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## ABSTRACT

This report highlights the major themes and policy implications for implementing Head Start and other early childhood programs. The report is a synthesis of already issued and preliminary information from GAO reports and reviews that examined federal and state center-based programs, barriers to Head Start service delivery, and early childhood systems abroad. Major themes examined include the following: (1) preschool participation is low among poor children; (2) efforts to provide access to eligible children are being hampered by too few qualified staff, rising costs, and limited community resources; (3) among all disadvantaged children attending preschool, more than half are in programs other than Head Start; and (4) some European countries have created integrated, seamless early childhood systems that avoid some the problems experienced by programs in the United States. In exploring policy implications, the report recommends the following considerations: (1) that sufficient Head Start funds may not be going to areas of highest poverty; (2) that solving problems reported by Head Start delegates and grantees could strain the program's ability to improve quality; (3) that Linking Head Start services to those provided by other early childhood centers may be one way to increase the level of services to disadvantaged children in these centers; and (4) that if the United States is to move to a more seamless early childhood policy, policymakers must consider many issues, including who participates, what training and benefits early childhood teachers will receive, and the cost factors entailed by such change. (HTH)

GAO

United States General Accounting Office

Briefing Report to the Chairman,  
Subcommittee on Children, Family,  
Drugs and Alcoholism, Committee on  
Labor and Human Resources, U.S.  
Senate

May 1994

# EARLY CHILDHOOD PROGRAMS

## Many Poor Children and Strained Resources Challenge Head Start

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**Health, Education, and  
Human Services Division**

B-257328

May 17, 1994

The Honorable Christopher J. Dodd  
Chairman, Subcommittee on Children,  
Family, Drugs and Alcoholism  
Committee on Labor and Human Resources  
United States Senate

Dear Mr. Chairman:

The number of children under the age of 5 who are at risk of school failure increased greatly between 1980 and 1990. The National School Readiness Goal, included in Goals 2000 legislation, challenges the United States to help increase children's chances for school success by providing them with access to high-quality, developmentally appropriate early childhood programs.<sup>1</sup> However, some policymakers question whether the current array of early childhood programs provides the level of service necessary to achieve this goal for all children, especially those at risk, and meets the child care needs of their parents.

Education reform and the reauthorization of Head Start—the centerpiece of federal early childhood programs—have focused attention on (1) improving the quality of early childhood programs and (2) increasing the number of children that they serve. The quality and availability of early childhood services are also key issues in the ongoing debate over welfare reform, which could demand increased child care for parents making a transition from welfare to work.

As you requested, this report highlights the major themes and policy implications for implementing Head Start and other early childhood programs, based on two of our issued reports<sup>2</sup> and preliminary information from our three ongoing reviews, which examine federal and state center-based programs, barriers to Head Start service delivery, and early childhood systems abroad. This report serves to formalize the information discussed with your office on May 13, 1994.

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<sup>1</sup>In this report, we use the term "early childhood programs" to describe all programs that enhance the social skills and/or development of young children, generally those aged 3 to 5, before they begin school. Our analysis focused on programs that provide services to young children in centers. These centers that serve young children can be sponsored by Head Start, schools, and nonprofit or for-profit organizations. These centers are often called preschools, nursery schools, day care centers, or early learning centers.

<sup>2</sup>Poor Preschool-Aged Children: Numbers Increase but Most Not in Preschool (GAO/HRD-93-111BR, July 21, 1993) and Infants and Toddlers: Dramatic Increases in Numbers Living in Poverty (GAO/HEHS-94-74, Apr. 7, 1994).

## Background

Research indicates that disadvantaged<sup>3</sup> children benefit most from early childhood programs that have a child development focus and provide a full range of human services. Head Start is intended to provide a full range of services to poor children, including child development, parent involvement, and health and nutrition services. These services are typically provided during half-day sessions for most of the year.

