

Iowa's Early Childhood Fiscal Assessment Issue Brief #1

Developed based on data gathered from FY 2006



June 2008

Iowa's Early Childhood Fiscal Assessment Issue Brief

***Vision:** Every child, beginning at birth, will be healthy and successful.*

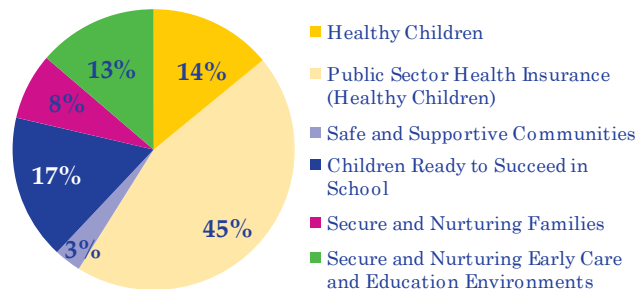
***Mission:** Early Childhood Iowa is an alliance of stakeholders in the early care, health, and education systems that affect children ages 0-5, in the state of Iowa. The purpose is to support the development and integration of an early care, health, and education system in Iowa.*



***Demographics:** The July 2006 US Census estimates there were about 192,000 children in Iowa ages 0-5. This is approximately 25 percent of the child population ages 0-19 and 6.4 percent of the total population in Iowa. Of all children living under Federal Poverty Level (FPL), about 34 percent are between ages 0-5.*

Early Childhood Iowa (ECI) leadership outlines and updates the ECI statewide strategic plan based upon comprehensive, necessary goals that transition Iowa forward in providing all young children quality, accessible services. Over the last few years, ECI leadership deemed it necessary to evaluate investments being made by state and federal entities into the early care, health, and education system. This would first serve as a baseline and eventually as an evaluation tool to determine efficiency and impact of these investments. The fiscal assessment focuses on the five ECI result areas to estimate progress and gain a sense of current investments and direct future investments. Eventually, trends can be plotted to measure each specified leadership priority. Data from all state agencies funded by federal or state dollars provided statistics regarding program investments. With the data, leaders can begin to identify gaps in funding/ investments that are currently being made in specific result areas.

Iowa's Early Childhood Investment of \$518 Million by Result Area for FY 2006



Funding for children ages 0-5				
State Department	State Budget	Federal Budget	Total Budget	Number of Programs
Dept. Human Rights (DHR)	\$14,200	---	\$14,200	1
Dept. Public Health (DPH)	\$3,343,727	\$28,521,633	\$31,865,360	18
Office of Drug Control & Policy (ODCP)	---	\$4,144	\$4,144	1
Dept. Inspections and Appeals (DIA)	\$496,480	\$139,371	\$635,851	1
Dept. of Human Services (DHS)	\$122,307,213	\$237,626,680	\$359,933,893	15
Dept. of Education (DE)	\$48,294,477	\$77,867,204	\$126,161,681	13
Early Childhood Totals	\$174,441,897	\$344,173,232	\$518,615,126	49
Total Funds	\$6,250,646,650	Not available	Not available	
Percent for ages 0-5	2.79%	Not available	Not available	

Figure 1: This data includes spending on Medicaid, Medicaid Expansion and *hawk-i* (within the Healthy Children result area), which is approximately 45% of total early childhood spending (\$240 million). Forty-nine different programs responded to this survey.



