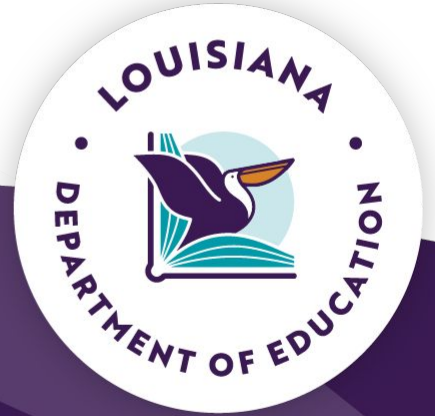


Early Childhood Care and Education Commission



July 17, 2024 – 10:00 a.m.

Agenda

- I. Call to Order
- II. Roll Call
- III. Consideration of an update report regarding the meeting held January 22, 2024
- IV. Informational Reports and Discussion:
 - A. Report regarding the 2024-2025 ECCE Commission and Task Force Work
 - B. Discussion regarding the September 2024 Early Childhood Care and Education Commission Report
 - C. Discussion regarding funding design principles for early childhood care and education



I. Call to Order



II. Roll Call



III. Consideration of an update report regarding the meeting held January 22, 2024

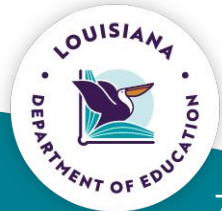


IV.A. Report regarding the 2024-2025 ECCE Commission and Task Force Work



ECCE Commission Goals

- 2022 legislation reauthorized the Early Childhood Care and Education Commission.
- This legislation continued to charge the Commission to:
 - Study and make recommendations relative to establishing a vision for the future of early childhood care and education in Louisiana
 - Establish and appoint members to a task force



ECCE Commission Task Force Goals

[Act 180](#) of the 2020 regular legislative session and [Act 82](#) of the 2022 regular legislative session charges the ECCE Commission Task Force with:

- Identifying and recommending alternative state and local funding strategies for quality early childhood care and education
- Identifying and recommending strategies to address workforce compensation and benefits issues within the early childhood care and education field



ECCE Commission Task Force Members 2023-2024

Rep. Stephanie Hilferty
Commission Chair

Sen. Beth Mizell
Commission Chair

Stephen Barnes, Ph. D.
*Kathleen Blanco Public Policy
Center*

Melissa Goudeau
Parent Representative

Ruth Lawson
*Jefferson Parish Chamber of
Commerce*

Jan Moller
Louisiana Budget Project

Melinda Deslatte
*Public Affairs Research
Council of Louisiana (PAR)*

Libbie Sonnier, Ph.D.
*Louisiana Policy Institute for
Children*

Michael Tipton
*Blue Cross Blue Shield of
Louisiana Foundation*

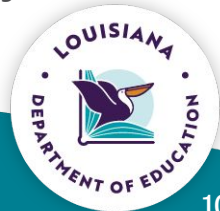


ECCE Commission Report

The February 2024 Commission report noted that investment in early childhood education delivers both immediate and long-term gains for Louisiana.

The report recommended the Louisiana State Legislature:

1. Invest \$98 million of additional state funds in high-quality early care and education now and annually over 10 years to ensure statewide access
2. Enact legislation that guarantees the State's commitment to the ECE Fund, to match and incentivize ongoing and increasing local investment
3. Continue to review state and local revenue and resources to identify potential sustainable funding for early care and education



ECCE Commission & Task Force Goals

Act 83 of the 2023 regular legislative session includes the following updates:

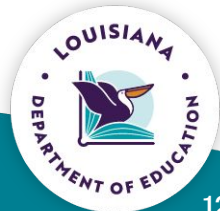
- Requires at least 4 meetings of the Commission per year
- Requires that the annual Commission report, that incorporates the task force findings and recommendations, to the Governor, members of the Louisiana Legislature, the state Superintendent of Education, and the State Board of Elementary and Secondary Education not later than ninety days following the end of each fiscal year
- Requires the Commission Task Force to “identify and recommend” “a formula that could be used on an annual basis to determine the funding necessary to sustain and grow the early childhood care and education system and any necessary legal changes needed to implement such a formula”



ECCE Commission & Task Force Goals

Act 260 of the 2024 regular legislative session includes the following updates:

- Increases the number of representatives from 41 to 45
- Provides for four-year terms (but specifies that terms of members appointed by elected officials shall not extend beyond the term of the appointing authority)
- The affirmative vote of a majority of the Commission members present and voting shall be necessary for any action taken by the Commission