The Head Start program is the centerpiece of federal early childhood programs and was funded at \$3.3 billion in fiscal year 1994. Program funds have grown substantially since 1980. The administration has proposed to increase Head Start funding by \$700 million, to \$4 billion, in fiscal year 1995. Since 1990, Head Start appropriations have set aside 25 percent of the total program funding for initiatives aimed at improving the quality of the program. Grantees can use quality improvement funds to help their programs meet performance standards, hire and train staff to reduce child-staff ratios and upgrade staff qualifications, increase staff salaries and benefits to reduce turnover, and improve strategic planning and facilities.

Other federal and state programs also fund early childhood services for disadvantaged children and their families. For example, the Child Care and Development Block Grant and the At-Risk Child Care program provide subsidies to pay for early childhood services provided in centers or family day care homes. Even Start and Chapter 1 Local Education Agency programs are among the programs that provide early childhood services in schools.

On May 9, 1994, the House and Senate conference committee completed legislation reauthorizing Head Start. The conference report directed funding to be earmarked for expanding the program to grantees within each state based on the numbers of unserved eligible children and the capacity of grantees, among other factors. It also allocated a small portion of the 1995 Head Start budget for delivering services to children under age 3. It included a 25 percent set-aside for initiatives aimed at improving the quality of Head Start. The conference report also provided for awards to all states for collaboration projects to link Head Start with other early childhood services, including health, education, and welfare service

<sup>3</sup>We use the term "disadvantaged," generally, to refer to children from low-income families. Researchers, as well as federal and state programs, have used many measures to define disadvantaged. The term "poor children" refers specifically to those disadvantaged children who live in families with an annual household income below \$12,674 for a family of four, as defined by the Office of Management and Budget (OMB) in 1989. The Head Start program generally uses OMB's definition to determine eligibility.

providers. Finally, the conference report called for a Department of Health and Human Services (HHS) study on the need for full-day, full-year Head Start programs and a description of promising models.

## Major Themes

The major themes emerging from our work are as follows:

- Preschool participation is low among poor children: about 35 percent attended preschool in 1990 compared with 60 percent of children from high-income families. The poor preschool-age population increased dramatically between 1980 and 1990, from 1.1 to 1.4 million.
- Efforts to provide eligible children with access to the full range of Head Start services are being challenged by (1) too few qualified staff to meet the complex needs of families, (2) the rising cost of service delivery, and (3) the limited availability of community resources that Head Start centers rely on to provide many services, according to preliminary data from Head Start grantees and delegates.<sup>4</sup> Head Start administrators are having difficulty allocating funds to quality improvement while maintaining the basic level of service that Head Start requires.
- Among all disadvantaged children attending some type of early childhood center, 59 percent are in centers other than Head Start, according to preliminary data. This percentage includes some children who are eligible for Head Start. Centers other than Head Start often do not provide a full range of services. On the other hand, Head Start does not provide the full-day services that many families need.
- Our preliminary analysis suggests that some European countries have created integrated, seamless early childhood systems that avoid some problems of low participation, uneven access to services, and difficulties with coordination that the United States experiences.

## Policy Implications

Our work supports the general direction of the legislation to reauthorize the Head Start program recently passed by the Congress. This legislation focuses on expanding the program, improving the quality of services, and encouraging greater collaboration among providers of early childhood services. However, in implementing changes envisioned in the new legislation, our work suggests a need to consider the following:

<sup>4</sup>Agencies receiving Head Start funds to operate programs are known as grantees and are authorized to subcontract with separate organizations—delegate agencies—to carry out Head Start programs. Grantees provide both administrative and programmatic support to their delegate agencies.

- Addressing recent growth and shifts in our nation's poor preschool-age population may indicate the need to review whether sufficient Head Start funds are going to areas of highest poverty.
- Solving the problems reported by delegates and grantees in providing services that Head Start already requires could strain the program's ability to improve quality.
- Linking Head Start services to those provided by other early childhood centers may be one way to increase the level of services to disadvantaged children attending these centers. Such linkages may also be a way to provide the full-day services that many families need. However, current efforts to foster such linkages (e.g., Head Start Collaboration grants) may need to be examined to determine the benefits of overcoming numerous barriers to coordination, the actions involved in overcoming these barriers, and the costs.
- If the United States is to move from its current early childhood system toward a more seamless one—such as those seen in Denmark, France, and Italy—policymakers will need to consider many issues, including who participates—just poor children or a broader segment of the population, the types of services that should be provided, and the quality of training and types of benefits that teachers should receive. Each of these issues will have significant cost implications.

