Federal Investment in Early Childhood Data Systems

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Recommended Citation

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Abstract

Within the last year, there has been an unprecedented amount of federal investment to support states during the pandemic. These funds allowed states to invest in their early childhood data systems, collecting new data and creating new tools to support the needs of *families, policymakers, and critical personnel* during the COVID-19 pandemic. This brief provides a comprehensive overview of funding (past, present, and potential) available to states for early childhood data systems, including the new federal funding which includes or has allowances for early childhood data systems, pending legislation, previous federal investment, and existing federal funding with allowances for data systems support. Although there has been a significant amount of new federal funding that allows for the improvement of data collections, data enhancements, and data integration, there is still a need to support the state's capacity to implement and maintain these improvements over time. This provides an opportunity for foundations, philanthropic organizations, or additional state and/or federal funds to supplement the data systems efforts.

Keywords

American Families Plan (ARP), early childhood integrated data systems, ECIDS, Covid-19 response funding, early childcare

Disciplines

Early Childhood Education

ECDataWorks

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Within the last year, there has been an unprecedented amount of federal investment to support states during the pandemic. These funds allowed states to invest in their early childhood data systems, collecting new data and creating new tools to support the needs of *families, policymakers, and critical personnel* during the COVID-19 pandemic.[1] This brief provides a comprehensive overview of funding (past, present, and potential) available to states for early childhood data systems, including the new federal funding which includes or has allowances for early childhood data systems, pending legislation, previous federal investment, and existing federal funding with allowances for data systems support. Although there has been a significant amount of new federal funding that allows for the improvement of data collections, data enhancements, and data integration, there is still a need to support the state's capacity to implement and maintain these improvements over time. This provides an opportunity for foundations, philanthropic organizations, or additional state and/or federal funds to supplement the data systems efforts.

COVID-19 Response Funding & Early Childhood Data Systems

In response to the COVID-19 pandemic, Congress first passed the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), followed by the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA), and most recently Congress passed the American Rescue Plan Act (ARPA). Data systems initiatives were one of many allowable activities these congressional funding opportunities supported.

↗ **CARES** — can be used for a very wide range of initiatives, which includes using funds to support data priorities such as rapid data collection, data system integration, and increased data system. The bill provides flexibility for a portion of leftover funds to be used "for emergency needs as determined by the state educational agency to address issues responding to coronavirus, which may be addressed through the use of grants or contracts" (Coronavirus Aid, Relief and Economic Security Act, 2020).

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1 Childhood Data in Response to Emerging Needs mini documentary looks into the unprecedented change during a pandemic that revealed a lot about the limitations of early childhood data systems. https://www.youtube.com/watch?v=TK3qZBnCM4s

↗ **CRRSAA** — can be used to fund early childhood education (ECE) programs for children from birth through kindergarten, consistent with the Elementary and Secondary Education Act (ESEA). States and LEAs may use CRRSAA funds for ECE in many ways, including data systems enhancements. (Consolidated Appropriations Act, 2021).

↗ **ARPA** — may be used to improve data systems to increase equity and better locate children, families, and providers in the state and understand their needs. Additionally, this bill allows funding to be used towards any activity described in the Elementary and Secondary Education Act (ESEA) (American Rescue Plan Act, 2021). ARPA also designates additional money to Part C, Part B 619, Maternal, Infant, Early Childhood Home Visiting (MIECHV), Head Start, and Child Care subsidy funding (supplemental and stabilization).

Analysis of the COVID-19 Congressional Funding opportunities yielded support for three types of data-related activities: data collection, data system enhancements, and data reporting. Table 1 summarizes the activities supported by each funding opportunity.

Table 1

Summary of Focus of New Federal Funding for Early Childhood Data Systems

Legislative Action	Data Collection	Data System Enhancement	Data Reporting
CARES	X	X	
CRRSSA		X	
ARPA	X	X	X

Data Collection

Data collection is the process of gathering information. All three of the new Congressional funded opportunities allowed for new or enhanced data collection. These collections could include data elements that relate to organizations, financial supports, staff, and/or parent/family, and student information.

↗ **CARES**: the CARES funding allow states to collect and evaluate data to better understand the effects of the pandemic on learning loss and broader impacts on students, school systems and vulnerable communities.

↗ **ARPA – Child Care Stabilization**: the stabilization funds allow state agencies "to make upgrades to data collection and technology systems needed to administer subgrants and collect data, including building capacity to assess outcomes, especially with respect to underserved communities" (Information Memorandum, APR Act Child Care Stabilization Funds, 2021).

