



Prepared by:

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Oklahoma Policy Institute



Presented at Smart Start Oklahoma Conference
August 2011

Oklahoma Supports for Early Childhood Health & Education (ages 0-5)

A Fiscal Map

Major Programs Serving Oklahoma Children Ages 0-5

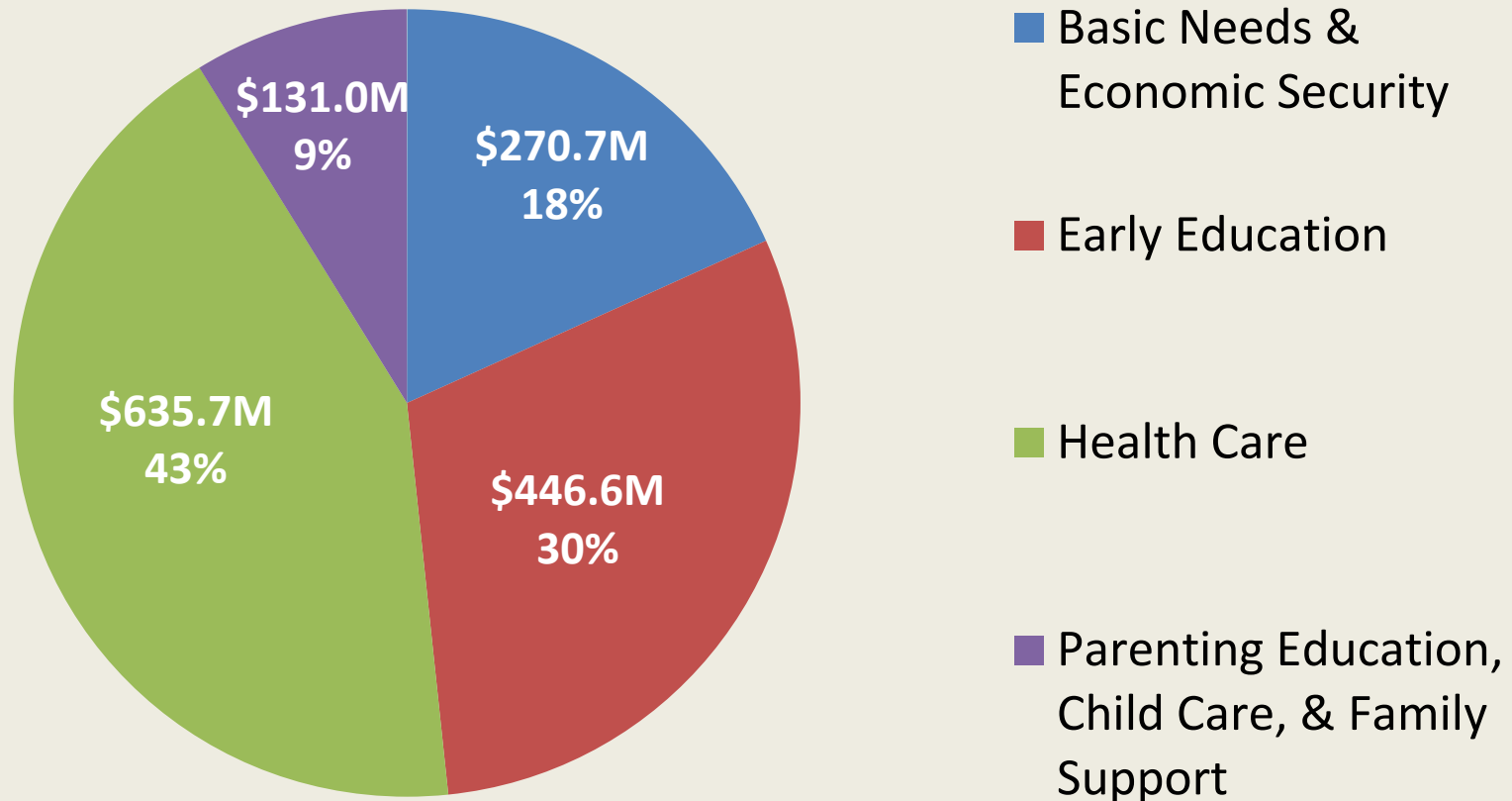
Early Education	Health Care	Basic Needs & Economic Security	Parenting Education, Child Care, & Family Support
Head Start/Early Head Start	SoonerCare	WIC	Child Care Subsidies
State Pilot Program	SoonerStart	TANF Cash Assistance	Children First
Early Childhood Special Education	Mental Health and Substance Abuse Services*	SNAP (Food Stamps)	Start Right (Child Abuse Prevention)
Pre-Kindergarten			
Parents as Teachers			
Rural Infant Stimulation Environment Program			
Partnership for School Readiness			
TPS Early Childhood Development ARRA Grant			

*Awaiting funding data.

Funding for children ages 0-5 by major goals, FY 2010

Estimated Total Support for Early Childhood Health & Education in FY 2010:

