

# Strengthening Support for Our Youngest Children: Steps for Improving Head Start

A research report from the  
Southern Education Foundation

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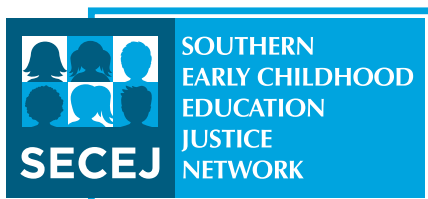
## About the Southern Education Foundation

The Southern Education Foundation is a 501(c)(3) nonprofit organization supported by partners and donors committed to advancing equitable education policies and practices for low-income students and students of color in the southern states. We develop and disseminate research-based solutions for policymakers, and we grow the capacity of education leaders and influencers to create systemic change.

We believe education equity is essential to achieve quality and fairness in the public education system. We envision a world in which every student, regardless of background, enjoys an education that propels them toward the opportunity-rich life they deserve.

[www.southerneducation.org](http://www.southerneducation.org)

## The Southern Early Childhood Education Justice Network



a program of the Southern Education Foundation

The Southern Early Childhood Education Justice (SECEJ) network unites more than 30 state policy organizations and advocates to focus on improving and expanding early learning opportunities for young children across the South. The SECEJ network advocates for systemic and transformative early childhood policy improvements in the South, focusing especially on historically underserved children of color and those in low-income families.

# Introduction

This study began with a simple question often asked by grantees and supporters of Head Start: Why are per-child base funding allocations significantly different between and across states and do not seem to align with the percentages of children living in poverty? For years, Head Start programs in many of the states with higher rates of children living in poverty have received less per-child funding allocations than programs in states with lower rates of children living in poverty. Further, the educators who teach these children are vastly underpaid, and their pay is also inequitable among states and regions. This study draws on current data to better identify inequities in Head Start and propose specific policy changes to address these inequities.

Specifically, this study shows the need to update the current Head Start base funding formula and allocation method based on changes in the definition of poverty and the number and location of eligible children. The study also highlights the need for more equitable Head Start teacher salaries and program resources. Head Start has had a significant and measurable impact on children and families in its nearly 60 years of the program, and the authors of this report are dedicated to its value.<sup>1</sup> We intend for this report to help strengthen the program and provide even more children and families with a true, more equitable Head Start.

## Defining Equity

The federal Office of Head Start defines equity as “fair and just treatment to all children, families, and those who support them, enabling everyone to achieve their full potential.”<sup>2</sup> The Southern Education Foundation defines it as a lack of association between students’ race, family income, and education outcomes — so that each child receives what they need, when they need it, to develop to their full academic and social potential.<sup>3</sup> For the purposes of this report, we consider systems to be equitable when they focus their resources and scaffold their funding to support children most in need, and funding is equitable when it fairly prioritizes historically underserved children such as children of color, children with disabilities, and children from low-income families.

<sup>1</sup> E.g., Zhai, F., Brooks-Gunn, J., & Waldfogel, J. (2011). Head Start and urban children's school readiness: a birth cohort study in 18 cities. *Developmental Psychology*, 47(1), 134; Sabol, T.J. and Chase-Lansdale, P.L. (2015). The influence of low-income children's participation in Head Start on their parents' education and employment. *J. Pol. Anal. Manage.*, 34: 136-161. <https://doi.org/10.1002/pam.21799>. For an overview of additional studies showing the effectiveness of the Head Start program, see e.g., <https://nhsa.org/resource/facts-and-impacts/>

<sup>2</sup> Head Start Early Learning & Knowledge Center (2024, June 21). *What access and equity mean to ERSEA*. <https://eclkc.ohs.acf.hhs.gov/ersea/equity-considerations-ersea/what-access-equity-mean-ersea>

<sup>3</sup> Southern Education Foundation. (n.d.) *Who we are*. <https://southerneducation.org/who-we-are/>

# Background

## The Origins of Head Start

Despite a substantial amount of public data and information about the current state of the Head Start program, the history of the program's development is not well-known or readily available. Decisions regarding how funding was allocated during the 1960s reflected the political and social beliefs at the time and directed more resources and federal support to children living in poverty. (*For more on the foundations and early years of the Head Start program, see Appendix A.*)