↗ **ARPA – Child Care Supplemental**: the supplemental funds suggests that lead agencies should strongly consider technology upgrades and data governance improvements to provide more transparent and updated information to parents, such as the location and type of child care providers near them, availability and cost of child care slots, and how to access child care

assistance. Expanding access to child care also means making information on child care more readily available to families and collecting the data needed to assess equitable access to child care. Accurate data collection can also inform lead agency policies and practices, including analysis to determine whether policies result in an equitable distribution of resources for families and child care providers. (Information Memorandum, APR Act Child Care Supplemental Funds, 2021).

Data System Enhancement

Data systems enhancement allows states to enhance or modernize their early childhood data systems (e.g., update business documentation) as well integrate new data systems. CARES and ARPA provided opportunities for states to enhance their data system.

- ↗ **CARES – ESSER**: the CARES act reference activities in ESEA which allows states to invest in "communications hardware, software applications, data systems, and other electronic content (including multimedia content) and data storage" (Every Student Succeeds Act, 2015).

- ↗ **CRRSAA – ESSER II**: the CRRSAA funds allow states to use funds for data management operation tools, as well as to improve existing infrastructure enhancements or new infrastructure that may be built.

- ↗ **ARPA – Child Care Stabilization**: the stabilization funds allow state agencies "to make upgrades to data collection and technology systems needed to administer subgrants and collect data, including building capacity to assess outcomes, especially with respect to underserved communities" (Information Memorandum, APR Act Child Care Stabilization Funds, 2021).

- ↗ **ARPA – Child Care Supplemental**: the supplemental funds allow for, modernizing and maintaining systems are allowable uses of the ARP supplemental funds, and do not count against the limit on administrative expenditures. Information Memorandum, APR Act Child Care Supplemental Funds, 2021).

Data Reporting

Data reporting allows states to document progress and/or compliance with requirements, answer policy questions, evaluate programs, and to look at trends across subpopulations. Advanced reporting options often include visualizations using formats that are meaningful and useful to their stakeholders.

- ↗ **ARPA – Child Care Supplemental**: These funds allow for, Data Systems to Support Equitable Access to Child Care Expanding access to child care also means making information on child care more readily available to families and collecting the data needed to assess equitable access to child care. Information Memorandum, APR Act Child Care Supplemental Funds, 2021)

Pending legislation

There is interest in further building upon the recent investments in early childhood data systems. On January 20, 2021, the Biden Administration proposed a new legislation to build on the American Families Plan (AFP). While there are no current details on the specifics of the bill, it is expected to include a plan for Universal PreK and the relevant data needed to expand services and avoid conflict with child care subsidy and Head Start. The Administration is asking for a $200 billion investment and a "national partnership with states to offer free, high-quality, accessible, and inclusive preschool to all three-and-four-year-olds, benefitting five million children" (Fact Sheet: The American Families Plan, 2021).

Federal Investments

Since the early 2000s, there have been a number of federal investments in state early childhood programs with a focus on creating and enhancing early childhood data systems for the purpose of using data to inform program and policy decisions across programs.

Investments in Data System Infrastructure

↗ **SLDS Grants, 2002-2024**. The SLDS grant has 51 states and territories in the design, development, and implementation of longitudinal data systems from early childhood to workforce. This federal grant supports states in the development of their ECIDS and the alignment between the ECIDS and the longitudinal data system (SLDS) in a state.

↗ **America Creating Opportunities to Meaningful Promote Excellence in Technology, Education, and Sciences Act, 2007 (America COMPETES Act)**: This bill was passed in 2007 to increase the competitiveness of American research and development. Grantees of subsection (c)(2) were required to establish statewide P-16 education longitudinal data systems or improve their existing system. It was required that states include unique student identifiers, student-level enrollment, demographic and program participation information and academic data (America COMPETES Act, 2007).

↗ **Race to the Top- Early Learning Challenge, 2011-2016 (RTT-ETC)**: An optional section of this grant included building or enhancing an early learning data system to connect to an existing SLDS to improve instruction, practice, services and policies. (*Race to the top – early learning challenge*)

↗ **Preschool Development Grant, 2015-2018 (Legacy PDG)**: The PDG grant goal was to build or enhance a preschool program infrastructure that would enable the delivery of high-quality preschool services to children.

- "(i)The State must have a Statewide Longitudinal Data System that links early childhood data with the State's kindergarten through grade 12 (K-12) data system by the end of the grant period.