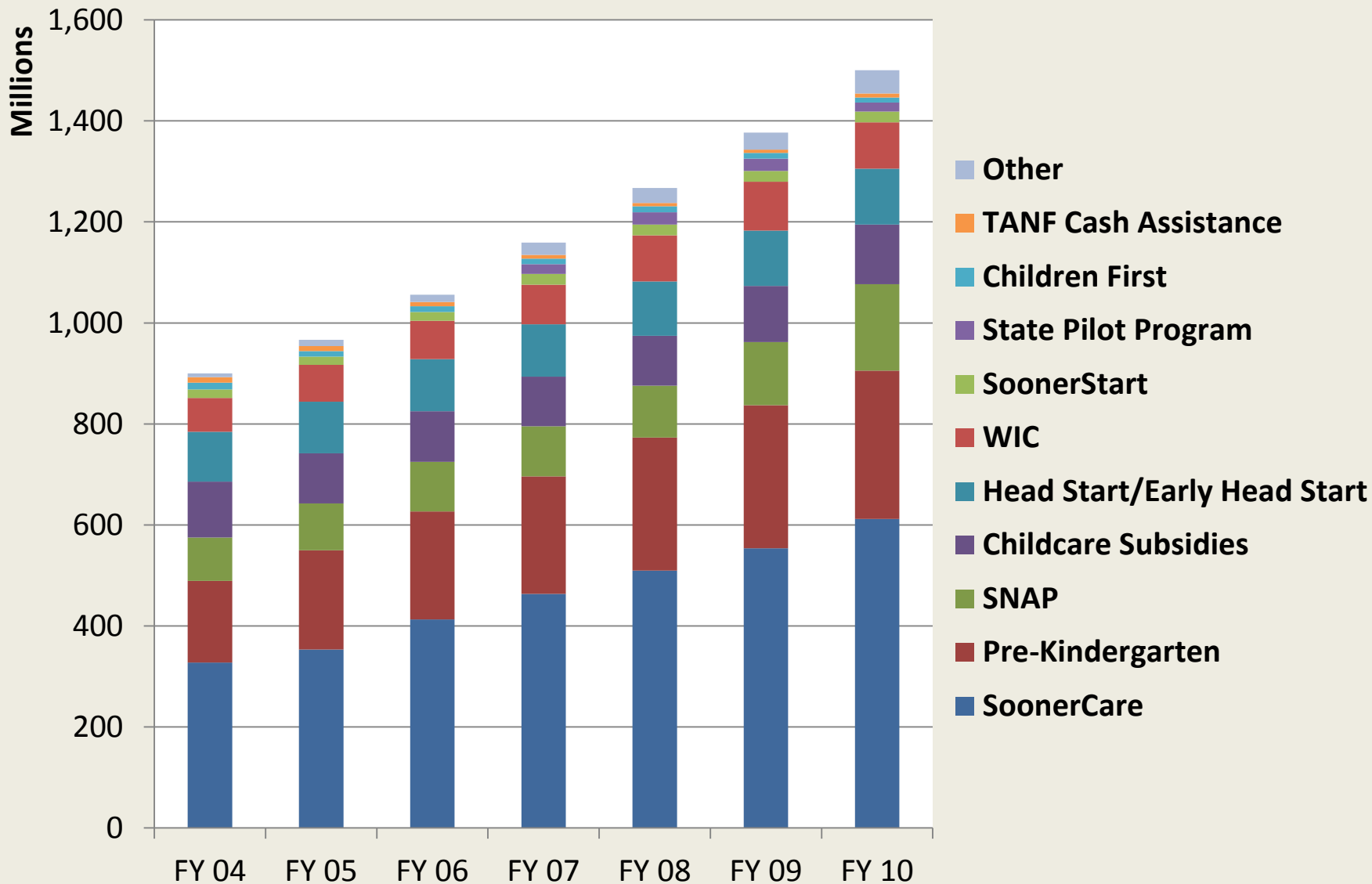
\$1.500 Billion





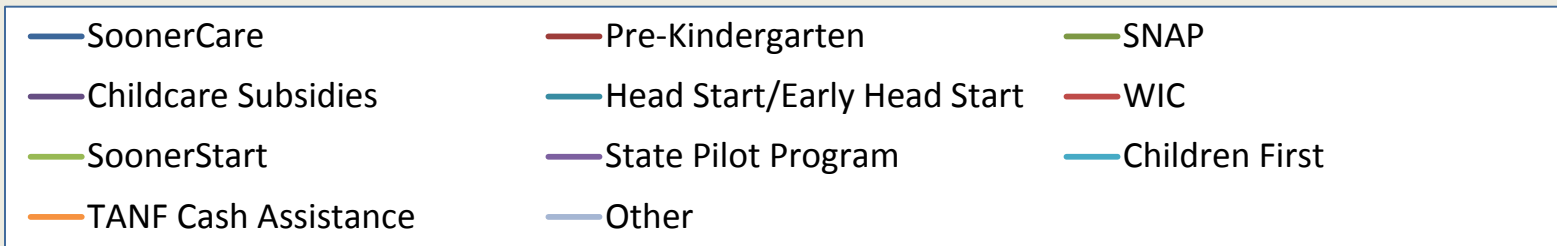
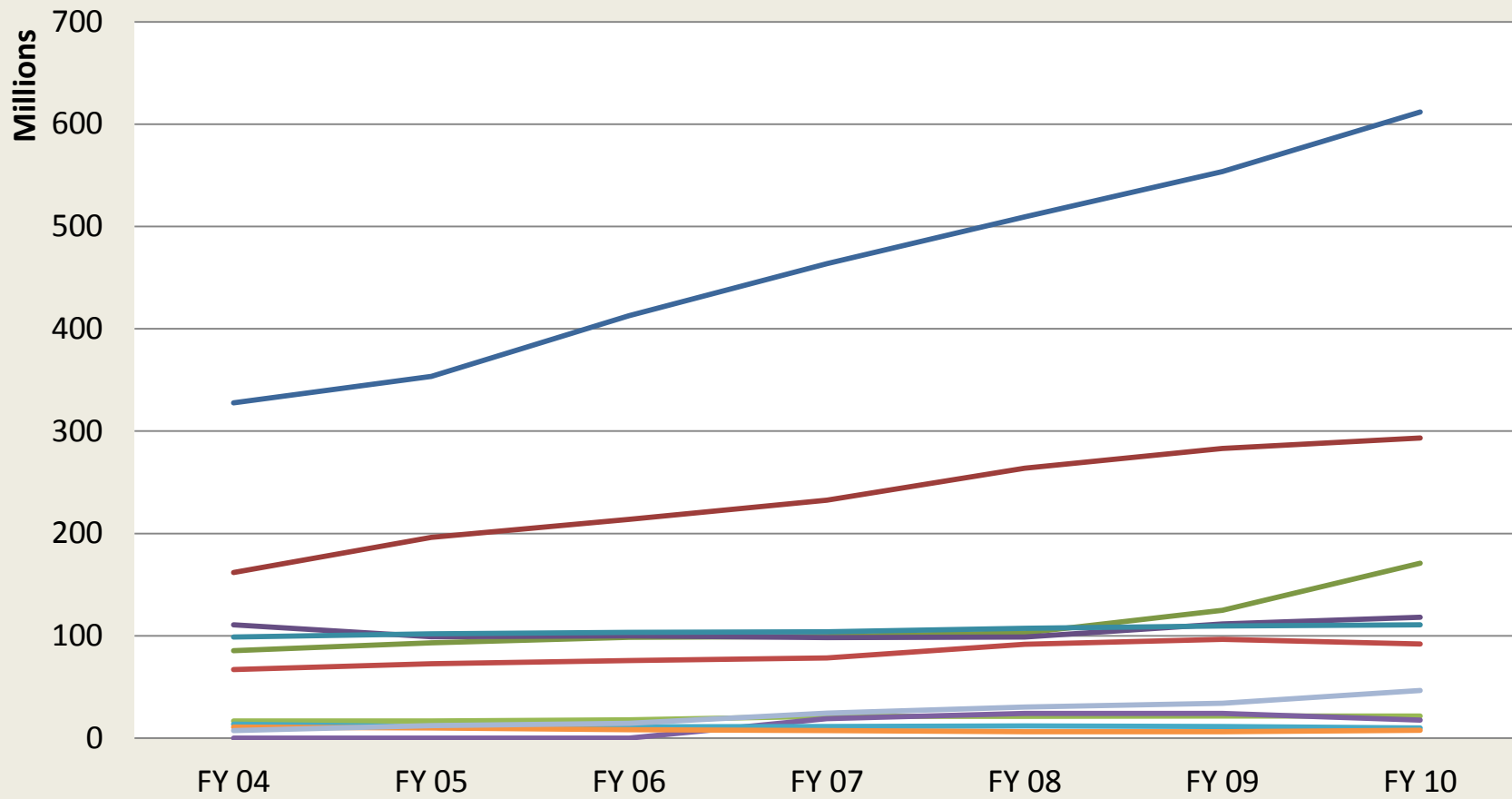
Funding Trends:

Major Programs Supporting Children Ages 0-5



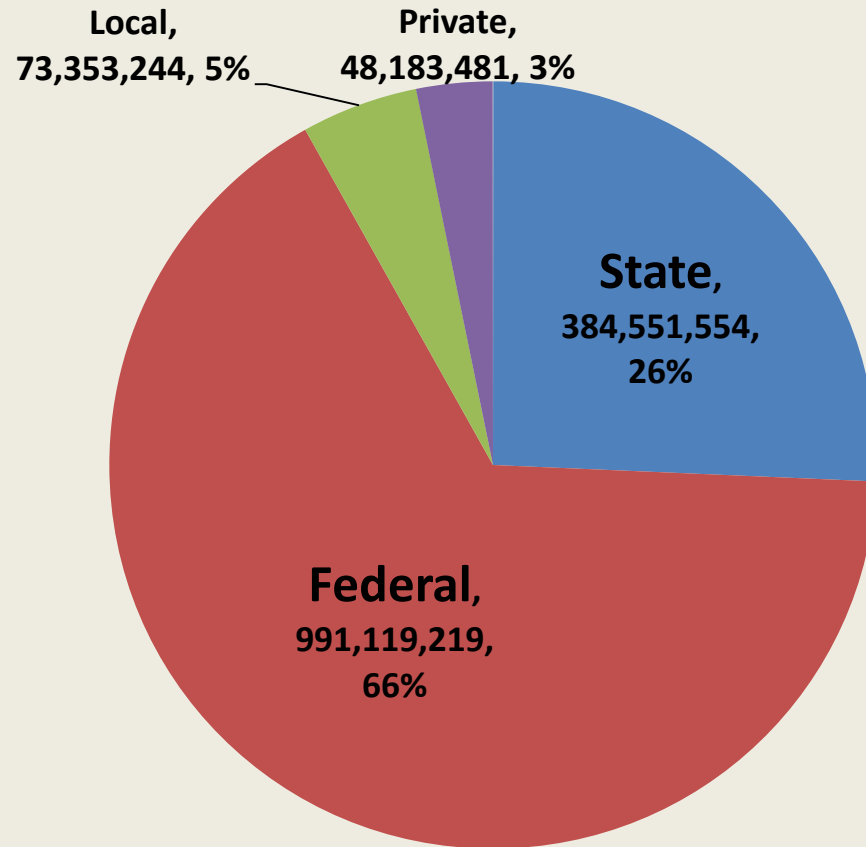


Funding Trends: Major Programs Supporting Children Ages 0-5





FY 2010 Snapshot: Federal, State, Local, & Private Sources



Estimated Total Support for Early Childhood Health & Education in FY 2010:

\$1.500 Billion



FY 2010 Snapshot

Major Funding Sources: Federal & State

- Federal: \$991.1 Million, 66 percent
 - Medicaid: \$468,144,627
 - SNAP Benefits: \$171,003,396
 - Head Start/Early Head Start: \$110,588,469
 - TANF/CCDF: \$95,885,299
 - WIC Food & Nutrition Service Grants: \$71,250,712
 - TPS Early Childhood Development ARRA grant: \$15,000,000
- State: \$384.6 Million, 26 percent
 - Department of Education: \$195,279,946
 - OHCA SoonerCare Matching Funds: \$143,925,147
 - OK DHS TANF/CCDF Matching Funds: \$29,931,915
 - Health Department: \$12,962,013