IV.B. Discussion regarding the September 2024 Early Childhood Care and Education Commission Report





Advocacy &
Communication
SOLUTIONS

ARIZONA

OHIO

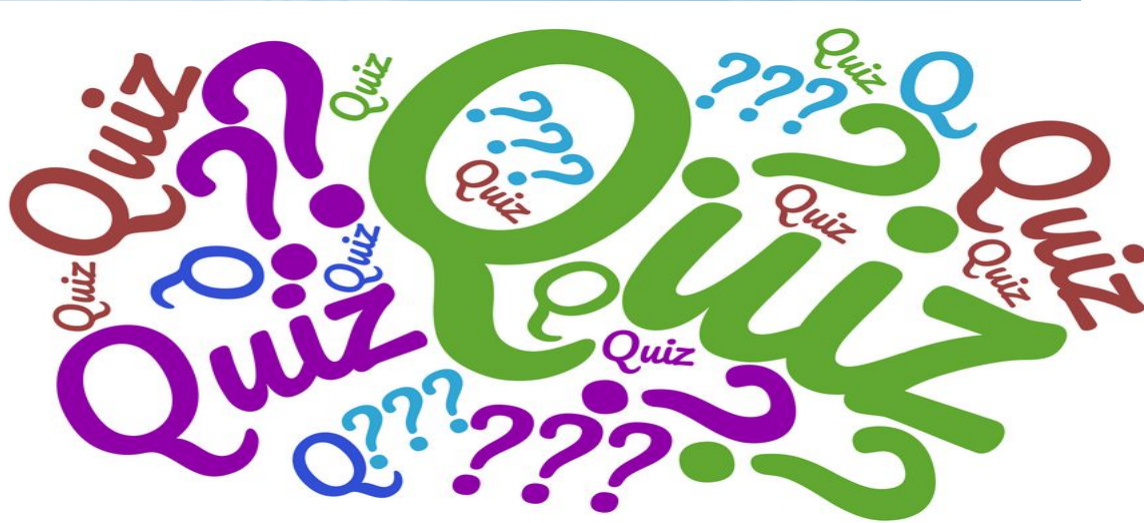
WASHINGTON, DC

WWW.ADVOCACYANDCOMMUNICATION.ORG

Louisiana B-3 Commission Meeting: Report Planning

July 17, 2024

Commission Survey



Report Requirements

“Provide a report that incorporates **the task force findings and recommendations** [relative to establishing a **vision for the future of early childhood care and education** in Louisiana], to the governor, members of the legislature, the state superintendent of education, and the State Board of Elementary and Secondary Education.”

Report Timeline

- **July 23:** Task Force meeting to review/approve outline
- **July-August:** Writing & email review of report drafts
- **August 28:** Commission meeting to approve final draft
- **August-September:** Graphic design & proofing
- **Sept. 27:** Report due to Louisiana Legislature

Report Goals

1. Educate
2. Spur action



Report Audiences

1. Policymakers (legislative and executive) & their staff
2. Advocates
3. General public

Approach

The What:

- The economic case for state investment in ECE
- The need in Louisiana: Where we are now and where we need to be to serve all in-need children 0–3

Approach

The How:

Specific policy recommendations to:

- Expand access to quality care (more seats) now and over time
- Sustain the system now and over time (local revenue generation, funding design, workforce compensation)

Discussion

- How do you anticipate using this report?
- What does that mean for its format and content?



IV.C. Discussion regarding funding design principles for early childhood care and education





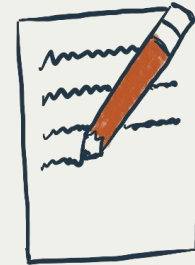
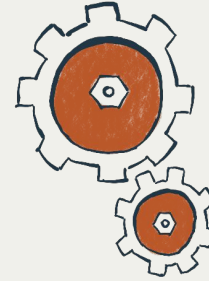
AFTON

Infant/Toddler Funding Design

July 17, 2024

Agenda

1. Goals & Guiding Principles
2. Current ECE challenges in Louisiana
3. What is Funding Design for ECE and Why Do It?
4. Funding Design Recommendations
5. Next steps



Project Goals

DEVELOP A FUNDING DESIGN FOR LOUISIANA'S EARLY CHILDHOOD CARE AND EDUCATION SYSTEM THAT:

- **Ensures access to high-quality care and education and supports economic development in areas with the most need**
- **Distributes funding transparently**
- **Improves quality, access, and sustainability by providing more stable resources for early childhood providers and the families they serve**