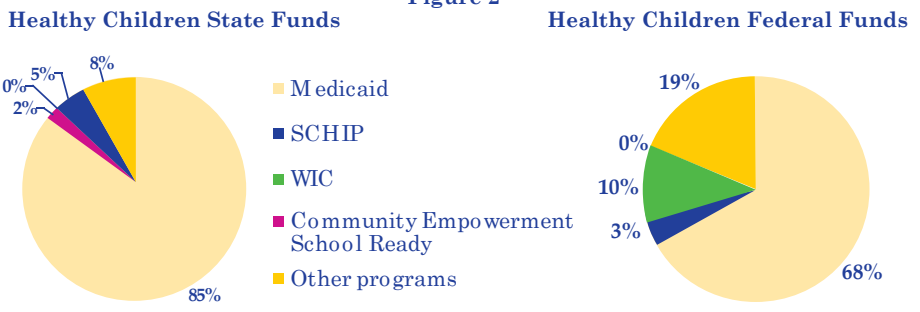
Desired Results	ECI's Priority Strategic Goals FY 2006
Healthy Children	<ul style="list-style-type: none"> • Increase access to and utilization of social, emotional and mental health services • Increase the number of children with health care coverage
Children Ready to Succeed in School	<ul style="list-style-type: none"> • Increase access to affordable quality early learning environments for all children • Increase performance of children in the areas of learning, communication, movement, self-help, social skills and emotional health • Increase the capacity of school to be ready to meet the educational needs of all children
Secure & Nurturing Families	<ul style="list-style-type: none"> • Increase positive relationships between children and parents • Increase effective opportunities to learn about child development and parenting skills
Safe & Supportive Communities	<ul style="list-style-type: none"> • Increase the safety of young children and families in their communities • Increase community investment in the early care, health and education system
Safe & Nurturing Early Care & Education Environments	<ul style="list-style-type: none"> • Increase the number of quality early care and education environments for all children • Increase parent and community demand for quality in early care and education environments

Healthy Children

Twenty-seven programs identify themselves as supporting the Healthy Children result area. The state invested \$96 million into this result area in FY 2006, \$209 million were invested federally, making a grand total of approximately \$305 million (59% of total early childhood budget), as illustrated in **Figure 1** on page 1.

A Closer Look at Healthy Children Investments
Distribution of \$305 million federal and state funds

Figure 2



Size	Dept.	Program	Federal	State
1	DHS	Medicaid & SCHIP	\$148,970,883 (71%)	\$83,993,511 (87%)
2	DPH	WIC	\$20,990,308 (10%)	---
3	DE	CE School Ready	\$430,650 (0%)	\$4,696,318 (5%)
4	---	Other (26 additional programs)	\$39,364,824 (19%)	\$7,393,102 (8%)
		Total	\$209,756,665	\$96,082,931

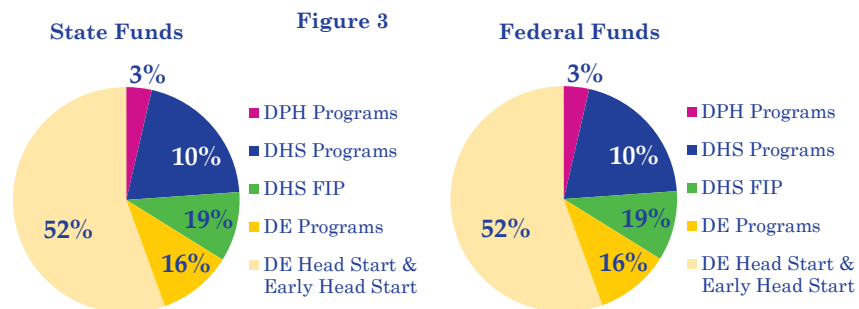
Figure 2: State and federal investments into programs that support the result area Healthy Children

Children Ready to Succeed in School

Twenty-one programs identify themselves as supporting the Children Ready to Succeed in School result area. The state invested \$36.8 million into this result area in FY 2006, \$50.1 million were invested federally, making a grand total of \$79.2 million (17% of total early childhood budget).