This report is a synthesis of issued and preliminary information from five of our reviews. Information on the school participation and demographics of preschool-age children was tabulated from detailed sample files of the 1980 and 1990 decennial censuses. Other major evaluation strategies include a sample survey of 870 Head Start grantees and delegates, representing 46 percent of all Head Start programs; case studies of early childhood programs in the United States, Denmark, France, and Italy; and an analysis of services provided by a nationally representative sample of over 2,000 early childhood centers. Additional information about the sources of the data collected is presented in section 1 of this report.

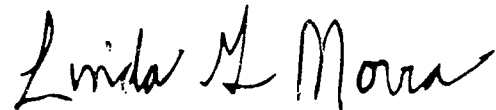
Because this report is based on previously issued reports and work in progress, we did not obtain agency comments.

As arranged with your office, unless you announce its contents earlier, we plan no further distribution of this report until 5 days after the date of this letter. At that time, we will send copies to the Secretaries of Health and Human Services and Education. We will make copies available to others on request.

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Please contact me on (202) 512-7014 if you or your staff have any questions. Major contributors to this briefing report are listed in appendix I.

Sincerely yours,



Linda G. Morra  
Director, Education  
and Employment Issues

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## Abbreviations

AFDC	Aid to Families With Dependent Children
HHS	U.S. Department of Health and Human Services
JOBS	Job Opportunities and Basic Skills
OMB	Office of Management and Budget
WIC	Special Supplemental Food Program for Women, Infants, and Children



# Many Poor Children and Strained Resources Challenge Head Start

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## GAO PRESCHOOL PARTICIPATION LOW FOR POOR CHILDREN

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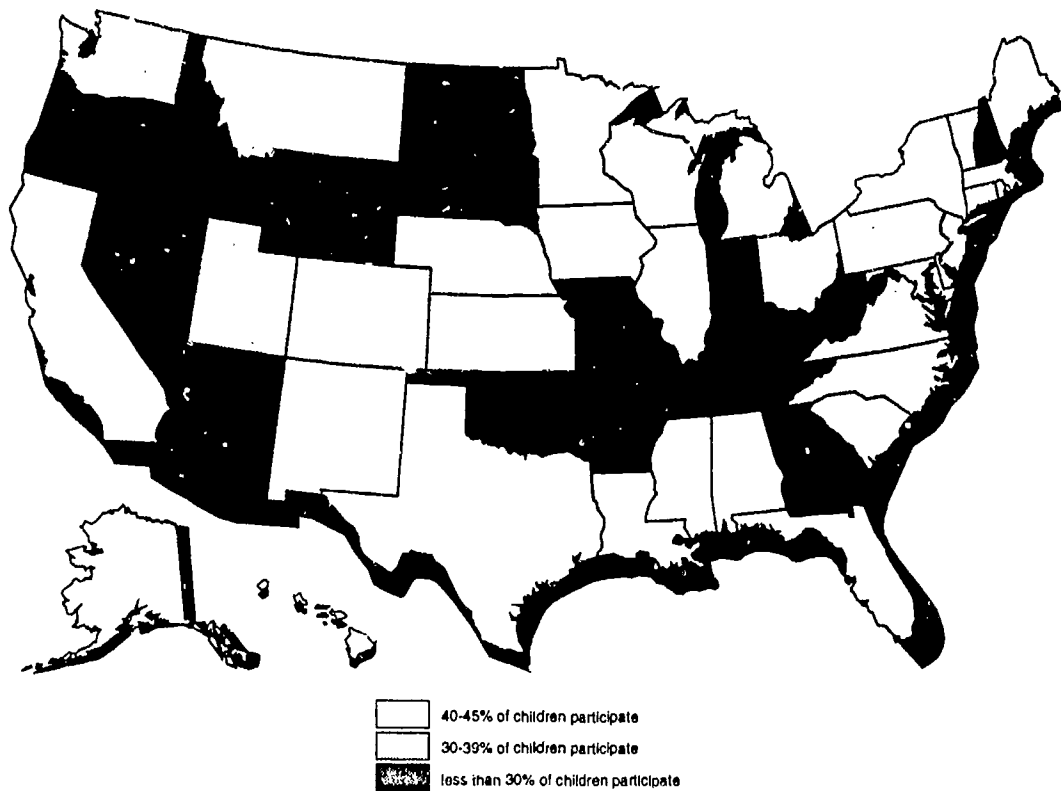
- Only 35 percent of poor 3- and 4-year-olds attend preschool.
  - Low levels of participation can be found in every state.
  - Participation rates are particularly low for poor children in
    - immigrant families,
    - linguistically isolated families,
    - rural areas.
- 