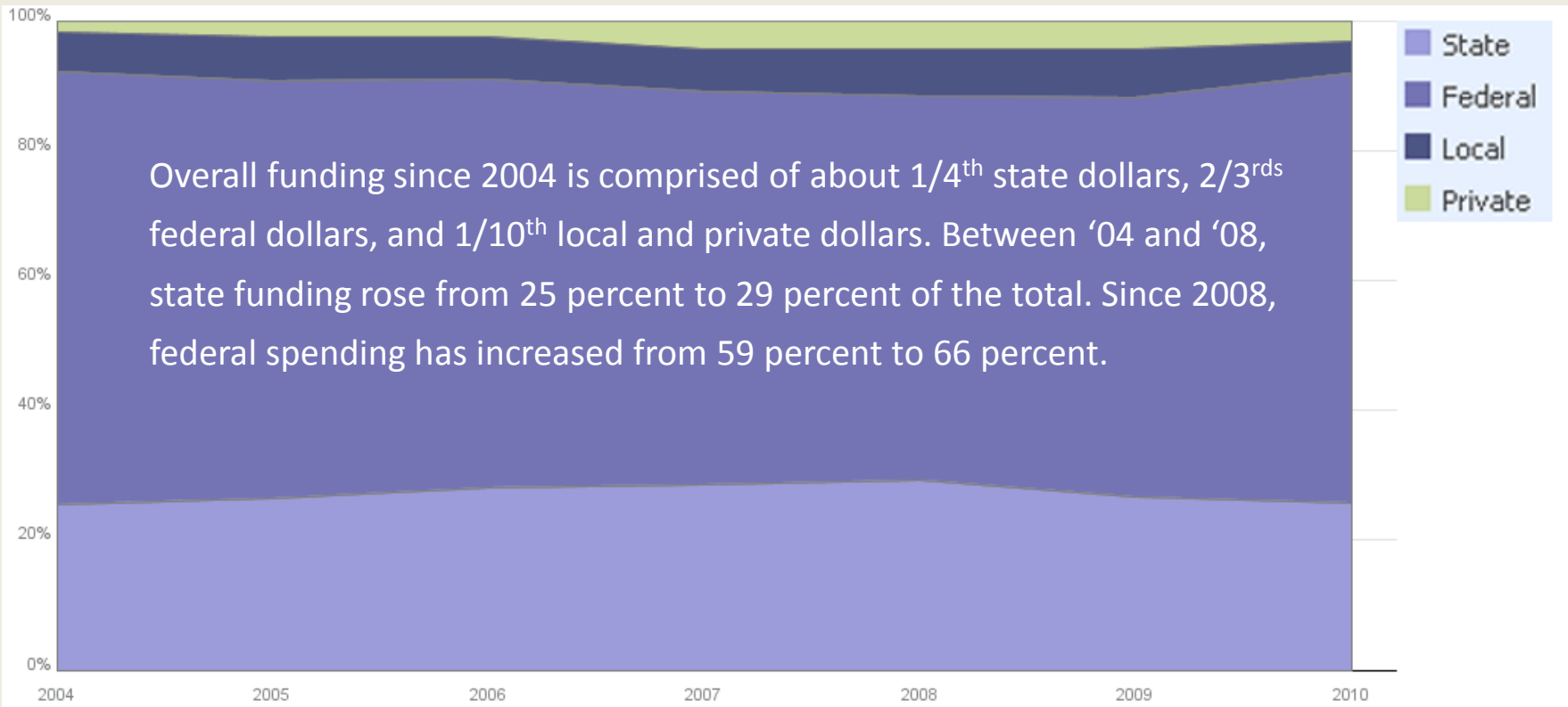


FY 2010 Snapshot

Major Funding Sources: Local & Private

- Local: \$73.4 Million, 5 percent
 - Pre-Kindergarten Local Support: \$73,353,244
- Private: \$48.3 Million, 3 percent
 - Nestle Infant Formula Rebates for WIC: \$20,703,620
 - George Kaiser Family Foundation: \$16,277,989
 - Inasmuch Foundation: \$2,792,500
 - Potts Family Foundation: \$118,000

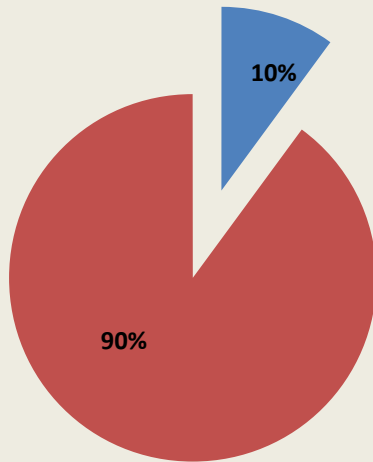
Funding Trends: Federal, State, Local, & Private Sources



Fiscal Year	2004	2005	2006	2007	2008	2009	2010
State	229,202,073	254,547,700	295,489,370	330,836,427	368,917,709	365,958,733	384,551,554
Federal	600,558,638	623,119,185	664,549,618	700,834,329	750,448,906	847,114,720	991,119,219
Local	53,402,443	64,751,891	70,565,067	76,705,358	89,641,404	101,897,546	73,353,244
Private	16,763,618	24,145,856	25,260,999	50,656,061	56,162,117	59,843,644	48,301,481
All Funding	899,926,772	966,564,632	1,055,865,054	1,159,032,175	1,267,444,778	1,376,853,819	1,500,495,498

Spending on Young Children as a Percentage of All Spending, FY 2009

In FY 2009, spending on children ages 0-5 made up about 1 out of every 10 dollars spent by the state.