Guiding Principles

Commitments for how we will go about the work



Focus on needs of families and providers, as well as opportunity for economic development, especially in areas with the most need



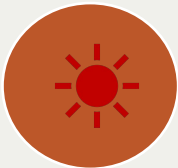
Research, evidence, and data-informed decision making



Inclusive engagement, particularly with those most impacted



Embrace innovation while being actionable and realistic

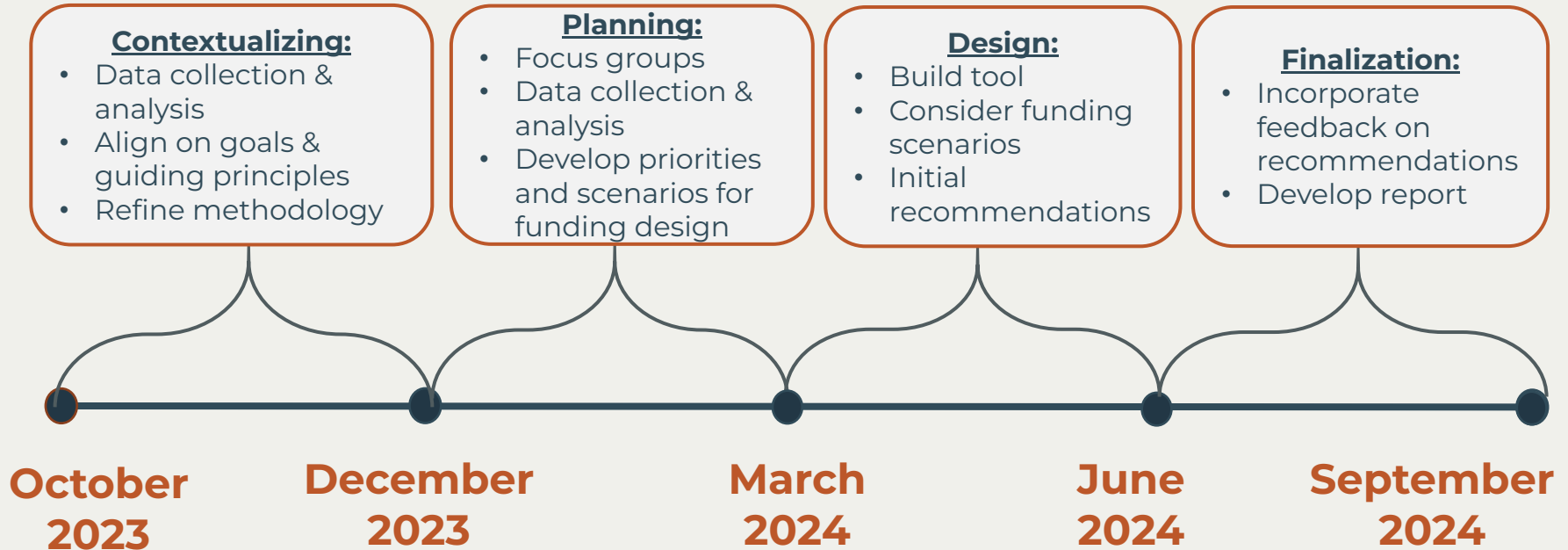


Transparency in process and recommendations



Cross-sector collaboration

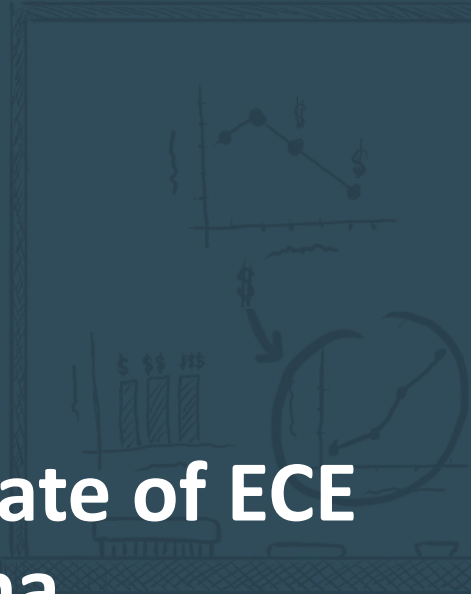
Project Timeline





AFTON

Current State of ECE in Louisiana



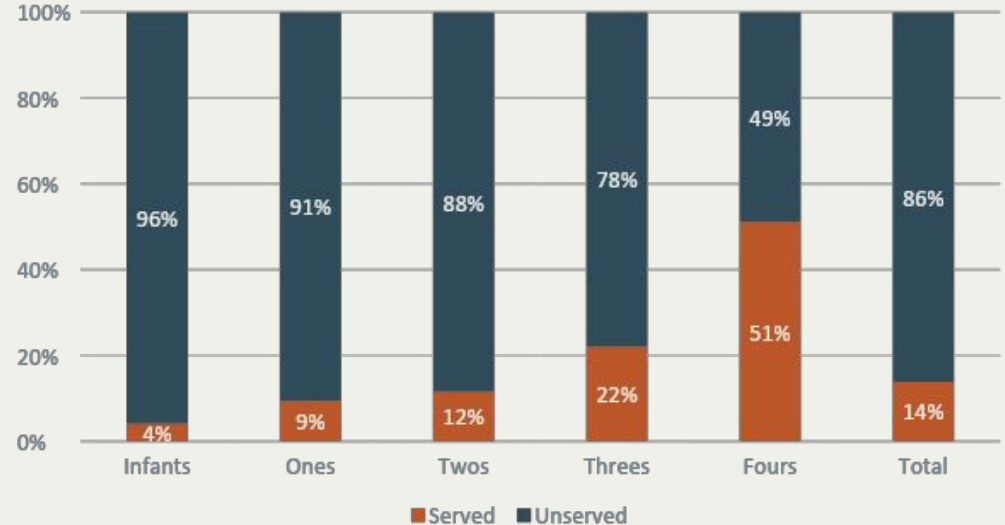


What percentage of children age 0-3 access publicly funded care in Louisiana?

Access to publicly funded early care and education is especially limited for children under three in Louisiana

- In 2021, the Commission reported that more than 114,000 children lacked access to high-quality ECE, a challenge that persists today.
- The Task Force recommended an investment that would increase the percentage of birth to three-year-old children served from 13% to 66% over 10 years.

Percentage of Children Accessing Publicly Funded Care/Education



Sources: ECCE Commission Legislative Reports, “Funding Our Future: LA B to 3” (January 2019 and March 2021)

Source: LDOE, Early Childhood and Education Enrollment (As of October 2022); Child Population by Age Group in Louisiana, Kids Count Data Center (2022)



Access varies across the state, and while there is not a strong correlation, there is indication that higher poverty communities have more access to publicly-funded ECE slots.

Slots1 Per Child vs. Poverty Rate Among Children Under 5 by Parish



Variation Across Parishes:

- There is approximately **1 ECE slot for every 10 children** under 5 in Livingston, Beauregard, and Assumption Parishes
- Orleans, Jefferson, and Baton Rouge are in the middle, with about **1 ECE slot for every 5 children** under 5