In 1990, only 22 percent of poor 3-year-olds and 49 percent of poor 4-year-olds participated in preschool compared with 60 percent of children in high-income families. Participation rates were also low for poor preschool-age immigrant (32 percent) and linguistically isolated children (33 percent) and children living in rural areas (31 percent).<sup>1</sup>

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<sup>1</sup>The data we present include sampling errors associated with the Census data set and several other limitations. For example, the Census data do not provide information on the quality of preschools, and the census question to parents concerning their child's enrollment in school may have been difficult for parents to interpret, given the variety of preschool and child care arrangements in the nation. For further information, see GAO/HRD-93-111BR and GAO/HEHS-94-74.

## GAO LOW PRESCHOOL PARTICIPATION FOUND IN ALL STATES



Preschool participation rates by state ranged from about 21 percent to 45 percent in 1990 for all poor 3- and 4-year-olds.<sup>2</sup> For additional

<sup>2</sup>Like all previous censuses, the 1990 decennial census undercounted the U.S. population and underestimated school participation of all children by approximately 5 percentage points.

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**Section 1  
Many Poor Children and Strained Resources  
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information, see Poor Preschool-Aged Children: Numbers Increase but Most Not in Preschool (GAO/HRD-93-111BR, July 21, 1993).

# GAO THE NUMBER OF POOR CHILDREN HAS INCREASED

Poor children	1980	1990	Total (percent change)
All 3- and 4-year-olds	1,119,639	1,436,191	316,552 (28%)
Immigrant	81,577	132,471	50,894 (62%)
In linguistically isolated families	110,876	153,243	42,367 (38%)
In single-parent families	598,638	871,349	272,711 (46%)
In families where the most educated parent had not completed high school	471,122	565,640	94,518 (20%)

The number of poor preschool-age children grew between 1980 and 1990 from 1.1 to 1.4 million. This represents a 28-percent increase in poor 3- and 4-year-olds, compared with a 16-percent increase in all preschool-age children. Children at great risk of school failure and those who have the