- (f) Data practices are effective and include gathering Essential Data Elements and entering them into the State's Statewide Longitudinal Data System or other early learning data system, using these data to guide instruction and program improvement, and making this information readily available to families." (Applications for new awards; preschool development grants-development grants 2014)

↗ **Preschool Development Grants Birth through Five, 2018-2022 (PDG B-5**): The PDG B-5 grant funds are designed to support states and territories in coordinating and aligning existing programs within each state's early childhood care and education (ECE) mixed delivery systems. One of the components of the PDG B-5 grant allows states to improve and expand their states integrated data systems.

↗ **Early Childhood Comprehensive Systems Grants, 2021-2026 (ECCS)**: The ECCS Grant aims to improve early childhood systems and improve outcomes for children. Additionally, the grant aims to develop a set of core indicators and monitor progress across ECE services. Each grantee state must have at least one community receiving MIECHV funding. States interested in using their ECIDS to track key ECE indicators may be interested in this funding mechanism.

- ↗ **State Systems Advance Planning Document (APD) Process.** The APD process oversees how states get approval for federal assistance in covering the costs of implementing information technology projects. As such, the APD process is not specifically designed to support early childhood but instead focuses more on improving state data systems. The process is under the umbrella of three federal agencies: Office of Child Support Enforcement (OCSE), Administration for Children and Families (ACF), and Department of Health and Human Services (HHS) (King, et al., 2020).

Investments in Preparing Early Childhood Program Data for Inclusion on ECIDS

- ↗ **DaSy Center**. The Center for IDEA Early Childhood Data Systems (DaSy) is a national technical assistance center that works with states to support IDEA early intervention and early childhood special education state programs in building high quality data systems and using data to improve results for young children with disabilities and their families. The objectives of the DaSy Center are to:

  - Improve state capacity to collect, report, analyze, and use high quality IDEA Part C early intervention and IDEA Part B preschool data.

  - Enhance, streamline, and integrate child level early childhood data systems to address critical policy questions that will facilitate program improvement, improve compliance accountability, and improve results for children served under Part C and Part B preschool special education programs.

- ↗ **Child Care Development Block Grant**. CCDBG funding is the main federal source for supporting low- income families in receiving child care services. CCDBG funding also supports the improvement of child care quality. Data collection to document access to services and quality initiatives can be used be leveraged with other data integration efforts (King, et al., 2020).

Investments in Individual Program and the Related Federal Reporting

- ↗ **Individuals with Disability Education Improvement Act (IDEA)**. The IDEA broadly aims to improve educational opportunities for children with disabilities. States can apply for a number of discretionary grants under IDEA, each with the goal of better serving children with disabilities. Through these grants, many states have taken the opportunity to design or improve their data systems.

- ↗ **Maternal, Infant, and early Childhood Home Visiting (MIECHV)**. The goals of the MIECHV program are to improve maternal and child health, prevent child abuse and neglect, encourage positive parenting, and promote child development. States can use MIECHV funding to improve their home visiting services as well as the data systems that support those services (King, et al., 2020).

- ↗ **Head Start TA Center, Program Management and Fiscal Operations (PMFO)**. The PMFO center focuses on supporting Head Start grantees in the reporting, data collection and use of the program information report (PIR) to inform management and program operation decisions.

Conclusion

COVID-19 has presented numerous challenges for states. However, it has also provided a great opportunity for states to advance their data systems work through the allowable funding allocations in the recent federal investments. The federal investments over time have all played a key role in advancing data systems. Although federal investments have been made, the federal dollars have focused on technical infrastructure and less on capacity building of state agencies. To successfully implement early childhood data systems, state agency program and information technology staff must have the capacity, knowledge, skills, and ability to lead the work through successful implementation. There is a great opportunity for foundation and philanthropic organization to invest in building state capacity to ensure there necessary and appropriate supports for successful implementation.

Additional Resources on Federal Funding for ECE Data Systems

- NCSL

- CLASP

- First Five Years Fund

- Data Quality Campaign

- Learning Policy Institute

- ABC's of Federal Early Learning and Care Funding Streams

- Strategies for Financing the Integration of Home Visiting and Early Childhood Data Systems

- Strategies for Approaching the Use of Federal Funds to Sustain a Mixed Delivery System

- The Cradle-to-Career Guide to Federal Relief Funding for Kids During and Beyond COVID-19

- COVID-19 Funding Overview for States, Territories, and Tribes

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