- There is approximately **1 ECE slot for every 3 children** under 5 in Pointe Coupee, Madison, Caldwell, Iberville, West Feliciana, and Red River Parishes

What is most important to families?

- COVID exacerbated the shortage of ECE slots; parents say that **waitlists** are longer than ever.
 - Staff shortages continue to impact number of slots
- When families do obtain a spot, they are often **struggling to access CCAP in a timely manner.**
- **Non-traditional hour care is extremely limited**, especially outside of New Orleans.
- Families of **children with disabilities are uniquely challenged in finding child care** programs that are willing and able to support their child's needs.
 - One participant noted that parents with special needs children “are just not able to work because they can't find childcare.”



Source: Power Coalition for Equity and Justice and Geaux Far Louisiana Coalitions listening sessions conducted in Winter 2022

What is most important to providers?

- Most programs serve infants and toddlers but have fewer classrooms due to the high costs for this age group.
 - Programs have long waitlists, with infants being the most in-demand.
 - Waitlists are due to a combination of programs not having enough spots, and families waiting for CCAP funding.
 - Some funding sources cap total class size, even when maintaining adequate ratios.
 - Especially challenging for FCCs due to limited staffing.
- Programs are struggling to recruit and retain a qualified workforce, compounding the challenge of limited slots.
- Providers want to support families and children who have special needs or behavioral challenges, but do not have the funding for additional staff or coaches.

What we heard:

"In all the years, I always had one preschool classroom but when I looked at my budget.. I had to take more preschool kids because if not I would have been out of business."

"Quality staff is one of the challenges. Just finding workforce is a huge challenge because even if you found space... children are going to stay on the on the wait list if you can't hire and retain staff. That is the huge barrier."

