

## Coordinating Early Education Funding Streams

Currently, Minnesota uses a confusing array of at least seven different funding streams to pay for early education program access for children under age 5, including: Childcare Assistance Program or CCAP (\$144 million per year); Early Learning Scholarships – Pathway I (\$41 million per year); Early Learning Scholarships – Pathway II (\$29 million per year); Head Start and Early Head Start (\$128 million per year); School Readiness (\$34 million per year); School Readiness Plus (\$3 million per year); and Universal (Voluntary) Pre-K (\$37 million per year).

**Investment Strategy Muddled.** In total, Minnesota is investing about \$416 million per year. That's an enormous investment, but the hodgepodge investment strategy that has been pieced together in Minnesota over the years is very problematic. It is:

- **Uncoordinated.** The funding streams are in separate programmatic “silos” that don't mesh together well.
- **Confusing.** The array of programs is difficult for families and early educators to navigate.
- **Unaccountable.** The various approaches are not held accountable for effectiveness and efficiency. For example, neither kindergarten readiness nor investment-per-child are currently tracked and disclosed.
- **Not Research-Based.** Many of the program designs are not consistent with the latest research, which says that effective early education programs should: a) start very early in life; b) target limited resources to the most vulnerable children; c) demand use of kindergarten-readiness best practices; and d) be flexible and portable to meet families' needs and maintain learning continuity.

**Why does this matter?** A coordinated, efficient and effective investment strategy will do more to help more children than an uncoordinated, inefficient and ineffective one. Coordinating Minnesota's early education investment strategy will help ensure accountability for taxpayer investments, but is ultimately about helping more vulnerable children. It is not an esoteric bureaucratic exercise.

**MELF: Consolidate or Coordinate.** In 2011, the Minnesota Early Learning Foundation (MELF) recommended that all existing funding streams be consolidated into the Early Learning Scholarship model, because that approach is most consistent with current early education research and MELF felt strongly that a consolidated investment strategy would be most effective, efficient and accountable.

However, if policymakers weren't willing to consolidate, MELF recommended at least better coordinating the funding streams. This has never happened.

**Legislation.** Bipartisan legislation was offered in 2017 to put a single, accountable state early education expert in charge of coordinating early education funding streams to ensure they are more clear, accountable and research-based. The effort was unsuccessful, but the conversation continues. In March of 2018, the Minnesota Legislative Auditor will release an independent review of some of these issues.