Dr. Ed Zigler, a developmental psychologist recognized as the father of Head Start,<sup>4</sup> has called the program "America's most successful educational experiment."<sup>5</sup> Zigler noted that the most important advocate for the effort was Sargent Shriver, the director of the federal Office of Economic Opportunity and President Lyndon Johnson's point person for the War on Poverty, a campaign for a series of new social programs launched in 1964. After learning that nearly half of the country's 30 million low-income people were children under the age of 12, President Johnson was convinced he should pursue funding for potential solutions. When announcing the Head Start program, President Johnson argued that the American public would embrace targeted support for impoverished children since young children could not be blamed for their circumstances.<sup>6</sup> A federal budget surplus provided the funding for the first iteration of Head Start, and Sargent Shriver's idea grew to include improving the intellectual capacity and school success of the children in Project Head Start (later renamed Head Start). Initial funding for Head Start was \$96 million in 1965, but it increased to \$475 million by 1977, suggesting a growing sense of the program's value and a broadening of its scope.<sup>7</sup>

## How the Program Is Structured

Head Start is a federal-to-local program, with federal funds going directly to local grantees without passing through state governments.<sup>8</sup> The current base funding formula for Head Start grants originated with the *Community Services Act (CSA)* of 1974, which allocates funds based on each state's child-poverty levels, the number of people in each state on public assistance, and funding allocations to each state prior to the authorization of the CSA in 1974. While the *Improving Head Start for School Readiness Act* of 2007 (the most recent federal reauthorization of Head Start) provided some changes to the Head Start funding formula, the base formula has not changed since 1974. Questions about whether Head Start funding allocations are equitable have become more urgent following the substantial increases in funding in recent years and given the impact of the recent pandemic on children and families. These additional allocations could exacerbate the existing inequities in the current funding model.

<sup>4</sup> e.g., YaleNews. (2019, February 8). *Edward F. Zigler: Eminent psychologist hailed as 'Father of Head Start'*. <https://news.yale.edu/2019/02/08/edward-f-zigler-eminant-psychologist-hailed-father-head-start>

<sup>5</sup> Zigler, E. & Muenchow, S. (1992). *Head Start: The inside story of America's most successful educational experiment*. New York: Basic Books.

<sup>6</sup> The American Presidency Project. (n.d.) *Lyndon B. Johnson, 36th President of the United States: 1963-1969: Remarks on project Head Start*. <https://www.presidency.ucsb.edu/documents/remarks-project-head-start>

<sup>7</sup> Office of Comptroller General. (July 1981). *GAO Report -19-519 / HRD-81-83: Head start: An effective program but the fund distribution formula needs revision and management controls need improvement*. <https://www.gao.gov/assets/hrd-81-83.pdf>

<sup>8</sup> However, 14 states and D.C. annually invest \$355 million of state supplemental funding to support Head Start centers. E.g., National Head Start Association (2022). *Fact sheet: State investments in Head Start and Early Head Start to support at-risk children and families*. <https://nhsa.org/wp-content/uploads/2022/11/2022-EHS-State-Investments.pdf>



## Background (continued)

### Current Funding for Head Start

The Head Start program was funded at approximately \$10.03 billion in Fiscal Year (FY) 2019, according to an Office of Head Start (OHS) report released via the Early Childhood Learning and Knowledge Center (ECLKC).<sup>9</sup> This report, which details the funding awarded to each state and the number of funding-supported slots by state and U.S. territory, was released prior to the historic increases in funding for early care and education during the COVID-19 pandemic: *The American Rescue Plan Act of 2021* (ARPA, Public Law 117-2) provided an additional \$1 billion for Head Start;<sup>10</sup> the *Coronavirus Aid, Relief, and Economic Security (CARES) Act of 2020* provided an additional \$750 million;<sup>11</sup> and the *Coronavirus Response and Relief Supplemental Appropriations (CRRSA) Act of 2021* provided another \$250 million.<sup>12</sup> With the passage of the *Consolidated Appropriations Act (CAA)* on March 15, 2022, the funding level for Head Start programs reached approximately \$11.04 billion.<sup>13</sup>

