Financing Early Care and Education  
Annotated Bibliography of Resources  

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Michelle Horowitz, BA  

This document identifies selected resources on financing early care and education. Click on the topic in the table of contents and go directly to that section of the selected resources.  

*Financing Policy*  
*Calculating Costs*  
*Financing Strategies*  
*Workforce Compensation*  

**Financing Policy**  

**Improving Public Financing for Early Learning Programs**  

This 2011 NIEER policy brief reviews sources and models of public financing for early education. Recommendations to improve current funding to remove barriers for increasing program access and quality are identified.  

**Increasing the Effectiveness and Efficiency of Existing Public Investments in Early Childhood Education**  

This report outlines challenges in early education funding such as standards, assessments, data tracking/evaluation and disability services and offer suggestions for advancing and improving funding for early education programs. Often funding is coming from so many options that states don’t know how to use them all together.  

¹ The first version of this annotated bibliography was released June 2014. This version includes additional resources and an new section.
Smarter Reform: Moving Beyond Single-Program Solutions to an Early Care and Education System

While many states focus on funding one aspect of preschool, the authors of this report argue that instead a range of investment strategies should be used by states as a commitment to high quality well rounded early childhood education systems.

Calculating Costs

Costs of Preschool Quality Tool Webinar

Why Understanding the Costs of Preschool Quality is Important: A Webinar for Preschool Development Grantee States presents and demonstrates the use of the Cost of Preschool Quality Tool (CPQ) by the Center on Enhancing Early Learning Outcomes, an Excel based model that can be used at the state or district level to estimate the cost of expanding high quality preschool for 3 and 4 year olds.

How Much Does Quality Preschool Cost?

There is abundant evidence demonstrating that states should fund quality preschool programs. However, there is less research available to suggest how much funding is necessary for programs to achieve their desired effects. This NIEER report presents current state spending on preschool, identifies some aspects of programs that are clearly related to cost, and offers estimates of the state commitment necessary to achieve various levels of access and quality.

The Cost of High-Quality Pre-School Education in New Jersey

This report calculates the full cost of providing well-planned, high quality pre-school for children in New Jersey, as required under Abbott vs. Burke (153 NJ 480 1998). The report finds that high-quality preschool is academically beneficial, and how much state expenditures are needed in order to determine the total cost of the service to the state.
Lessons from Cost Modeling: The Link Between ECE Business Management and Program Quality

Using data from several states, this brief creates model center budgets that reflect the cost of operations at each level of the quality rating and improvement systems, as well as the national Educare standards.

Financing Strategies

**Blending and Braiding Early Childhood Program Funding Streams Toolkit**

Approaches to blending and braiding funding at the program level so service providers can use multiple funding sources to expand services for children. The toolkit identifies strategies used by Illinois, Pennsylvania, Oregon, and Washington.

**New! Financing High-Quality Center-Based Infant-Toddler Care: Options and Opportunities**

This report outlines strategies for financing early care and education services for infants and toddlers in market-based child care centers. Strategies will help policy makers, funders, ECE leaders and providers on financing care for infants and toddlers.

**Inspiring Innovation: Creative State Financing Structures for Infant-Toddler Services**

Innovative financing reforms in Illinois, Kansas, Nebraska and Oklahoma designed to leverage public and private funding to increase access to high quality services for infants and toddlers.

**New! Local Funding for Early Learning: A Community Toolkit**

This online toolkit is a guide to using local revenue streams to expand early learning opportunities in local communities. The toolkit outlines how local governments are organized and funding streams used to fund early learning, as well as provide case studies of local early childhood initiatives and lessons learned in local financing efforts to start planning.
Pay for Success Financing for Early Childhood Programs: A Path Forward

This report analyses the feasibility of a pay for success model of financing early education and how it might affect early childhood interventions.

Shared Services: A Support Strategy for Race to the Top Early Learning Challenge

Shared Service Alliances are networks of small early childhood education centers within a community that share costs to provide more high quality services. They offer many kinds of services to members and improve the business and management side of early childhood which has implications for state efforts to increase access to quality.

Social Impact Bonds: Overview and Considerations

Describes how social impact bonds and “pay for success” methods may be the new way to fund pre-K. The bonds must impact the program so that the programs meet specific targets and eventually private investors get a return on their investment by the government. This increases investments in prevention and has the potential of saving money.

Tax Credits for Early Care and Education: Funding Strategy in a New Economy

Tax credits can be used to raise the quality of ECE services by using dollar for dollar reductions in tax liabilities owed by taxpayers. By linking these to quality improvement efforts and refund plans states can successfully fund ECE. See examples in Louisiana, Colorado, Oregon, and Pennsylvania.
Workforce Compensation

**Addressing Infant-Toddler Teacher Compensation**

This report looks at teacher compensation in the infant-toddler field, where children might spend several hours out of their day with. As guidelines for the early childhood workforce begin to change, so too must policies for compensating these educators.

**Early Care and Education Compensation and Policy Options for Louisiana**

This report compares wages and benefits across market-based child care, school-based pre-k and Head Start programs in Louisiana. A range of policy options to help narrow the wage gap are discussed. Appendix A includes a summary of ECE compensation issues in other states.

**High-Quality Early Learning Settings Depend on a High-Quality Workforce**

This report discusses the importance of supporting the early learning workforce to improve the quality of early childhood programs as well as ensure fair pay for teachers.

**Low Wages = Low Quality: Solving the Real Preschool Teacher Crisis**

This policy brief discusses the importance of appropriate compensation policies for preschool teachers. This is essential to ensuring high quality programs for children. Policy recommendations include adequate funding for programs as well as increases in preschool teacher salaries and benefits.

**Worthy Work, STILL Unlivable Wages: The Early Childhood Workforce 25 Years After the National Child Care Staffing Study**

This report reflects on the current state of the early childhood workforce by looking at trends in wages, economic insecurity among teachers, the public costs of inadequate compensation, and policy efforts to improve teaching jobs.
ABOUT CEELO:
One of 22 Comprehensive Centers funded by the U.S. Department of Education’s Office of Elementary and Secondary Education, the Center on Enhancing Early Learning Outcomes (CEELO) will strengthen the capacity of State Education Agencies (SEAs) to lead sustained improvements in early learning opportunities and outcomes. CEELO will work in partnership with SEAs, state and local early childhood leaders, and other federal and national technical assistance (TA) providers to promote innovation and accountability.


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