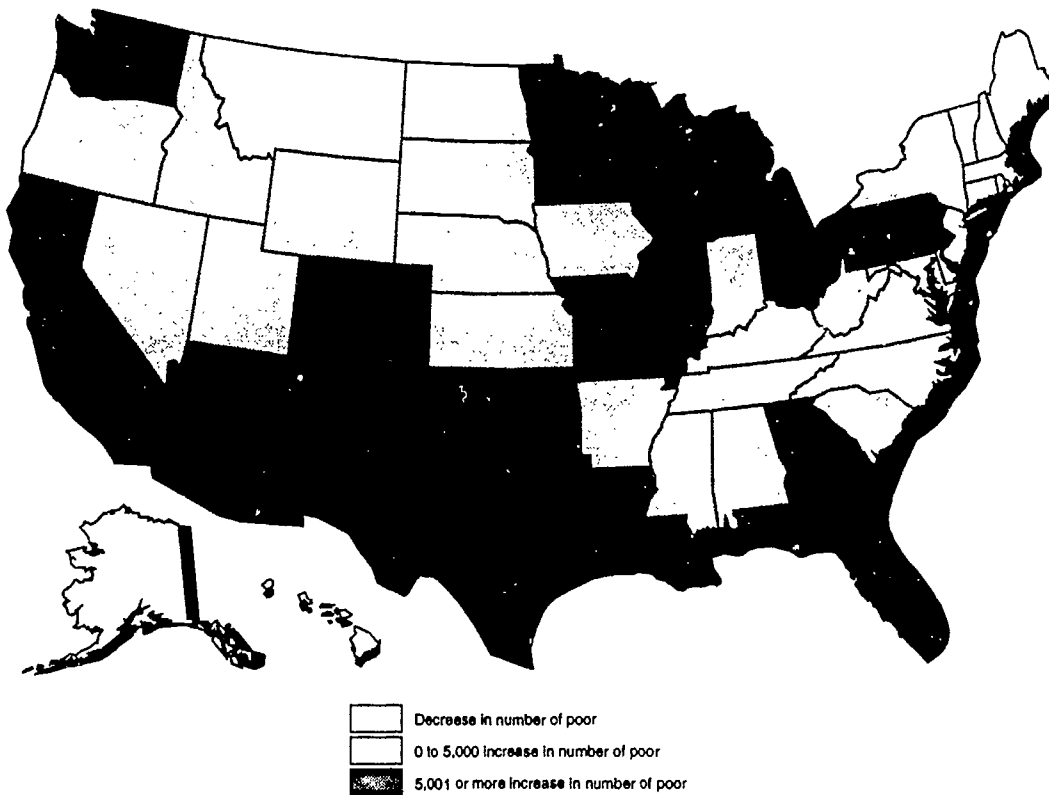
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**Section 1**  
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lowest rates of preschool participation increased dramatically during this period.

## GAO POOR 3- AND 4-YEAR-OLDS INCREASED IN ALL BUT 4 STATES



In 17 states, the number of poor 3- and 4-year-old children grew by more than 5,000 between 1980 and 1990. Some states that did not have large increases in the number of poor children still maintained high concentrations of poor preschool-age children. For example, about 35 percent of the 3- and 4-year-olds in Mississippi are poor even though the

increase in the number of poor children was only about 3,000 children. For additional information, see Poor Preschool-Aged Children: Numbers Increase but Most Not in Preschool (GAO/HRD-93-111BR, July 21, 1993).

## GAO DESPITE GROWTH, HEAD START SERVES FEW ELIGIBLE CHILDREN

Head Start attempts to focus on child development and providing access to a full range of human services.

However, only 29 percent of eligible 3- and 4-year-olds attend Head Start.

In 1993, 17 percent of eligible 3-year-olds and 41 percent of eligible 4-year-olds attended Head Start.

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**GAO IMPLICATIONS**

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We generally support proposed legislation to expand the number of children served by Head Start.

In light of recent growth and shifts in the poor preschool-age population, policymakers may need to determine if sufficient Head Start funds are in areas of highest poverty.

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**GAO HEAD START STAFF FIND SERVICE  
DELIVERY MORE DIFFICULT**

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Preliminary findings attribute difficulties to

- too few qualified staff to meet complex needs of families,
  - rising service delivery costs,
  - limited availability of community resources.
- 

These conclusions are based on our analysis of demographic data on poor preschool-age children and preliminary work concerning the difficulties experienced by Head Start staff in delivering services. As a part of our review of the difficulties experienced by Head Start staff, we conducted a nationally representative sample of 870 Head Start grantees and delegates representing 46 percent of all Head Start programs. These preliminary results are based on 385 responses. As a part of our review, we also visited several Head Start sites, interviewed representatives of the National Head Start Association, and reviewed literature and prior research on Head Start and its delivery methods and problems.