A Closer Look at Children Ready to Succeed in School Investments

Distribution of \$79.2 million federal and state funds



Size	Dept.	Program	Federal	State
1	DE	Head Start & Early Head Start	\$25,785,698 (52%)	---
2	DE	Center Based Special Education	\$3,652,572 (7.3%)	\$16,951,471 (46%)
3	DHS	FIP	\$4,632,172 (19%)	\$4,753,531 (13%)
4	---	Other (18 additional programs)	\$16,040,336 (21.7%)	\$15,082,619 (41%)
		Total	\$50,110,778	\$36,787,621

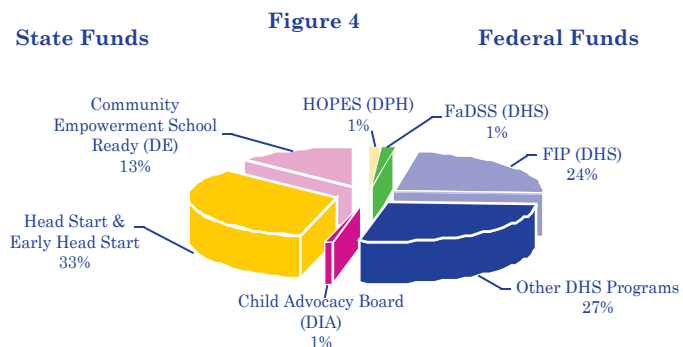
Figure 3: State and federal investments into programs that support the result area Children Ready to Succeed in School

Secure and Nurturing Families

Fourteen programs identify themselves as supporting the Secure and Nurturing Families result area. The state invested \$13.9 million into this result area in FY 2006, \$25.4 million were invested federally, making a grand total of \$39 million (8% of total early childhood budget).

A Closer Look at Secure and Nurturing Families Investments

Distribution of \$39 million federal and state funds



Size	Dept.	Program	Federal	State
1	DE	Head Start & Early Head Start	\$12,892,849 (51%)	---
2	DHS	FIP	\$4,632,172 (18%)	\$2,917,082 (21%)
3	DHS	Family Foster Care	\$3,606,455 (14%)	\$2,917,082 (21%)
4	---	Other (11 additional programs)	\$4,293,148 (17%)	\$6,261,265 (45%)
		Total	\$25,424,624	\$13,931,878

Figure 4: State and federal investments into programs that support the result area Secure and Nurturing Families

Safe and Supportive Communities

Eleven programs identify themselves as supporting the Safe and Supportive Communities result area. The state invested nearly \$8 million into this result area in FY 2006, \$7.6 million were invested federally, making a grand total of \$15.5 million (3% of total early childhood budget).

A Closer Look at Safe and Supportive Communities Investments

Distribution of \$15.5 million federal and state funds

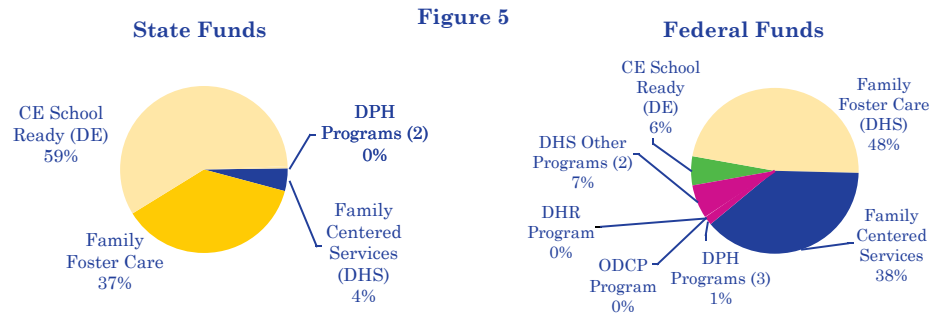


Figure 5: State and federal investments into programs that support the result area Safe and Supportive Communities

Size	Dept.	Program	Federal	State
1	DHS	Family Foster Care	\$3,606,454 (48%)	\$2,917,082 (37%)
2	DHS	Family Centered Services	\$2,901,408 (38%)	\$336,448 (4%)
3	DE	CE School Ready	\$430,650 (6%)	\$4,696,318 (59%)
4	---	Other (8 additional programs)	\$639,093 (8%)	\$15,570 (0%)
		Total	\$7,577,605	\$7,965,418

Secure and Nurturing Early Care and Education Environments

Fourteen programs identify themselves as supporting the Secure and Nurturing Early Care and Education environments result area. The state invested \$19.7 million into this result area in FY 2006, \$51.3 million were invested federally, making a grand total of \$71 million (13% of total early childhood budget).