What is most important to providers?

- Varied payment structures from each funding source make it difficult for programs to have financial stability.
 - Providers strongly prefer pay for enrollment vs attendance, which varies by funding source.
 - Timing of payments is a challenge; advanced payments support programs' financial stability.
 - CCAP payments are not currently paid in advance, making it difficult for many programs to support payroll.
 - Providers feel that programs that are paying in advance, like Head Start and City Seats, are working well.

What we heard:

"And the issues around CCAP in particular, if you start talking about stability and predictability, they are unstable and unpredictable ... we have no sense of when a parent is gonna be eligible or not. The demand is persistent... The demand has grown since COVID. And now with the lack of predictability and stability, it compromises [providers] fiscally."

"Being paid based on enrollment and not based on attendance has really been a game changer for CCAP."

"If I had a magic wand, what I would change [is] that every program [is] paid the same. You know, if it costs \$3,000 a month to serve a child in a high quality program...every program should pay the same.... Right now, state match is paying \$2,083, but City Seats is paying \$1,000 and Early Head Start is giving \$1,200. But just imagine if everybody was giving us \$2,083 by the fifth of the month... we can run a real high quality program and pay our staff what we need to pay them."



AFTON

What is Funding Design for ECE and Why Do It?



Funding Design is a tool to intentionally shape the way that payment supports system goals.

Funding Design has two major components:



Funding Allocations

How should funding amounts be determined?



Distribution Mechanisms

How should funding move from the state to recipients?

This is connected to but distinct from Funding Amounts:




Funding Amounts

How much funding is available for each recipient?

Connection to System Goals: What system level goals do we hope to influence through this work? In what ways?

“In looking forward, the Louisiana State Legislature should support efforts by local governments to generate local revenue for *access to high-quality early care and education* as well as *encourage collaboration across the state to identify and implement solutions to the growing workforce crisis* of low pay and benefits for early care and education teachers and professionals.”



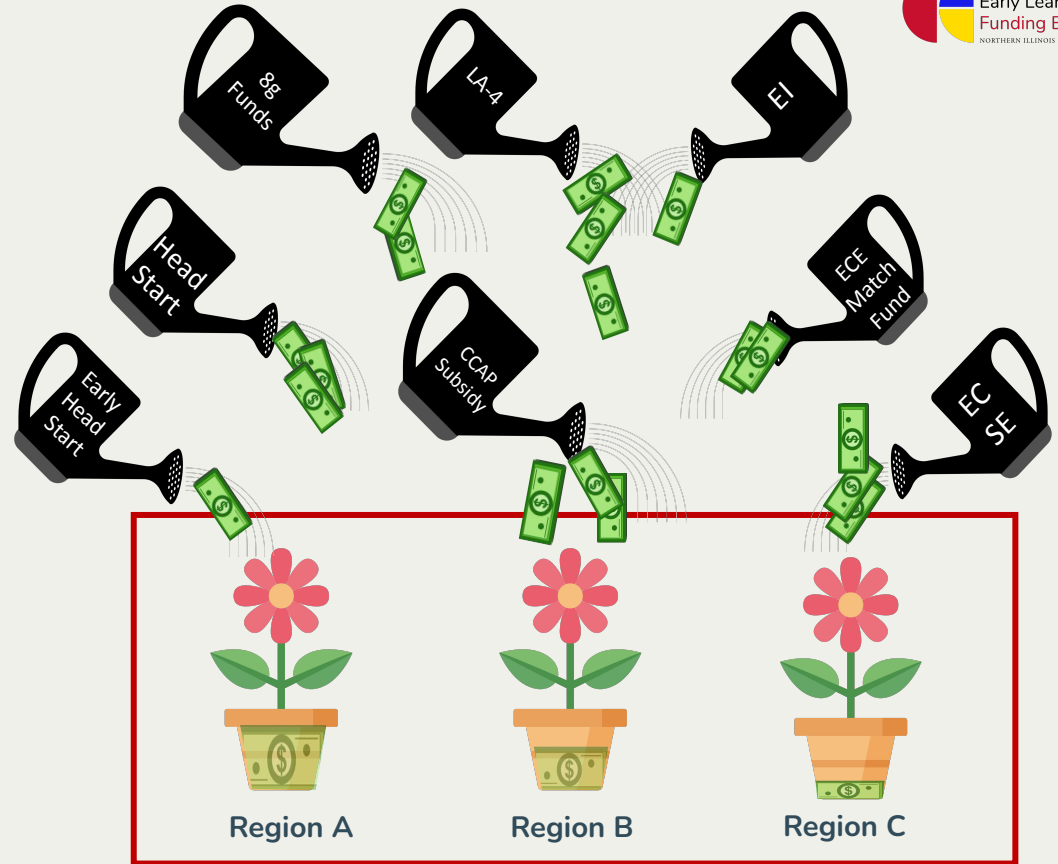


What system level goal is most directly influenced by funding design?