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**GAO HEAD START STAFF SAY TOO FEW  
STAFF QUALIFIED TO MEET NEEDS**

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- The changing characteristics of poor children make them more difficult to serve.
- Head Start staff most often cite lack of staff in social services, mental health, parent involvement, and disabilities.

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The environment where poor children grow up now involves more homelessness, street violence, illegal drugs, and young, single-parent families. Between 1980 and 1990, the number of poor, preschool-age children living in single-parent families increased 46 percent, and the number of families where neither parent had completed high school increased by 20 percent.

Many Head Start administrators responding to our survey to date said that they do not have enough qualified staff in the areas of social services, mental health services, disability services, and parent involvement to serve children and families with complex problems. Some of those responding to our survey note that Head Start salaries in these areas are lower than those paid by other employers in their communities, which hampers their ability to hire and retain qualified staff. In addition, many respondents

cited the need for more staff training in mental health, disabilities, parent involvement, and social services.

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**GAO HEAD START STAFF SAY SERVICE  
DELIVERY COSTS ARE RISING**

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Head Start staff cited the following factors contributing to rising costs:

- high rent and renovation costs
- high transportation costs to link children with services.

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Head Start administrators who have responded to our survey to date believe that the cost of providing needed services is increasing. They frequently listed high rent and renovation costs as concerns. Transportation concerns were cited more often by urban Head Start programs than rural programs. In addition, during visits to two Head Start programs, some administrators said that high transportation costs—for example, for insurance, wages for drivers, and repairs—were creating problems in delivering transportation services. Some administrators are spending as much as 25 to 33 percent of their program budgets on transportation.

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**GAO STAFF SAY COMMUNITY RESOURCES  
ARE OFTEN UNAVAILABLE**

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Head Start staff indicated they had difficulty obtaining services from the community for

- dental services
  - mental health services
  - social services.
- 

Many Head Start administrators responding to our survey said that they had experienced difficulty obtaining community services. Survey respondents in both rural and urban areas believe that community resources to provide needed dental, mental health, and social services to Head Start participants are limited or unavailable. This condition could force Head Start programs to provide these services themselves.

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## GAO IMPLICATIONS

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Preliminary results from our survey suggest that more resources may be needed now to provide the full range of services Head Start requires.

Solving the problems reported by delegates and grantees in providing services that Head Start already requires could strain the program's ability to improve quality.

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## GAO GAPS EXIST IN PRESCHOOL SERVICES FOR DISADVANTAGED

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- Many attend centers that do not provide a full range of services.
- Most Head Start centers do not provide full-day services, yet federal and state policies strongly encourage poor parents to work or go to school.

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Centers other than Head Start, such as those sponsored by schools and for-profit and nonprofit organizations, are less likely to provide the range of parent and health services that disadvantaged children and their families need. Head Start consistently has features that foster child development, such as low child-staff ratios, low group sizes, and qualified teachers. Head Start also offers the broadest range of health services (e.g., physical and dental examinations and screenings for hearing, speech, and vision) and parent services (e.g., home visits, volunteer opportunities, and involvement in program governance).<sup>3</sup> School-sponsored centers also have features that foster child development, but are less likely than Head Start

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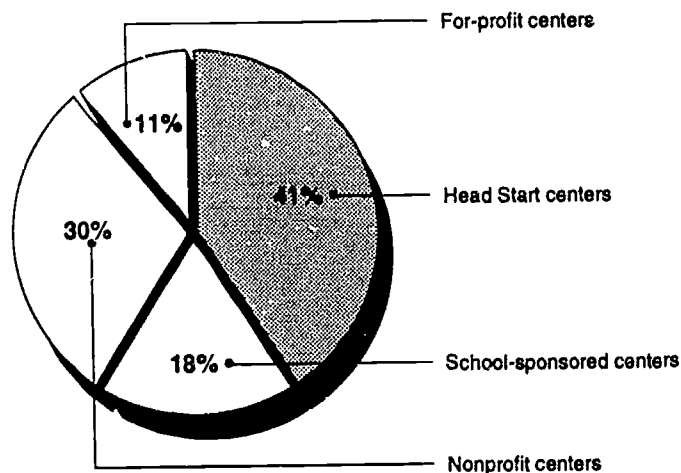
<sup>3</sup>As part of our review of federal and state preschool programs, we conducted case studies of early childhood programs in California, Louisiana, Maryland, and Michigan, interviewing state education officials and local level providers in one rural and one urban high-poverty census tract in each state. We also performed a literature review of school readiness information and analyzed a nationally representative sample of over 2,000 formal early education and care programs including Head Start, school-sponsored programs, and public/private providers. Finally, we conducted telephone interviews with 13 Head Start Collaboration grantees who were the first to participate in this program.