A Closer Look at Secure and Nurturing Early Care and Education Environments Investments (by Department)

Distribution of \$71 million federal and state funds

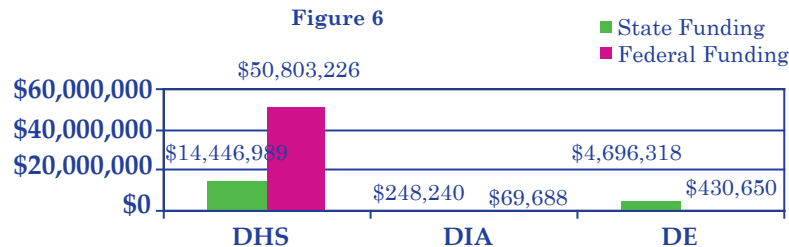


Figure 6: State and federal investments into programs that support the result area Secure and Nurturing Early Care and Education Environments

Size	Dept.	Program	Federal	State
1	DHS	Child Care Assistance	\$42,259,920 (82.5%)	\$9,480,451 (48%)
2	DHS	FIP	\$4,632,172 (9%)	\$4,753,531 (24%)
3	DHS	Early Childhood Funds	\$3,675,000 (7%)	---
4	---	Other (4 additional programs)	\$736,469 (1.5%)	\$5,440,065 (28%)
		Total	\$51,303,561	\$19,674,047

Federal and State Investment Comparisons

It was found that both state and federal funds are invested similarly across the five result areas. A large proportion of Healthy Children investments are in the Medicaid, Medicaid Expansion, and *hawk-i*, with 49% of early childhood state funds and 44% of total early childhood federal funds supporting these programs. This large percentage of funding supports both preventive and remedial care, as it provides for EPSDT and other well child screening as well as treatments. However, data regarding prevention versus treatment dollars could not be explicitly extracted.

