of Nebraska provided a total of \$80.9 million allocated through eight 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 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. When compared to FY 2019, FY 2021 reflects a \$14.8 million increase. However, the 2021 funding level reflects a net increase of \$4.3 million, recovering the \$10.5 million decrease reported for FY 2019. Though the utility of year-to-year comparisons has yet to be established, the data demonstrate how dramatically the funding level can shift from year to year.

The importance of understanding the economic fragility of the early childhood care and education system has been magnified by COVID-19, further exposing how vulnerable direct service delivery is to interruptions in the flow of revenues. Access to as many funding sources as possible continues to be a lifeline to keeping early childhood program doors open and lights on. All but one of the funding targets are recipients of funds from two or more sources, and in some instances, there is more than one pathway by which funds from the same source can flow to the same providers (see Figure 13). 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. As documented in previous technical reports, there continues to be opportunity to streamline finance mechanisms in Nebraska's early care and education system while protecting the value of diverse revenue sources.

FIGURE 14 | THE OVERALL PICTURE

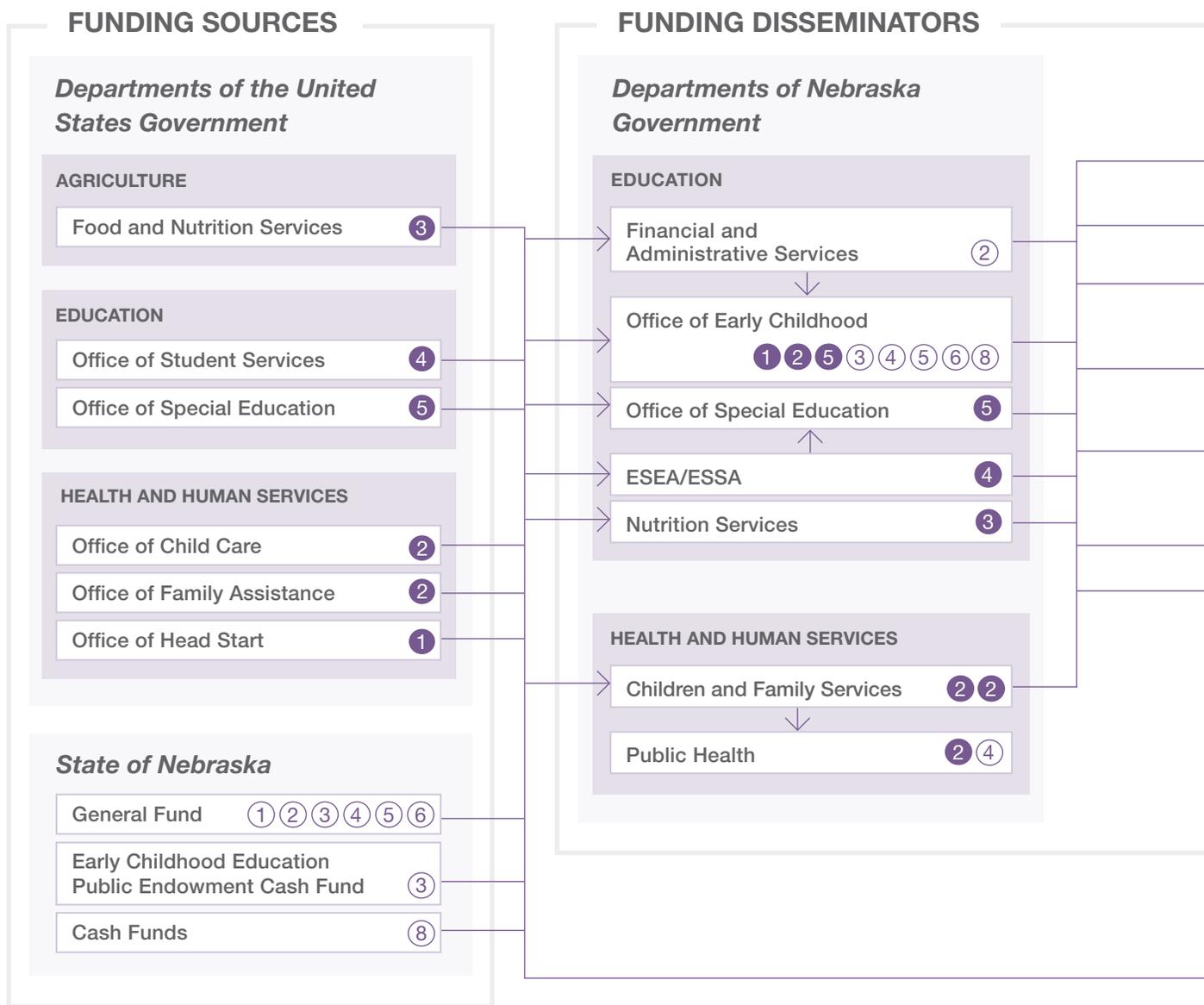
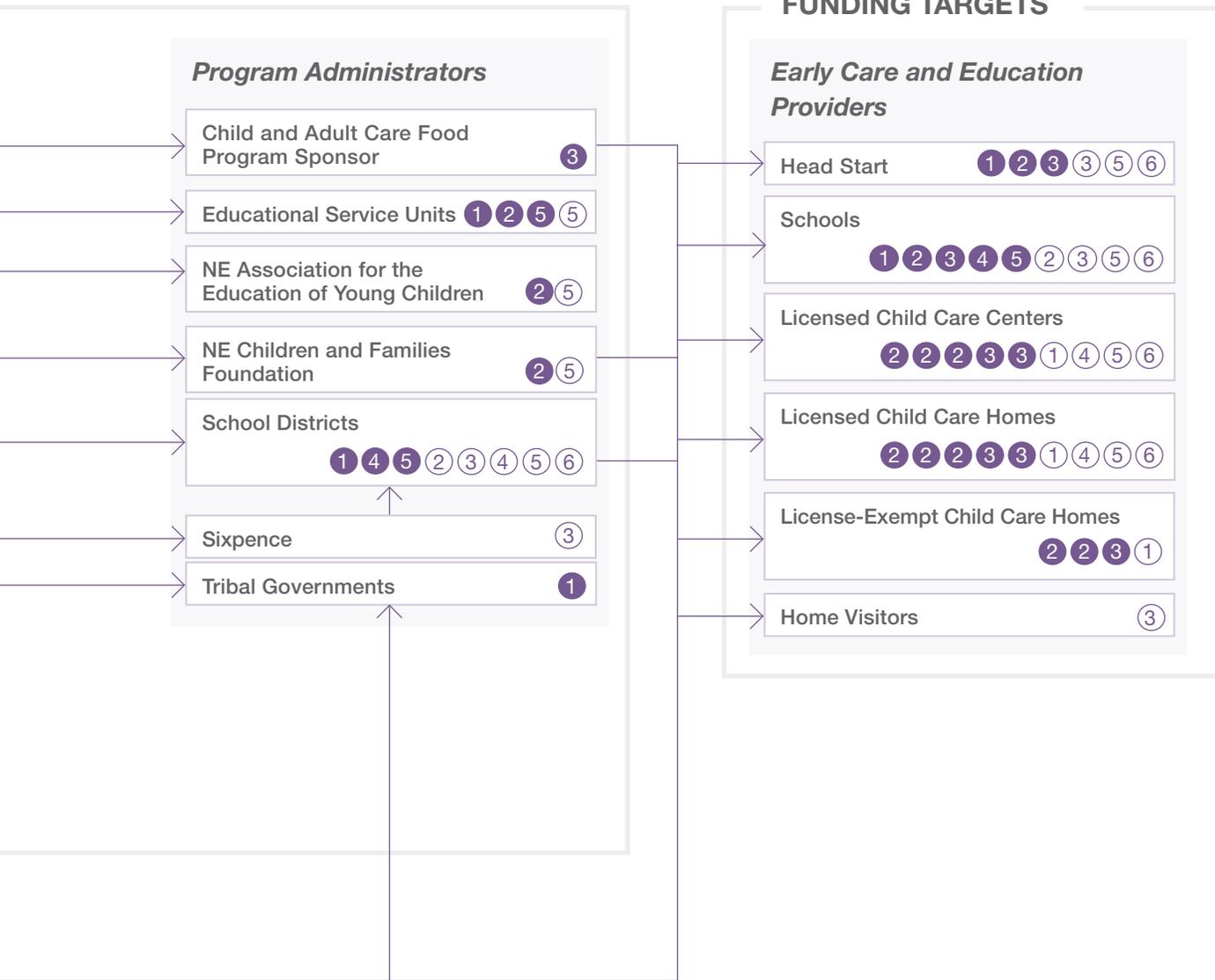