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Challenge Head Start

to offer health and parent services. For-profit and nonprofit centers are less consistent in providing features that foster child development, e.g., they were three to four times more likely than Head Start to have high staff-child ratios. These centers generally have the fewest health and parent services.

While Head Start centers are more likely to provide the full range of services, most are part day and did not accommodate some parents who work. Parents are sometimes forced to choose early childhood centers or family day care that provide full-day coverage but that are less comprehensive than Head Start.

## GAO MOST DISADVANTAGED CHILDREN DO NOT ATTEND HEAD START



Among all disadvantaged preschool-age children attending some kind of early childhood center, 59 percent are in centers other than Head Start.

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For this analysis, the national database we used defined disadvantaged children as those receiving some type of public assistance, such as Aid to Families With Dependent Children (AFDC) or the Special Supplemental Food Program for Women, Infants, and Children (WIC), as reported by center directors. Some of these children are poor, based on Head Start's eligibility criteria.<sup>4</sup>

Many disadvantaged children do not attend Head Start for two reasons: (1) Not all disadvantaged children are eligible for Head Start because they do not meet OMB's poverty criteria and (2) Head Start does not serve all eligible children.

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**GAO MANY HEAD START CENTERS DO  
NOT MEET NEEDS OF SOME PARENTS**

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Head Start provides the services that poor children need, but most centers are part day.

Parents who work or go to school are sometimes forced to choose centers that offer a less comprehensive set of services.

Some Head Start centers coordinate with other preschool programs to provide full-day coverage.

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<sup>4</sup>There is little information available about whether children attend more than one type of center. We believe that some children do attend more than one center, but that the number is small.



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Through coordination with other early childhood providers, some Head Start centers have found ways to provide full-day coverage to Head Start children and to increase the range of services for Head Start-eligible children in other centers. For example, several Maine Head Start centers provide full-day programs for children of parents participating in the Job Opportunities and Basic Skills (JOBS) program.<sup>5</sup> The Head Start centers use Head Start, local, and state funding to pay higher teacher salaries that would not otherwise be covered by child care funding under JOBS. In Fairfax County, Virginia, several child care centers conform to Head Start performance standards and link up with Head Start to provide the supplemental services needed by the children and their parents.

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<sup>5</sup>JOBS, the centerpiece of the Family Support Act (P.L. 100-485), requires states to provide parents and teens receiving AFDC the education, training, work experience, and supportive services they need to move toward self-sufficiency and help avoid long-term welfare dependence.

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GAO COORDINATION IS KEY, BUT  
BARRIERS EXIST

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Programs differ in

- program emphasis/focus,
  - eligibility criteria and administrative processes,
  - staff salaries and qualifications,
  - quality standards,
  - funding levels.
- 

Addressing these differences could involve substantial administrative, regulatory, or legislative changes. The legislative changes that would be needed to make the eligibility criteria used to define disadvantaged children more consistent would be likely to affect program costs.

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## GAO IMPLICATIONS

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In addition to more full-day Head Start centers, linking them with other early childhood centers may be one way to improve services to disadvantaged children and parents by

- extending the Head Start day to accommodate parents
  - increasing the range of services available to children attending centers with less comprehensive programs.
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GAO IMPLICATIONS (cont'd.)