<sup>9</sup> Head Start Early Childhood Learning & Knowledge Center. (n.d.) *Head Start program facts: Fiscal year 2019*. <https://eclkc.ohs.acf.hhs.gov/sites/default/files/pdf/no-search/hs-program-fact-sheet-2019.pdf>

<sup>10</sup> ACF Office of Child Care. (2024, June 24). *American Rescue Plan (ARP) Act child care stabilization funds frequently asked question (FAQs)*. <https://www.acf.hhs.gov/occ/news/american-rescue-plan-arp-act-child-care-stabilization-funds-frequently-asked-questions>

<sup>11</sup> National Head Start Association. (2020, March 26). *Head Start welcomes \$750 million in CARES Act*. [https://nhsa.org/press\\_release/head-start-welcomes-750-million-cares-act/](https://nhsa.org/press_release/head-start-welcomes-750-million-cares-act/)

<sup>12</sup> Administration for Children & Families. (2020, June 4). *CARES Act gives extra \$750 million for Head Start Program*. <https://www.acf.hhs.gov/media/press/2020/cares-act-gives-extra-750-million-head-start-program>

<sup>13</sup> Head Start Early Childhood Learning & Knowledge Center. (n.d.) *FY 2022 Head Start funding increase ACF-PI-HS-22-02*. <https://eclkc.ohs.acf.hhs.gov/policy/pi/acf-pi-hs-22-02>

# Purpose of This Study and Research Questions

As recently as February 2024, the U.S. Government Accountability Office (GAO) released a report showing that Head Start funding varies widely by state and county and does not closely align with child poverty. Nearly all Head Start funding is allocated according to a congressionally authorized formula that does not account for changes in state population or poverty rates.<sup>14</sup> In this study, we sought to better understand 1) whether the current funding structures are equitable and proportionally distributed to local Head Start providers in ways that can serve states and children with the greatest need, 2) whether funding levels correlate with classroom quality, and 3) whether Head Start teacher salaries are equitable and professional development for teachers impacts classroom outcomes.

## We ask the following research questions:

### 1. Does the federal Head Start funding formula result in equitable funding by state and proportional percentages of children from low-income families served?

- a. Does the federal Head Start funding formula result in equitable per-child allocations among the states?<sup>15,16</sup>
- b. Is federal Head Start funding serving proportional percentages of young children and families (birth through age 5) based on the number of children living in poverty in each state?

### 2. Are there correlations between funding and classroom quality?

- a. Does the per-child allocation of Head Start funds by state correlate with classroom quality, as measured by the CLASS®?
- b. Does classroom quality, as measured by the CLASS®, differ by Head Start regions, states, and program-funded enrollment?

### 3. What are the differences among and impacts of teacher salaries and program resources?

- a. Are salaries for Head Start teachers different across regions, adjusted for cost of living?
- b. To what extent is teacher education/degree level associated with teacher salaries?
- c. What is the turnover rate for educational staff in Head Start, and how many staff members left their position for higher salaries?
- d. To what extent did professional development (PD) improve CLASS® scores?

<sup>14</sup> U.S. Government Accountability Office. (2024, February 27). *Head Start: Opportunities exist to better align resources with child poverty*. <https://www.gao.gov/products/gao-24-106077>

<sup>15</sup> Head Start grantees apply for funding through noncompetitive grant renewals or competitive Notices of Funding Opportunities (NOFOs). Applicants submit a proposal and detailed budget that includes the number of children they will serve. While grantees are not awarded allocations on a "per-child" basis, "per-child allocations" or "per-child costs" are commonly used terms to compare funding for educational services of young children and students in K-12 schools. For this report, "per-child allocations" and "per-child costs" were calculated by dividing the total funding a program receives by the number of children that program serves.

<sup>16</sup> This investigation of funding allocations only reviews the federal funds allocated and does not consider local funding matches required from each local grantee.