Figure 7

Comparison of State and Federal Investments into Early Childhood

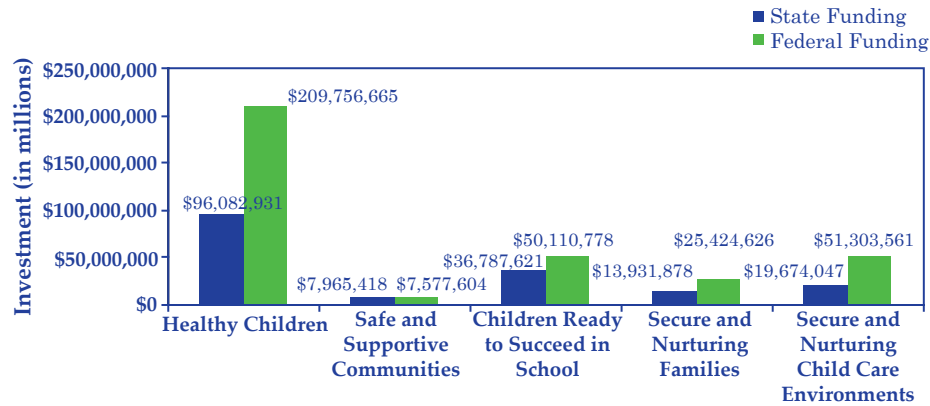


Figure 7: State and federal separated across the five ECI result areas

Figure 8

Early Childhood Spending by Department State and Federal Dollars

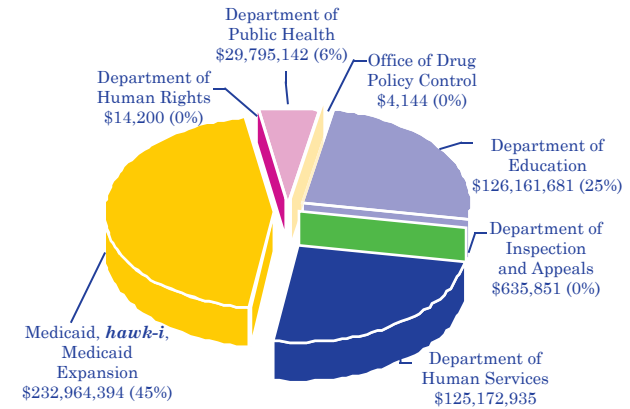


Figure 8: State and federal investments combined into this graph are dissected into spending by each state department

Take Home Messages

This experience generated invaluable information depicting FY 2006 investments made into early childhood in Iowa, which will provide insight and direction for future fiscal and program trend analysis. It is important to conduct a fiscal assessment as a measure of quality and accountability. The collected data confirm the levels of investment made across the five result areas for early childhood. Although data collection produced a multitude of questions as well as answers, sifting through the pieces revealed several striking findings. The following were found to be significant in the overall picture of early childhood investments:

- A surprisingly large proportion of investment into early childhood is in the form of public sector health insurance (Healthy Children)
- The need far outweighs the capacity of programs on current funding for family support, as only 13% of eligible families were served
- Investing in early childhood works. Studies show that every dollar invested in early childhood yields between \$3-\$17 in return. (Perry Preschool Study)
- Maintaining this project (bi)annually would ensure the ability of the team to utilize lessons learned and streamline the data collection, evaluation, and action

Take Home Messages *continued*

- The state invests approximately 2.79% of the total state budget into their early childhood (ages 0-5) population, whom comprise 6.4% of the total population
- Approximately two-thirds (66%) of the early childhood budget are federal investments into the early care, health, and education system in Iowa

Based on the data collected from FY 2006, inferences cannot conclusively be drawn pertaining to successfully meeting outcomes and identifying all gaps in capacity and funding. This assessment will serve as a baseline and ECI will continue compiling and evaluating data, which will allow for analysis of investment trends occurring in the early, care, health, and education system in Iowa. Recognizing this, the team determined the importance of gathering information biennially. Perhaps first outlining desired outcomes of the assessment will help focus a more critical evaluation of the early childhood investments. These lessons were valuable as the leadership learned several techniques and methods for future analysis.

#	Dept.	Result Area	Program	State EC Funding	Federal EC Funding	Numbers Served	Dept. Total
1	DHR	3	Juvenile Crime Prevention Community Grant Fund	---	\$14,200	1,000	\$14,200
2	DPH	1	Barriers to Prenatal Care Project	\$22,670	\$27,300	38,000 births	
3	DPH	1,2	Child Health	\$328,753	\$1,576,071	131,592	
4	DPH	3	Court-Ordered Services	\$13,500	---	160 families	
5	DPH	1,2	Dental Health	\$28,400	\$278,599	48,717 services	
6	DPH	1	Emergency Medical Services for Children	\$95,000	\$57,500	-6000,000	
7	DPH	1,2,3	Healthy Child Care Iowa	---	\$151,082	Not available	
8	DPH	4,1	HOPES	\$645,917	\$200,000	885 families	
9	DPH	1	Immunization	\$318,242	\$1,740,800	730,000	
10	DPH	1,2	Childhood Lead Poisoning Prevention	\$348,290	\$652,404	50,000	
11	DPH	1	Maternal Health	\$297,867	\$1,081,774	9,871	
12	DPH	1	Outreach - Toll Free	\$49,780	\$86,601	6,035	
13	DPH	3	Safe & Drug-Free Schools & Communities	---	\$46,442	3,238	
14	DPH	1,2	Specialty Outreach Clinics	\$164,103	\$847,186	4,474	
15	DPH	1	Statewide Perinatal Care Program	\$58,169	\$308,491	82 hospitals	
16	DPH	1,3	Comprehensive Substance Abuse Prevention	\$4,140	\$30,128	219,944	
17	DPH	1	Women, Infant & Children (WIC)	---	\$20,990,308	36,000	
18	DPH	1	Regional Genetic Consultation Service	\$408,896	\$447,487	1,874	
19	DPH	4,5	Child Protection Centers	\$565,000	---	4,996	\$31,856,360
20	ODCP	3	Substance Abuse Assessment and Treatment for Juveniles	---	\$4,144	205	\$4,144