The Premise: Shifting our perspective

*ECE Funding has been focused
on the “watering can”
perspective.*

*But what if it was considered
through the “flower”
perspective?*



ECBG
PFA

Funding Design describes the way financial resources flow.

Done well, funding design intentionally brings together multiple funding streams – including federal, state, and local funding – to comprehensively use financial resources toward system goals.

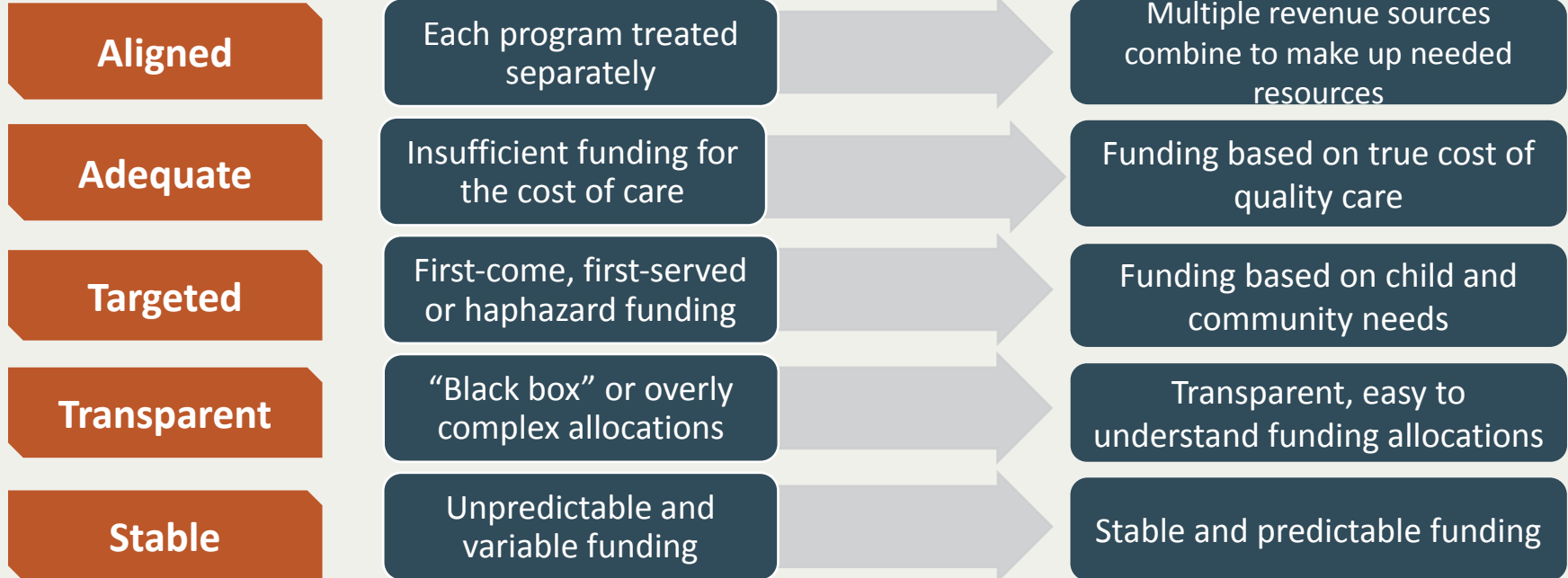
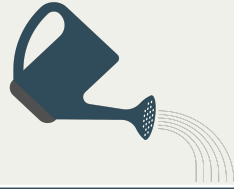
With intentional funding design, funding is...