# Datasets and Methods

**Datasets.** This study draws on a number of different datasets:

**Program Information Report (PIR) data.** PIR data were accessed on the Head Start Enterprise System (HSES). We used PIR data for 2015 to 2019 to correspond with the CLASS® data we received from OHS. We used the 2022 PIR data to answer additional questions relevant to this report.

**State-level child poverty data.** Annual funded Head Start enrollment data by state was obtained from ECLKC<sup>17</sup> and child-poverty data were obtained from the Children's Defense Fund.<sup>18</sup>

**CLASS® data.** The OHS provided CLASS® data (i.e., emotional support, classroom organization, and instructional support scores) for all Head Start grantees that received a CLASS® monitoring review during FYs 2015 to 2019. These are the latest years in which CLASS® monitoring review data are available. CLASS® assessments were suspended during the 2019-2020 FY and were not conducted during the 2020-2021 or 2021-2022 FYs because of the ongoing COVID-19 pandemic and revisions being made to the CLASS®.

**Fiscal data.** Fiscal or funding data were obtained from USAspending.gov,<sup>19</sup> the federal government's official open data source for federal spending data. Within USAspending.gov, we located the funding for each grantee. It was determined that funding for Head Start and Early Head Start is combined in USAspending.gov. Because we know the per-child funding for Early Head Start is vastly higher than for Head Start, we decided to examine allocations for Head Start-only grantees to compare per-child allocations for Head Start children. Thus, we pulled out the grantees that served only Head Start from the larger dataset of all Head Start grantees that underwent a CLASS® review between 2015 and 2019. Of the 1,214 grantees for which we had CLASS® data, 457 were Head Start-only grantees.

**Cost Adjustments.** To adjust for cost-of-living differences across the U.S., the Bureau of Economic Analysis (BEA) Implicit Regional Price Deflators were used. In addition, the BEA's Gross Domestic Product Implicit Price Deflator (GDP deflator) was used to adjust for inflation, and all amounts were adjusted to 2022 levels.<sup>20</sup>

**Methods.** Below we summarize the methods used to respond to each research question:

**Question 1a:** To determine if Head Start funds are distributed equitably, we analyzed Head Start funding allocated by OHS to eligible grantees per approved plan submitted by each grantee, reviewed historical records and statutes specific to Head Start's history and reports generated by the GAO, and conducted interviews with individuals present when funding decisions were made, in addition to OHS staff and local grantee directors.

To determine whether per-child allocations by state were equitable, we analyzed Head Start funding allocated by OHS to eligible grantees per approved plan submitted by each grantee, and interviewed OHS staff and local grantee directors. The funding allocations reviewed were made in FYs 2015 to 2019 and FY 2022. FYs 2020 and 2021 were not studied because of the COVID-19 pandemic's impact on program enrollment and operations.

<sup>17</sup> Head Start Early Childhood Learning & Knowledge Center. (2022, September 26) *Head Start program facts: Fiscal year 2021*. <https://eclkc.ohs.acf.hhs.gov/about-us/article/head-start-program-facts-fiscal-year-2021>

<sup>18</sup> Children's Defense Fund. (n.d.) 2023 State of America's Children® Report: Child Poverty. <https://www.childrensdefense.org/tools-and-resources/the-state-of-americas-children/soac-child-poverty/>

<sup>19</sup> Data retrieved from <https://www.usaspending.gov>

<sup>20</sup> Computed using <https://www.bea.gov/>

## Datasets and Methods (continued)

**Question 1b:** To determine whether proportional percentages of children and families were being served based on the percentage of children living in poverty, we conducted an analysis of the federal Head Start funding per state compared to the children being served through Head Start, based on the latest data on the number of children under age 6 living in poverty in each state (from 2021). We also examined the number of children served in Head Start, Early Head Start, and American Indians and Alaskan Natives (AIAN) Head Start programs in the 50 states and the District of Columbia. These data were obtained from the Head Start Program Facts: Fiscal Year 2021<sup>21</sup>. The number of children under age 6 living in poverty was obtained from the Children’s Defense Fund<sup>22</sup>.