21	DIA	4,5	Child Advocacy Board	\$496,480	\$139,371	4,329	\$635,851
22	DHS	1,2	Healthy and Well Kids in Iowa (<i>hawk-i</i>)	\$3,244,483	\$9,483,968	20,084	
23	DHS	1,2	SCHIP - Medicaid Expansion	\$509,737	\$1,494,585	11,071	
24	DHS	5	Child Care	\$9,480,451	\$42,259,920	18,935	
25	DHS	1,4	Children-At-Home Pilot Project	\$109,993	---	600	
26	DHS	3,4	Community-Based Family Resource Program	---	\$138,915	2,428	
27	DHS	1,2,4,5	Family Investment Program (FIP)	\$19,014,123	\$18,528,686	19,326	
28	DHS	1,2,4,5	Family Development and Self Sufficiency (FaDSS)	\$852,028	\$944,536	61,886	
29	DHS	1	Court Ordered Services for Juveniles	\$285,985	---	6,660/month	
30	DHS	4,3	Family Centered Services	\$672,987	\$5,802,816	6,800/month	
31	DHS	4,3	Family Foster Care	\$5,834,164	\$7,212,909	2,785/month	
32	DHS	4	Family Preservation	\$26,640	\$46,389	5 fam/month	
33	DHS	1,4	Family Support Subsidy	\$160,312	---	379	
34	DHS	1	Medicaid	\$82,116,400	\$143,478,106	215,773	
35	DHS	4,3	Community Care	---	\$878,850	2,268	
36	DHS	2,5	Early Childhood Funds	---	\$7,350,000	NA	\$359,933,893
37	DE		DE/AEA Early Childhood Network	\$246,777	---	NA	
38	DE	1,2,3,4,5	Community Empowerment School Ready Grant	\$23,481,592	\$2,153,250	NA	
39	DE	1	Summer Food Program	---	\$114,900	Average: 9,162	
40	DE	1	Child and Adult Care Food Program	---	\$15,896,800	Average: 25,403	
41	DE	2	Title I Migrant Education	---	\$165,226	4,700	
42	DE	2	Title I Part A - No Child Left Behind	---	\$641,546	64,648	
43	DE	2	Early Education Special Education	---	\$3,652,572	6,118	
44	DE	2	Individuals with Disabilities Education Act (IDEA) - Part C	---	\$2,891,784	8,676	
45	DE	2	Even Start Family Literacy Program	---	\$779,730	240 families	
46	DE	2,1,4	Head Start & Early Head Start	---	\$51,571,396	9,575	
47	DE	2	Family Education and Support Programs	\$727,106	---	1,499 families	
48	DE	2	Child Development Coordinating Council 3-5 year-old Children At-Risk	\$6,887,531	---	2,167	
49	DE	2	Center-Based Special Education Programs	\$16,951,471	---	4,008	\$126,161,681
Total State and Federal EC Investments FY06							\$518,615,129

Result Areas:

- | | |
|---|--|
| 1 = Healthy Children | 4 = Secure & Nurturing Families |
| 2 = Children Ready to Succeed in School | 5 = Secure & Nurturing Early Care and Education Environments |
| 3 = Safe & Supportive Communities | |

*Numbers served is not a 0-5 breakdown, but the investments are those made exclusively for services/programs for children 0-5 years.

Note: This issue brief does not comment on the quality of the programs surveyed. Assertions of quality would require further analysis of the standards and outcomes of each program.