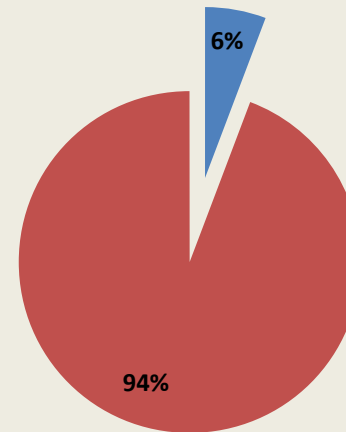
Spending on children ages 0-5:

\$1.38 billion

Total state direct expenditures:

\$13.65 billion

FY 2009 spending on education for children ages 0-5 made up about 1 out of every 20 dollars of all state spending on education.



Spending on education for children ages 0-5:

\$0.43 billion

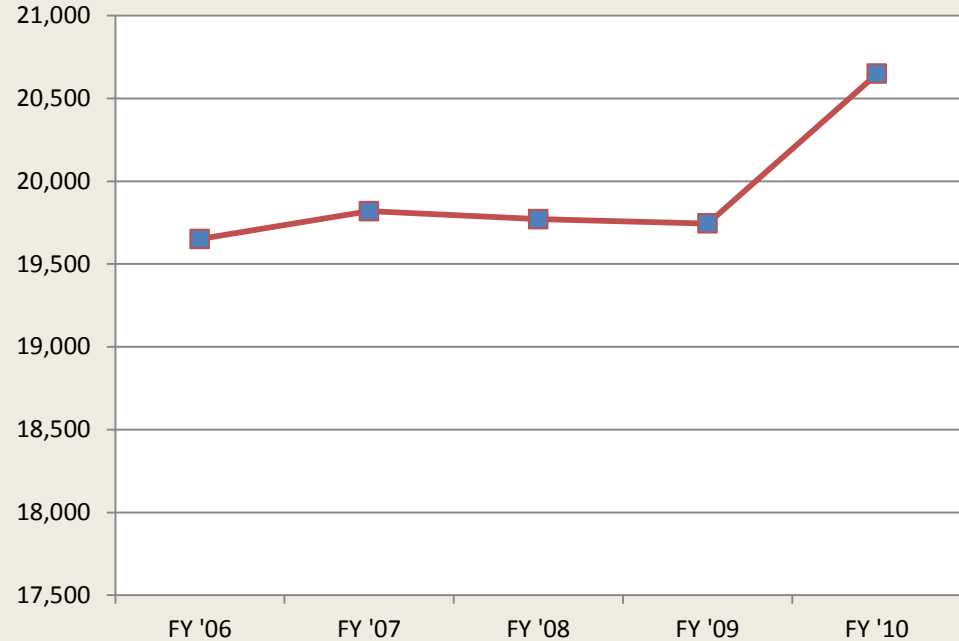
Total state education expenditures (including postsecondary):

\$7.39 billion

Major Programs: Head Start/Early Head Start

Head Start and Early Head Start provide comprehensive child development services to economically disadvantaged children and families, with a special focus on helping preschoolers develop the early reading and math skills they need to be successful in school. In Oklahoma, Head Start programs are administered by Community Action agencies, private nonprofit agencies, American Indian Tribes, and a school district. The programs are funded primarily with federal grants, along with state funds through the Oklahoma Department of Commerce.

Head Start/Early Head Start Enrollment

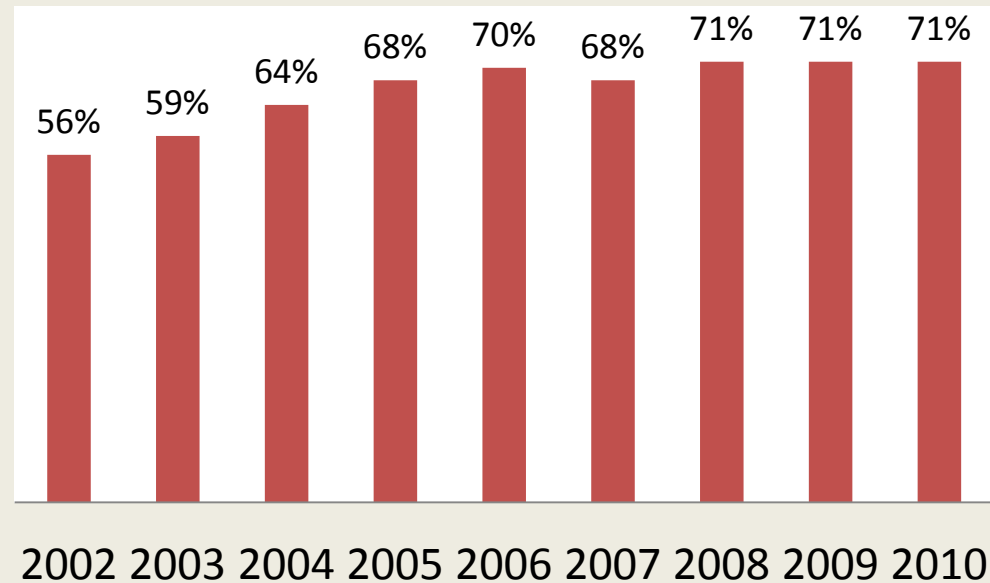


Fiscal Year	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10
Region 6 Federal Funding	\$78.3M	\$81.3M	\$80.1M	\$80.3M	\$81.3M	\$83.7M	\$83.8M
Region 6 State Funding	N/A	N/A	\$2.9M	\$2.9M	\$2.9M	\$2.7M	\$2.5M
Region 11 (American Indian)	\$20.6M	\$20.6M	\$20.4M	\$20.7M	\$20.9M	\$23.1M	\$24.3M
Total Enrollment	N/A	N/A	19,651	19,819	19,771	19,745	20,649

Major Programs: Pre-Kindergarten

Since 2003, Oklahoma has ranked 1st in the nation for the percentage of four-year-olds enrolled in publicly-funded pre-k. The program is supported with a combination of federal, state, and local funds and administered by local school districts and the state Department of Education. All pre-k teachers are required to hold a bachelor's degree and early childhood certification.

