POLICY BRIEF

Layering Federal Head Start Grants with State Revenue Sources

Federal Head Start allows and encourages states to create partnerships between Head Start programs and local child care centers and family child care providers serving infants and toddlers from low-income families. The partnerships help states and communities expand high-quality early learning opportunities to infants and toddlers by providing working families with a full-day, full-year program that affords low-income children access to the additional supports they need to foster healthy early development and learning.

When layered with other revenue sources, such as state funding, these partnership grants provide comprehensive services that enhance the learning and development of low-income children and their families. These enhancement services include health, developmental and behavior screenings; higher health, safety, and nutrition standards; increased professional development opportunities for teachers; and increased parent engagement opportunities. Layering funds also allows the Head Start dollars to be used to lower class sizes for early learning programs serving high needs low-income children. Head Start encourages collaboration with other systems and layering of multiple revenue streams to accomplish these goals.

In Ohio, Head Start grantees utilize state funding sources to pay for child care and federal Head Start dollars to purchase comprehensive services that go far beyond what the state dollars can purchase on their own. All children in the program benefit, not just those children who are eligible for Head Start services. This collaborative funding arrangement represents a true win-win for our most vulnerable children, especially for local communities that have also invested their own local revenue sources to provide high-quality early childhood programs.

Recently, Governor John Kasich’s office has clarified that Ohio is an “extended day” state rather than a “layering” state, even though programs have been layering federal and state funds for over ten years. Head Start grants encourage layering funds so long as there is no duplication in payments for the exact same part of the service. Unfortunately, this clarification comes at a time when Head Start grantees have already been awarded grants and are funding partnership agreements assuming layered state, federal, and local dollars.

Most families and programs learned of this change on June 6, 2016, when the Ohio Department of Job & Family Services sent information to providers to clarify that state and federal funds cannot be layered. Unfortunately, this change takes effect on June 26, without a good assessment of how this will impact children and families. At a minimum, Groundwork Ohio strongly recommends that the implementation of the policy change be delayed until state officials have fully examined the impact on low-income children and their families and identified ways to avoid any net reduction in current levels of state support for early education. We further believe that a long-term solution is for the state of Ohio to request designation as a “layering” state and continue to allow collaborative funding practices between federal, state, and local sources. Other states in our region do so, and the U.S. Department of Health and Human Services has approved similar changes when requested by states.