Figure 14 provides a simplified illustration of the complexity inherent in financing a fragmented early care and education system. Finance mechanisms with funds originating at the federal level are indicated with a purple dot and those with funds originating at the state level are indicated with a white dot. Numbers within purple and white dots distinguish finance mechanisms from one another and are provided in the finance mechanism key.



FINANCE MECHANISM KEY	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. In addition, the impact of COVID-19 on the child care industry has brought the need to address the workforce crisis within the early childhood sector into sharp relief. In service of developing a chronological record of public investment in the early childhood care and education system, study authors again employed a quality-oriented, cost-based approach to establish a fiscal year 2021 estimate of Nebraska's 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 adhering 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.

Like its predecessors, the technical reports of fiscal years 2017 and 2019, this fiscal year 2021 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 system. Results of the research show for fiscal year 2021 that \$120.7 million was disseminated through five federal-level finance mechanisms and \$80.9 million was disseminated through eight state-level finance mechanisms. Tracking funding from the administrative source through the system to the entities ultimately receiving funds, which started as an iterative process between study researchers and agency partners, has become more streamlined as our shared understanding deepens. 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 Workforce Commission describes a future 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 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 an addition to the series, this FY 2021 technical report serves as the third biennial account of Nebraska's early childhood public funding flow.

# End Notes and References

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- ii. Huddleston-Casas, C., & Goettemoeller Wendl, J. (2023). Nebraska's public investment in early childhood care and education, Fiscal Year 2019: Technical Report. Buffett Early Childhood Institute at the University of Nebraska.
- iii. 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*. Buffett Early Childhood Institute at the University of Nebraska.
- iv. <https://www.nebraska.gov/das/budgetportal/information.html>
- v. National Academies of Sciences, Engineering, and Medicine, (2018). *Transforming the Financing of Early Care and Education*. The National Academies Press.
- vi. Head Start Program Facts (Fiscal Year 2021). U.S. Department of Health and Human Services, Administration for Children and Families, Office of Head Start. Accessed 9/27/22 at <https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/hs-program-fact-sheet-2021.pdf>
- vii. 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>
- viii. Personal communication with Public Records and Discovery Attorney III, Nebraska Department of Health and Human Services: 9/14/22 (public records request filled via email).
- ix. Child and Adult Care Food program website. Food and Nutrition Service, United States Department of Agriculture. Accessed 9/27/22 at <https://www.fns.usda.gov/cacfp>
- x. Personal communication with the Director of Nebraska Child Nutrition Programs, Office of Coordinated Student Support Services, Nebraska Department of Education: 1/10/22 (email).
- xi. 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.
- xii. The path of Title I funds was confirmed by the Administrator of the Office of Early Childhood at the Nebraska Department of Education.
- xiii. Personal communication with the Administrator of the Office of Early Childhood, Nebraska Department of Education: 3/11/22 (email with investments confirmed by Administrator of the Office of ESEA Federal Programs).

## End Notes and References

- xiv. The administrative path of funds was confirmed by the Administrator of the Office of Early Childhood at the Nebraska Department of Education.
- xv. Individuals with Disabilities Education Act “About IDEA” webpage. United States Department of Education. Accessed at <https://sites.ed.gov/idea/about-idea> on 9/27/22.
- xvi. Personal communication with Fiscal Director of the Office of Special Education, Nebraska Department of Education: 1/18/22 (email).
- xvii. Program Description of State Aid to Schools webpage. Nebraska Unicameral Legislature. Accessed at [https://nebraskalegislature.gov/app\\_rev/uses/narr\\_schools\\_stateaiddescrip.htm](https://nebraskalegislature.gov/app_rev/uses/narr_schools_stateaiddescrip.htm) on 9/28/22.
- xviii. Early childhood students in TEEOSA are weighted as 0.6 (as opposed to K–12 students with a weight of 1.0).
- xix. Unicameral Update: 2005 Session Review. Nebraska Unicameral Legislature. Accessed at <https://www.nebraskalegislature.gov/update/year-end%20issues/2005.pdf> on 9/28/22.
- xx. Early childhood calculated state aid and equalization aid amounts are taken from the Nebraska Department of Education’s 2020/21 State Aid Certification “Inferred Calculated Early Childhood State Aid” document.
- xxi. Sixpence Early Learning Fund, 2018-2020 Biennial Report to the Nebraska Legislature. Accessed 9/28/22 at <https://www.singasongofsixpence.org/resources/resource-library.html>
- xxii. 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.
- xxiii. Accessed at <https://nebraskalegislature.gov/pdf/reports/fiscal/2021budget.pdf> on 12/16/22.
- xxiv. 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.
- xxv. Accessed at <https://nebraskalegislature.gov/pdf/reports/fiscal/2021budget.pdf> on 12/16/22.
- xxvi. School Finance website. Nebraska Council of School Administrators. Accessed at <http://schoolfinance.ncsa.org/2005-early-childhood-education> on 5/15/19.

- xxvii. Accessed at <https://nebraskalegislature.gov/pdf/reports/fiscal/2021budget.pdf> on 12/16/22.
- xxviii. Early Childhood Education Grant Program – Ages 3-5 webpage. Nebraska Department of Education, Office of Early Childhood. Accessed at <https://www.education.ne.gov/oec/early-childhood-education-grant-program-ages-3-to-5> on 9/28/22.
- xxix. Accessed at <https://nebraskalegislature.gov/pdf/reports/fiscal/2019budget.pdf> on 12/16/22.
- xxx. The Early Childhood Program Training Fund and the State Department of Education Cash Fund
- xxxi. Nebraska Revised Statute 42-2607. Accessed at <https://www.nebraskalegislature.gov/laws/statutes.php?statute=43-2607>
- xxxii. Nebraska Revised Statute 79-1064. Accessed at <https://www.nebraskalegislature.gov/laws/statutes.php?statute=79-1064>
- xxxiii. A LFO Directory of State Agency Programs and Funds, 2021. Accessed at [https://nebraskalegislature.gov/pdf/reports/fiscal/funddescriptions\\_2021.pdf](https://nebraskalegislature.gov/pdf/reports/fiscal/funddescriptions_2021.pdf)

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