**Question 2a:** To determine whether per-child allocations correlated with funding equity, we conducted an analysis of CLASS<sup>®</sup> scores per grantee assessed in the FYs from 2015 to 2019 (the latest data available) and per-child funding allocations by grantee. We used PIR data to determine the funded enrollment for each program. As PIR data are program-level data and CLASS<sup>®</sup> review data are grantee-level data, we needed to determine funded enrollment per grantee. To do this, we aggregated program-funded enrollment for each grantee.<sup>23</sup>

As noted above, to obtain per-child funding allocations, we used USAspending.gov.<sup>24</sup> We then examined CLASS<sup>®</sup> data for all Head Start grantees that received a CLASS<sup>®</sup> monitoring review during FYs 2015 to 2019 (n=1214). All Migrant Seasonal Head Start (MSHS) grantees (Head Start Region XII) were removed from the dataset, as there are no Head Start-only MSHS grantees.<sup>25</sup> All AIAN Head Start grantees (Head Start Region XI) were also removed from the dataset, as we found there is a statistically significant difference between per-child allocations for AIAN grantees and grantees from Head Start Regions I-X. As the BEA’s Implicit Regional Price Deflators did not provide information for the U.S. Virgin Islands and Puerto Rico, we eliminated the Head Start-only programs in these areas from the dataset. This reduced the dataset from 1,214 grantees with CLASS<sup>®</sup> reviews from 2015 to 2019 to 457 Head Start-only grantees.

**Question 2b:** To determine if classroom quality differed by regions, states, and enrollment, we conducted an analysis of CLASS<sup>®</sup> scores per grantee assessed in FYs from 2015 to 2019 (the latest data available) and per-child funding allocations by grantee. PIR data and grantee-level funding data were also analyzed to answer this question.

**Question 3a:** To determine whether teacher salaries varied across regions, we analyzed 2022 PIR teacher-salary data at the state level (it does not provide these data at the program or grantee level), by teacher degree level (i.e., advanced degree, bachelor’s degree, associate degree, Child Development Associate Credential (CDA), or does not meet qualifications) and as an average across all levels of qualifications. For purposes of this study, we used the average teacher salary. We used the BEA to adjust each state’s average teacher salary for regional cost-of-living differences.<sup>26</sup>

**Question 3b:** To investigate the association between teacher education level and salary, we examined 2022 PIR salary data for teachers by degree level (advanced degree, bachelor’s degree, associate degree, CDA, or does not meet qualifications) and as an average across all levels of qualifications. We used the mean teacher salary for the U.S. for each degree level.

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<sup>21</sup> Head Start Early Childhood Learning & Knowledge Center. (2022, September 26) *Head Start program facts: Fiscal year 2021*. <https://eclkc.ohs.acf.hhs.gov/about-us/article/head-start-program-facts-fiscal-year-2021>

<sup>22</sup> Children’s Defense Fund. (n.d.) *2023 State of America’s Children® Report: Child Poverty*. <https://www.childrensdefense.org/tools-and-resources/the-state-of-americas-children/soac-child-poverty/>

<sup>23</sup> Teachstone. (n.d.) *The complete guide to CLASS: Everything you need to know about the CLASS tool, how it works, and how to do it*. <https://teachstone.com/the-complete-guide-to-class/#scores>

<sup>24</sup> Funding data for grantees that have both Head Start and Early Head Start grants is consolidated on USAspending.gov. We contacted OHS to determine if we could alleviate this barrier, and the staff reported that Head Start and Early Head Start funding are commingled in such a manner that it is difficult to determine the funding allocations.

<sup>25</sup> Many Head Start programs have multiple programs within one grant.

<sup>26</sup> Computed using <https://www.bea.gov/>



## Datasets and Methods (continued)

**Question 3c-3d:** We drew on 2022 PIR data to determine the turnover rate and the number of teachers leaving for higher pay. We used CLASS® data for all Head Start grantees that received a CLASS® monitoring review during FYs 2015 to 2019 (n=1214), provided by OHS, to understand the impacts of professional development on class scores.