Percentage of Oklahoma four-year-olds enrolled in a public pre-k program

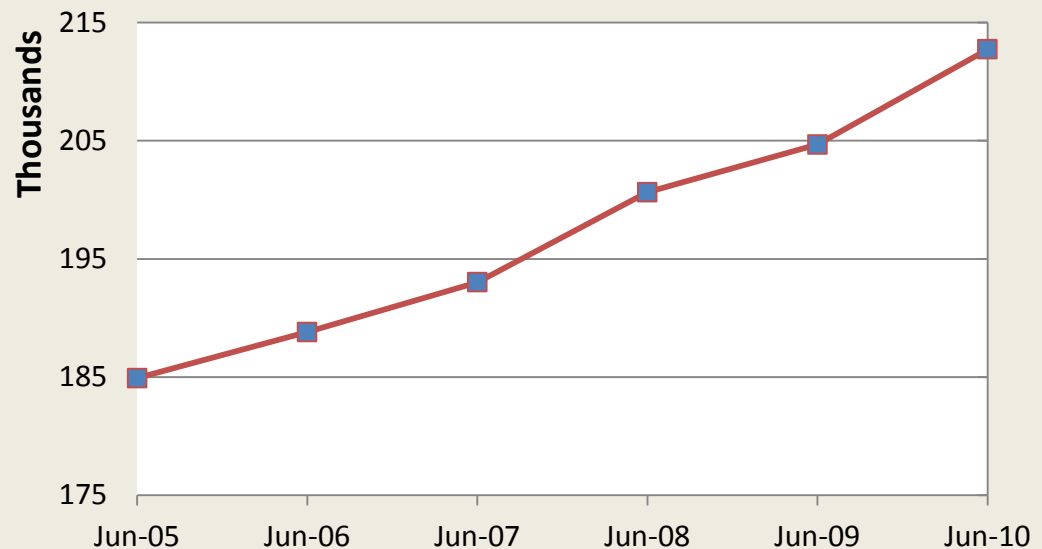


Fiscal Year	Average Daily Attendance Half-Day	Average Daily Attendance Full-Day	Average Daily Attendance Total	Funding
2010	14,491	19,680	34,621	\$293.4 M
2009	14,850	18,290	33,140	\$283.0 M
2008	15,666	16,420	32,086	\$263.7 M
2007	16,260	15,236	31,496	\$232.4 M
2006	16,672	14,122	30,794	\$213.8 M
2005	16,479	13,206	29,685	\$196.2 M
2004	15,453	10,843	26,296	\$161.8 M

Major Programs: SoonerCare

SoonerCare, Oklahoma's Medicaid program, provides comprehensive health care coverage to eligible low-income populations. Children in Oklahoma are eligible for SoonerCare up to 185 percent of the federal poverty level. The program serves approximately 2/3rds of all Oklahoma children ages 0-5.

SoonerCare Enrollment, Ages 0-5
Unduplicated count as of June 30 each year

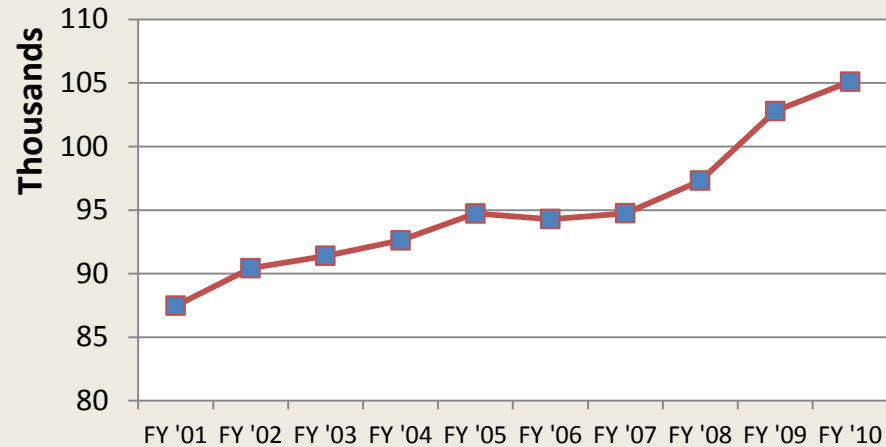


Date	Jun-05	Jun-06	Jun-07	Jun-08	Jun-09	Jun-10
Children Age 0-5 Enrolled	184,916	188,814	193,023	200,641	204,681	212,736
Percent of Total SoonerCare population	26.5%	25.4%	25.3%	25.2%	24.8%	24.0%
Funding over fiscal year	\$353.5 M	\$412.7 M	\$463.6 M	\$509.5 M	\$553.9 M	\$612.1 M

Major Programs: WIC

The Women, Infants, and Children federal grant funds supplemental food, health care referrals, and nutrition education for low-income mothers and children up to age five who are found to be at nutritional risk. The program is funded by the federal government and private sources (Nestle Infant Formula Rebates) and is operated through the State Health Department and tribal governments