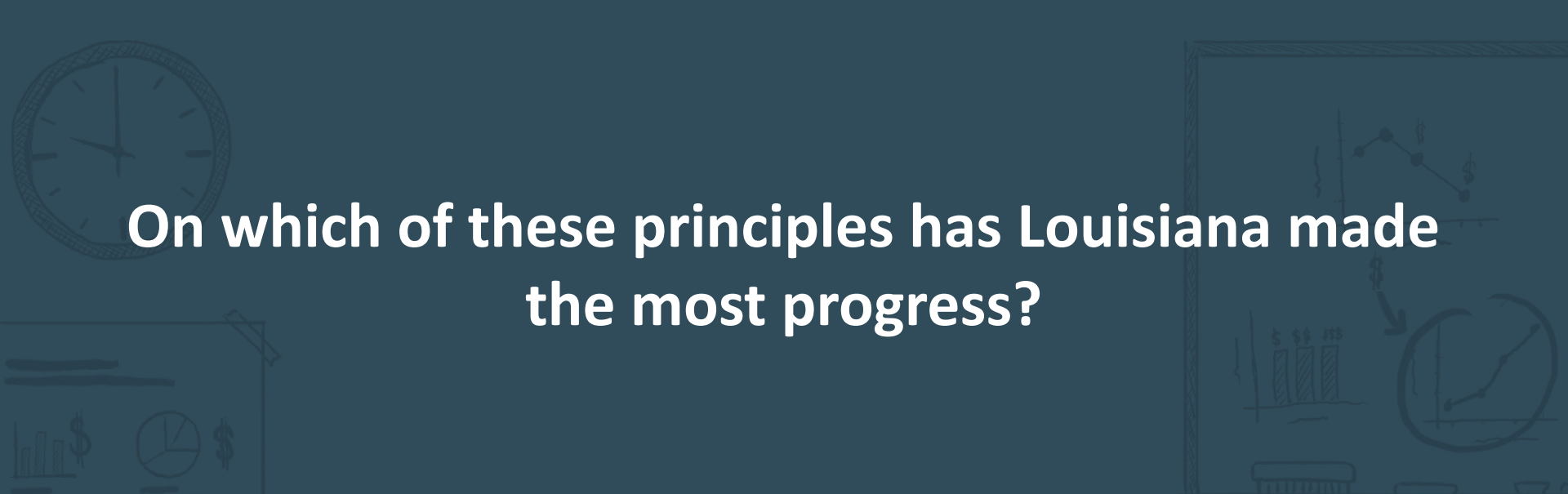
- **Aligned** across multiple funding streams throughout the system;
- **Adequate for Quality** care and education;
- **Targeted** to specific priorities and child/family needs;
- **Transparent** about how funding amounts are calculated and distributed; and
- **Stable** and predictable for recipients.

NOTE: TO BE EFFECTIVE, FUNDING DESIGN MUST BE GROUNDED IN DATA + COMMUNITY ENGAGEMENT



Using the tool of funding design, we can go from...





On which of these principles has Louisiana made the most progress?



On which do we have the farthest to go?

Where do we see examples of these principles at play in the work that's happened over the last few years?

Aligned	
Adequate	
Targeted	
Transparent	
Stable	



AFTON

Funding Design Recommendations

Learning from K-12 School Funding

- The Task Force began with a thought experiment: what would happen if we applied the structure of the MFP (Louisiana’s K-12 school funding formula) to ECE?
- K-12 and ECE have many important differences, such as:
 - Range of settings in the ECE mixed delivery system (home-based, center-based, school-based settings)
 - Role of state and local funds and parent tuition
 - Hours and months of care/education
 - Ratios of children to adults
- Nonetheless, the MFP provides one possible model for stable, predictable, adequate funding
- The Task Force discussed which elements of the MFP’s structure could be adapted for ECE and where ECE requires a different approach
- Recommendations reflect steps toward creating a funding schematic for Louisiana’s ECE system



Basic Structure of the MFP (Weights Based Formula)

Amount Per Student

- Base Amount Per Child
- Weighted for Student Needs



Number of Students

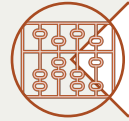
- Total Number of Children
- Number who qualify for weighted amounts
- Other adjustments



Annual School District Funding

- Local contribution
- State contribution
- *Does not include any federal funding or other targeted grant programs*

Louisiana's Minimum Foundation Program (MFP) K12 Funding Formula



1. Set Base Amount: BESE sets minimum foundation base per pupil amount (\$4,015 in FY23)



2. Set Weights: BESE determines which student needs will qualify for weights/adjustments, such as special education status and economically disadvantaged backgrounds, and how much those adjustments will be; the state legislature then approves or disapproves the formula.



3. Count Students: Districts' enrollment is counted along with the number of students who qualify for additional "weights." Very small districts receive an additional "economy of scale" increase via a weight.