**Machine Learning.** We used Python, a general-purpose, high-level computer programming language<sup>27</sup> with machine learning capabilities, to attempt to make predictions and provide models to make data-informed recommendations. More specifically, we used machine learning's statistical techniques to allow the Python program to learn from the Head Start PIR, funding, and CLASS® data to determine if there were patterns that would help increase our understanding of which variables matter the most in providing high-quality programming for children and families. No models were found that predicted quality based on funding, enrollment size, teacher education, geographic location, or race/ethnicity of teachers and children. Throughout this report, a finding was considered significant if it met the .05 level of significance.

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<sup>27</sup> Python Software Foundation. Python Language Reference, version 3.8. Available at <http://www.python.org>

# Analysis and Findings

**Question 1a.** Does the federal Head Start funding formula result in equitable per-child allocations among the states?<sup>28,29</sup>

**Answer: No.**

The most recent federal law reauthorizing the Head Start program, Public Law 110-134 *Improving Head Start for School Readiness Act of 2007*, requires the U.S. Department of Health and Human Services (HHS) to submit reports to Congress on a scheduled basis. Occasionally, Congress requests additional reports on special topics, as was the case in 1981 when the U.S. Comptroller General presented a report to Congress entitled, *Head Start: An Effective Program but the Funding Distribution Formula Needs Revision and Management Controls Need Improvement*. This report outlined the early years of Head Start funding and how funding distribution had changed over the years. The report says that funding methods changed over the years due to congressional concerns over whether each state received an equitable share of available funds and explains the funding formula as of the time of the report (1981).

After reviewing and compiling the legislative history of Head Start (See Appendix B), additional reports focused on state-by-state funding allocations over the years. This report highlights research questions and findings that show unmet needs and inequities that should be addressed (See Appendix C). The Head Start funding formula continues to allocate inequitable funding to states and grantees.

**Question 1b.** Is the federal Head Start funding serving proportional percentages of young children and families (birth through age 5) based on the number of children living in poverty in each state?

**Answer: No.**

The total number of children served with funding from the Administration for Children and Families includes those children in center-based, home-based, family child care, and locally designed programs, as well as pregnant women. Examining these two data points in 2021: 1) the number of children under age 6 living in poverty and 2) the number of children served in Head Start-funded programs, we learned that the percentage of children served by Head Start in each state ranged from 7.7% to 50%. Table 1 shows the percentage of children living in poverty served by a Head Start program. The 17 states in the Southern Education Foundation (SEF) region are shaded in blue in the table below. These states served an average of 18.8% of their children under 6 living in poverty. The non-SEF states served an average of 24.8% of their children under 6 in poverty.

In some states, families may choose between sending children to Head Start or a state pre-K program. We considered whether the states with lower funding for Head Start might serve more children in state pre-K programs, but this was not the case — this difference is very small and does not account for the students not served by Head Start. A 2022 report by the National Institute for Early Education Research<sup>30</sup> showed:

- In the 10 states serving the *lowest* percentages of children in Head Start (see Table 1), an average of 13.4% of preschoolers attended state pre-K.
- In the 10 states serving the *highest* percentages of children in Head Start, an average of 11.6% of preschoolers attended state pre-K.

<sup>28</sup> Head Start grantees apply for funding through noncompetitive grant renewals or competitive Notices of Funding Opportunities (NOFOs). Applicants submit a proposal and detailed budget that includes the number of children they will serve. While grantees are not awarded allocations on a “per-child” basis, “per-child allocations” or “per-child costs” are commonly used terms to compare funding for educational services of young children as well as students in K-12 schools. For purposes of this report, “per-child allocations” and “per-child costs” can be figured by dividing the total funding a program receives by the number of children that program serves.

<sup>29</sup> It should be noted that this investigation of funding allocations is only reviewing the federal funds allocated and does not take into account local funding match that is required by each local grantee.

<sup>30</sup> Friedman-Krauss, A. H., Barnett, W. S., Hodges, K. S., Garver, K. A., Weisenfeld, G., Gardiner, B. A., Jost, T. M. (2023). *The State of Preschool 2022: State Preschool Yearbook*. National Institute for Early Education Research. <https://nieer.org/yearbook/2022>

## Analysis and Findings (continued)

Though it is impossible to track all children and the myriad programs for a variety of reasons, we know that many children who live in poverty do not have the choice to attend Head Start or pre-K. Rather than an organized system of options, families face an early childhood “non-system” that makes clear the need for better data and for more access and federal investments to serve more families.