Average Monthly WIC Caseload

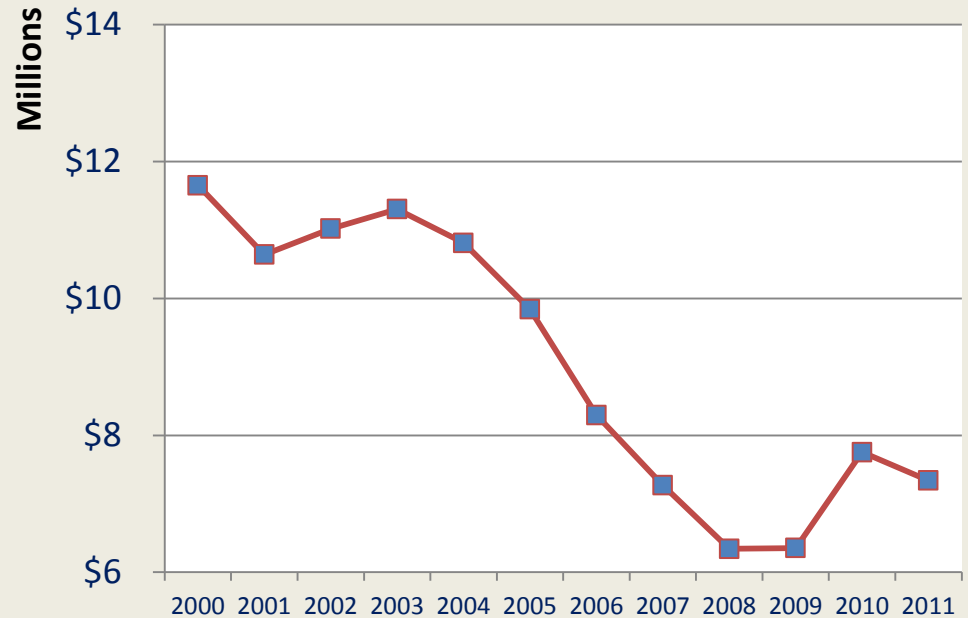


Federal Fiscal Year	Total Funding	Average Monthly Caseload
FY '01	\$63,360,830	87,467
FY '02	\$65,885,891	90,418
FY '03	\$66,556,897	91,389
FY '04	\$66,962,917	92,618
FY '05	\$72,795,881	94,724
FY '06	\$75,711,011	94,288
FY '07	\$78,476,266	94,741
FY '08	\$91,618,418	97,315
FY '09	\$96,534,512	102,793
FY '10	\$91,954,332	105,104

Major Programs: TANF Cash Assistance

TANF (Temporary Assistance for Needy Families) provides time-limited cash assistance to low-income families with minor children who are deprived of parental support because of the absence, death, incapacity, or unemployment of at least one parent. More than half of Oklahoma TANF cases are “child-only cases” in which no adult household member receives assistance. Since 1996, TANF is operated as a federal block grant with a state matching requirement. Less than 25 percent of TANF funds are spent on cash assistance; most is spent on child care and work support programs.

TANF Cash Assistance for Children 0-5

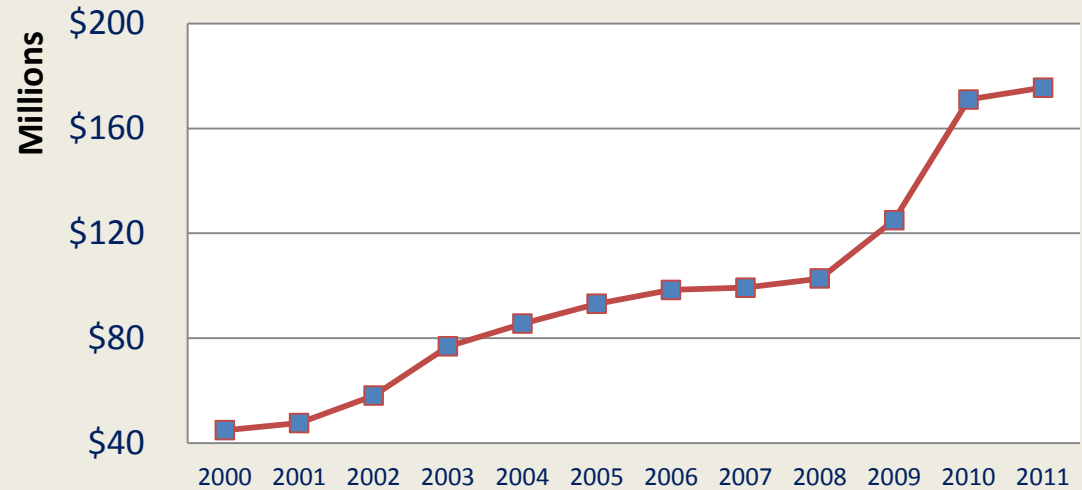


Fiscal Year	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10
Average Monthly Enrollment, Ages 0-5	9,915	10,473	9,992	9,171	7,816	6,856	6,108	6,070	7,235
Annual Total Expenditures, Ages 0-5	\$11.0M	\$11.3M	\$10.8M	\$9.8M	\$8.3M	\$7.3M	\$6.3M	\$6.4M	\$7.8M
Monthly Average Payment Per Case (all cases)	\$213	\$220	\$220	\$214	\$207	\$216	\$186	\$202	\$240

Major Programs: SNAP (Food Stamps)

The Supplemental Nutrition Assistance Program (formerly Food Stamps) provides a monthly benefit for eligible low-income households to purchase groceries. The federal government pays the full cost of SNAP benefits and splits the cost of administering the program with states.