4. Local contribution: calculated based on a formula determining their ability to raise local revenue, with the aim that local revenue makes up ~35% of funding on average



5. State allocation: School districts receive their state funding amount and have discretion on how to allocate it across schools and programs

Build on basic structure to adapt for early childhood context

ECE likely requires a different structure

Emerging Funding Design Framework: Moving from Concept to Operation



Access: Funding is strategically prioritized for increases in access over time



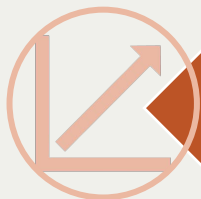
Adequate Funding for Quality: Funding is aligned and sufficient across settings and parishes



Sources of Funding: Maximize existing funds and incorporate local contributions



Structure: Expand existing strategies that promote stability



Strategically prioritize access for the highest need families while moving toward universal access.

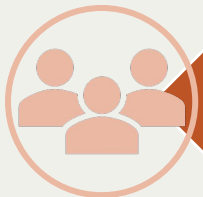
- Target serving 60% of all children birth-5 in the long term, prioritizing high-poverty families in the short term.
- Strategically address gaps in access, including child care deserts.
- Understand gaps in funding and slots at the parish level to best target resources.





Provide adequate and aligned funding across settings and parishes.

- Following the MFP structure, commit to a base amount per child that covers the true cost of quality.
 - Differentiate by age of child and setting
 - Build on recent work done to align CCAP rates to the cost of care
- Fairly fund all providers in the mixed-delivery system to preserve family choice of type of care.
- Weight base amounts based on child and community-level needs.
 - Weights to consider:
 - Special education: should reflect additional staffing and training needs
 - ELL families: should reflect need for bilingual staff and translation
 - Children in foster care / families experiencing homelessness
 - Child care desert areas: should provide incentives to create slots, maybe paired with start-up funds
- Further engagement with providers and families should inform weights and their amounts



Maximize existing funding sources and incorporate local contributions.

- Maximize existing federal and state funds to serve as many children as possible:
 - Maximize use of Head Start slots at the local grantee level
 - Continue to promote high uptake of LA 4 program
 - Use federal CCDF funds for children who qualify
 - Ensure alignment to federal requirements
- State funding provides foundation of the ECE system.
- Building on the matching fund structure, incentivize contributions from parishes with local ability to contribute, while implementing additional state funding (e.g. a weighted match or an exemption from matching requirements) for parishes with limited local ability to raise revenue.



Expand existing strategies that promote stability.

- Distribute funds through contracted slots whenever possible.
 - CCDF slots reserved for eligible children
 - Other slots available to working families
 - Rely on local partners (i.e. Ready Start Networks) to inform distribution of contracted slots to respond to local need
- Provide payment in advance and payment based on enrollment rather than attendance (which align to federal guidance).
- Use model of MFP to move toward funding formula that is ongoing, without need for annual reauthorization.



Questions for Discussion

What feels exciting about this approach?

What feels confusing or worrisome?

Does this spark any ideas or possibilities?

What possible unintended consequences should we be considering?

Next Steps

- Further engagement with the Task Force on short-term steps that support these long-term goals
- Issue brief outlining this approach will be published in the fall
- Recommendations reflected in annual Commission report to legislature

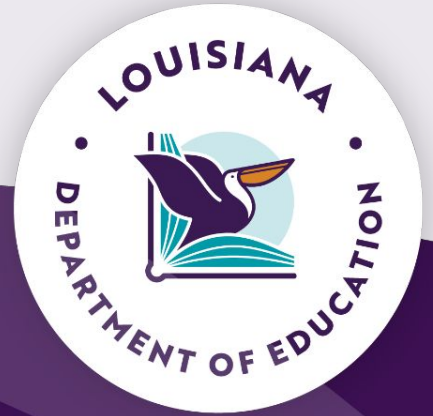
Contact us:

- Abby McCartney:
amccartney@aftonpartners.com
- Marissa Ortiz: mortiz@aftonpartners.com

Thank you!



Upcoming Events



Early Childhood Care and Education Commission

ECCE Commission Meeting Dates: Thomas Jefferson A/B Room (1-136)
January 22, 2024 1:00 - 3:00 p.m.
July 17, 2024 10:00 a.m. - 12:00 p.m.
August 28, 2024 1:00 - 3:00 p.m.

ECCE Task Force Meeting Dates: Napoleon Bonaparte Room (1-165)
February 19, 2024 10:00 a.m. - 12:00 p.m.
May 17, 2024 9:00 a.m. - 12:00 p.m.
July 23, 2024 1:00 - 3:00 p.m.

Adjournment