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Expanding preschool services to disadvantaged children in this way could require

- early childhood providers to develop innovative service delivery and/or funding strategies
  - additional funding for coordination and outreach efforts and transportation services in some areas.
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GAO IMPLICATIONS (cont'd.)

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Further study is needed concerning

- the effectiveness of coordination efforts, especially those sponsored by Head Start Collaboration Grants,
  - how early childhood providers have overcome coordination barriers,
  - how to encourage other early childhood programs to provide a full range of services.
- 

Studying the effectiveness of coordination would involve an examination of the costs of coordination efforts. Similarly, studying how to encourage other early childhood programs (e.g., the Child Care and Development Block Grant) to provide a full range of services would involve analyzing the costs of providing additional services.

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GAO LONG-TERM VISION: A SEAMLESS  
EARLY CHILDHOOD SYSTEM

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Denmark, France, and Italy have such systems:

- Participation in public preschool programs is high.
  - Children of all family income levels are eligible.
  - Many programs are full day; some are year-round.
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**GAO A SEAMLESS EARLY CHILDHOOD  
SYSTEM (cont'd.)**

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Public sector support promotes  
quality in these countries:

- All staff receive key benefits; teacher turnover is low.
  - Teachers have specialized training.
  - High teacher training levels and/or low child-staff ratios in Denmark and Italy may result in staff costs higher than the average Head Start program.
-

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GAO IMPLICATION

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If the U.S. were to move to a seamless early childhood system, policymakers would need to consider

- who participates?
- which services to provide?
- how much staff training is necessary?
- what salaries and benefits are appropriate?

All of these questions have significant cost implications.

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One key consideration would be whether early childhood programs should serve only poor children or a broader segment of the population. If programs were to serve this broader group, a range of financing options, including cost sharing, would need to be examined.



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# Major Contributors to This Briefing Report

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Karen Whiten, Project Manager  
Karen Barry, Evaluator  
John Leahy, Evaluator  
Laura Miner-Kowalski, Senior Evaluator  
Jacquelyn Werth, Evaluator

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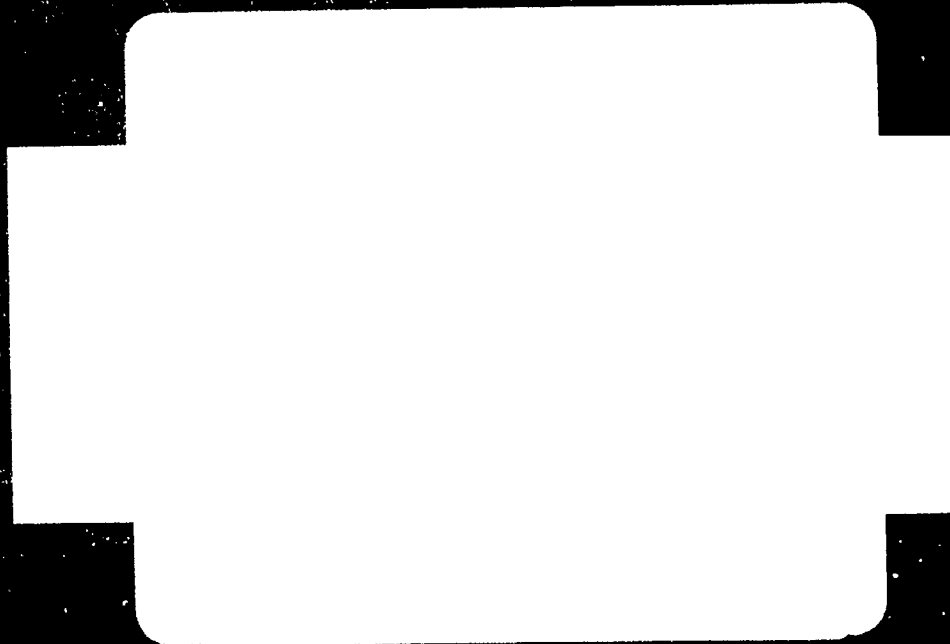
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