Supplemental Nutrition Assistance Program, Annual Payments, Ages 0-5

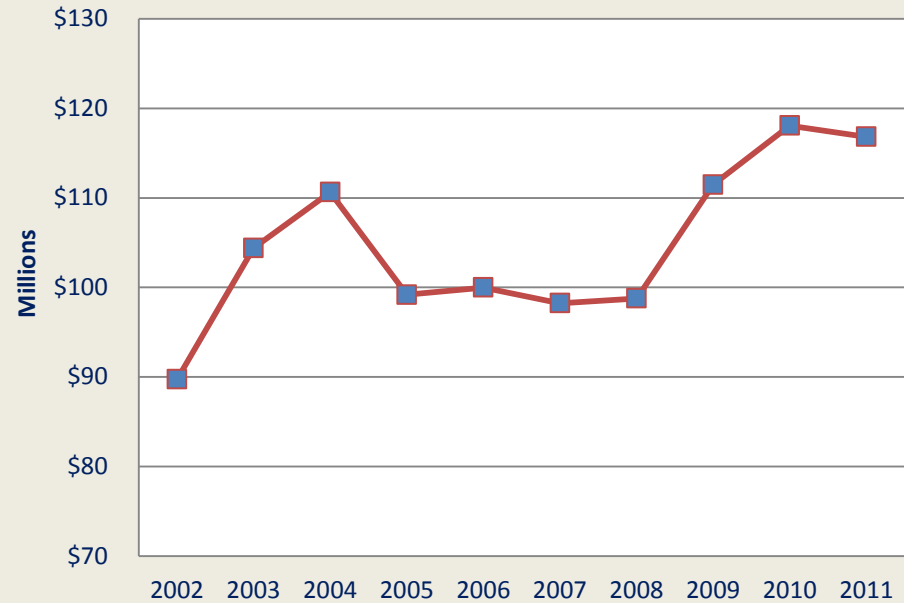


Fiscal Year	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10
Annual Total Expenditures, Ages 0-5	\$58.1 M	\$76.9 M	\$85.5 M	\$93.1 M	\$98.4 M	\$99.3 M	\$102.8 M	\$125.0 M	\$171.0 M
Average Monthly Enrollment, ALL AGES	298,204	367,993	406,004	421,442	433,372	423,084	415,397	445,364	559,626
Monthly Average Benefit, All Cases	\$75	\$78	\$80	\$85	\$89	\$91	\$97	\$110	\$128

Major Programs: Child Care Subsidies

The Child Care Subsidy Program assists qualifying families by paying all or part of their child care costs in a licensed home or center. To be eligible, families must meet income requirements and the adults in the home must be engaged in qualifying activities such as work or school. The Child Care Subsidy Program is funded through a variety of federal block grants, some of which require state matching funds.

Child Care Subsidy Expenditures, Children Aged 0-5, SFY 2002-2011



Fiscal Year	FY '02	FY '03	FY '04	FY '05	FY '06	FY '07	FY '08	FY '09	FY '10
Annual Total Expenditures, Ages 0-5	\$89.8M	\$104.4M	\$110.6M	\$99.2M	\$100.0M	\$98.2M	\$98.8M	\$111.5M	\$118.1M
Unduplicated Annual Enrollment, Ages 0-5	62,035	66,232	61,905	58,912	56,875	53,812	52,050	50,702	51,772



Additional Funding Opportunities

- **Race to the Top – Early Learning Challenge**
 - \$500 million state-level grant competition; Oklahoma is eligible for up to \$60 million.
 - Gives priority to states that establish public-private partnerships.
- **Affordable Care Act – Maternal, Infant and Early Childhood Home Visiting Program**
 - Funds for nurses, social workers, or other professionals to meet with at-risk families in their homes and connect them with health care, early education, parenting skills, child abuse prevention, and nutrition assistance
 - Initial funding for Oklahoma is \$1,920,105
 - First year’s funding focused on Kay and Garfield Counties, which were ranked highest in needs assessment

Federal Budget Challenges

Efforts in Congress to address federal budget deficits through spending cuts are likely to have a significant – if uncertain – impact on funding for young children.

- Budget Control Act of 2011
 1. Establishes caps on discretionary spending through 2021 to reduce federal deficits by \$917 billion;
 2. Creates a Congressional Joint Select Committee on Deficit Reduction to propose at least \$1.2 trillion in deficit reduction over 10 years;
 3. Implements automatic procedures ('sequestration') to reduce spending by up to \$1.2 trillion if select committee does not achieve savings



Federal Budget Challenges

- Budget Control Act of 2011
 1. Establishes caps on discretionary spending through 2021 to reduce federal deficits by \$917 billion;
 - FY '12 spending cuts are modest (-\$7 billion overall; -\$2 billion non-security);
 - For FY '13 – FY '20, spending allowed to increase but by less than the CBO baseline projections (+0.4% in FY '13, +1.8% - 2.2% FY '14 – FY '21)

Federal Budget Challenges

- Budget Control Act of 2011
 2. Creates a Congressional Joint Select Committee on Deficit Reduction to propose at least \$1.2 trillion in deficit reduction over 10 years;
 - Committee has until November 2011 to make recommendations, Congress has until December 2011 to approve;
 - Recommendations can include any combination of spending cuts to discretionary or mandatory programs, as well as revenue changes.



Federal Budget Challenges

- Budget Control Act of 2011
 3. If select committee does not achieve savings, the Act implements automatic procedures ('sequestration') to reduce spending by up to \$1.2 trillion over 10 years
 - Cuts on top of discretionary spending caps;
 - Cut begin in 2013 and would be divided equally between defense and non-defense spending - \$110 billion per year;
 - Exempted programs include: child nutrition, SNAP (food stamps), child care entitlement to states, TANF, Medicaid and CHIP, vaccines for children, Social Security, SSI, EITC;
 - Non-exempt programs include: Title I; Special Education state grants (IDEA-Part B), Head Start, child welfare services, CSBG, CCDBG (discretionary), SSBG;
 - Medicare payments to providers would be cut 2 percent.
 - Funding for community and migrant health centers and for Indian health services and facilities cannot be cut more than 2 percent
 - Center on Budget and Policy Priorities: Automatic cuts would represent approximately a 9 percent annual cut in affected non-defense programs

About Us and Contact Information

This report was prepared for Smart Start Oklahoma and the Oklahoma Partnership for School Readiness by the Oklahoma Policy Institute.

Launched in early 2008, Oklahoma Policy Institute (OK Policy) provides timely and credible information, analysis and ideas on policy issues affecting Oklahoma. Our core commitments are to the adequate, fair and fiscally responsible funding of public services, and to an economy that provides shared prosperity through increased economic opportunity and financial security for all.

We welcome your feedback. Send questions or comments to:

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