## STRATEGY SPOTLIGHT SERIES

From Mixed Delivery Patchwork to Mixed Delivery System



# **Building the Structure for a Unified Funding Strategy**

The first Spotlight in this series described the fragmented system of federal and state-funded early childhood education and care (ECEC) "programs," each supporting a different aspect of child or family needs. It introduced a new vision in which states weave the funding patchwork into a single financing system responsive to current needs. This Spotlight outlines the sort of unified organizational structure needed to advance that vision.

## IN THIS SERIES

Spotlight 1

Fragmented Funding = Fragmented Results

Spotlight 2

Building the Structure for a Unified Funding Strategy

Spotlight 3

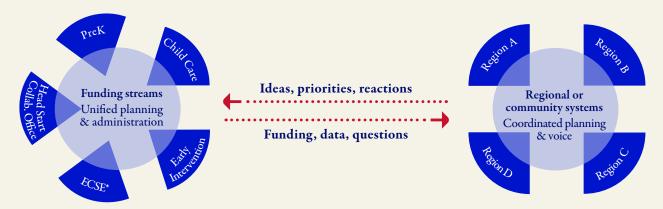
Using the Structure to Reveal Community Strengths and Needs

Spotlight 4

Braiding and Coordinating Funds for Strategic Impact

#### A State-Local Structure

This diagram represents a state-local governance structure designed to support the mixed delivery vision. Neither half of this structure can stand on its own. Together, state administrators and community stakeholders can share sufficient knowledge and insights to build a responsive mixed delivery system.



\*ECSE (Early Childhood Special Education) funds services for children 3 to 5 years old. Early Intervention funds services for children birth to three.



The left side of the diagram represents a structure in which funding stream administrators work together to meet current needs by targeting and braiding funding at the state level. **Ideally, funding streams can be housed within a single state agency and administered jointly to advance a common strategy.** In 2024, the Education Commission of the States found that 26 states had placed all early childhood education and care funding streams in a single state agency (either in a new agency or within an existing one). Sometimes, however, funding streams are siloed even within the same agency. Joint decision-making by administrators across funding streams is needed for unified governance to result in a *unified funding strategy*.

In states where funding streams are separated across multiple state agencies, an intergovernmental planning group could be established to support coordination. In this case, however, a structure for joint decision-making will still be needed so funds can be directed within a unified strategy or braided at the state level. Consolidation into a single agency might be a preferable option, especially if the state has a goal of combining child care and preschool funding into a single grant or contract for programs.

The right side of the diagram represents a structure in which local or regional ECEC councils work together to inform state-level planning. Ideally the state recognizes and funds a single backbone organization to coordinate this work. The BUILD Initiative has examined more than 20 models of "state-local initiatives" and profiled several in its 2021 "Nuts and Bolts" paper.<sup>2</sup> Local or regional entities are often called community councils, collaborations, or hubs. Two purposes characterize these initiatives. The first, and most common, is to support providers and parents at the local level, helping providers work together and helping parents find the right program. The second, more relevant to this Spotlight, is to take part in a feedback and communications loop between state policymakers and communities. The State often asks the local or regional groups to identify community needs and assets, and to prioritize areas for service expansion. Some states have funded formal community or regional systems such as the North Carolina Partnership for Children and its <u>Local Partnerships</u>, the <u>Oregon Early</u> Learning Hubs, the Birth to Five Illinois system, and Virginia's Ready Regions. The North Carolina Local Partnerships, for example, played a key role in shaping the State's Pre-K system by advising on alignment with existing Smart Start services.

By putting both sides of a state-local governance structure in place, states establish the structural foundation for a unified funding strategy. The next two Spotlights in this series discuss how states can use this structure to advance strategic goals.

Spotlight 3 describes how administrators can communicate the mixed delivery vision, collect relevant data, and learn from communities. Spotlight 4 describes how administrators can braid and coordinate funds to deliver program models that meet today's needs and achieve child learning goals. The illustration on the next page envisions the mixed delivery system at work in a neighborhood.

## **NEXT UP**

Spotlight 3

Using the Structure to Reveal Community Strengths and Needs

- 1 Education Commission of the States. 50-State Comparison: Early Care and Education Governance.
- 2 Karen Ponder and Gretchen Ames, Ed.D, The Nuts and Bolts of Building Early Childhood Systems through State/Local Initiatives, 2021.

### **LEARN MORE**

For further guidance or to share your experience on building a mixed delivery system, email **info@celfe.org**.

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communities.