**Table 1.**

### Percentage of Children Under Age 6 in Poverty Enrolled in Head Start

SEF states highlighted in blue. For full list, see Appendix C.

↓ States Serving the Lowest Percentage		↑ States Serving the Highest Percentage	
Nevada	7.7%	Rhode Island	26.6%
Georgia	13.9%	West Virginia	28.9%
Delaware	14.0%	Wyoming	29.9%
Idaho	14.3%	Mississippi	35.5%
Texas	14.6%	Montana	37.1%
Maryland	14.7%	North Dakota	37.8%
North Carolina	15.1%	South Dakota	39.0%
Alabama	15.4%	Oregon	39.3%
Indiana	15.4%	Vermont	40.3%
Arkansas	16.1%	Alaska	50.0%

**Question 2a.** Does the per-child allocation of Head Start funds correlate with classroom quality, as measured by the CLASS®?<sup>31</sup>

**Answer: Yes.**

Table 2 shows the range of CLASS® scores for all grantees — including those with Early Head Start programming — that received CLASS® reviews from 2015 to 2019 (n=1,214), as well as the Head Start-only grantees (457). (For more on this distinction, see the section on Fiscal Data on page 7.)

According to Teachstone, the developers of the CLASS®, a score of 1 to 2 indicates a low-range score, scores of 3 to 5 indicate a mid-range score, and scores of 6 to 7 indicate a high-range score. Low-range scores indicate that the behaviors were of low quality or rarely present, mid-range scores indicate that behaviors were part of only some children’s experiences or were somewhat present, and high-range scores indicate the behaviors reflect all children’s experiences and were consistently present in the classroom.<sup>32</sup>

There was no statistically significant difference between the CLASS® scores of the full dataset of 1,214 grantees that received CLASS® reviews and the subset of the 457 Head Start-only grantees.

**Table 2.**

### Range and Mean CLASS® Scores

Range of CLASS® Scores	Range of CLASS® Scores	Mean CLASS® Scores
Emotional Support (all grantees)	4.96 – 6.91	6.06
Emotional Support (Head Start only)	4.96 – 6.77	6.01
Classroom Organization (all grantees)	4.41 – 6.73	5.80
Classroom Organization (Head Start only)	4.41 – 6.73	5.78
Instructional Support (all grantees)	1.56 – 5.17	2.96
Instructional Support (Head Start only)	1.56 – 5.17	2.95

<sup>31</sup> In other words, is there a correlation between classroom quality and per-child allocations by state?

<sup>32</sup> All Migrant Seasonal Head Start grantees serve pregnant women and children from birth to age 5.

## Analysis and Findings (continued)

As depicted in Table 3, CLASS® scores for Emotional Support and Classroom Organization ranged from mid- to high-range, while scores for Instructional Support ranged from low- to mid-range.

**Table 3.**  
**CLASS® Scores by Year with Number of Classrooms Assessed**

FY and (Number of Classrooms Assessed)	Mean Emotional Support	Mean Classroom Organization	Mean Instructional Support
2015 (203)	6.04	5.80	2.89
2016 (285)	6.01	5.75	2.86
2017 (210)	6.07	5.84	3.03
2018 (389)	6.09	5.80	3.02
2019 (127)	6.07	5.81	2.97

We examined the data for the 457 Head Start-only grantees and found that Head Start grantees with CLASS® scores in the top 25% had an average per-child allocation of \$10,932. The per-child allocations for Head Start grantees with CLASS® scores in the bottom 25% had an average of \$9,656. The per-child allocation for grantees that scored in the top 25% on CLASS® was significantly different from the per-child allocation for grantees in the bottom 25% on CLASS® after adjusting to 2022 dollars. Thus, the per-child allocation of Head Start funds correlates with classroom quality, as measured by the CLASS®.

**Table 4.**  
**Per-Child Allocation with CLASS® Reviews, Adjusted to 2022 Dollars (2015-2019)**

U.S. Average (n=457 Head Start Only Grantees)	Average for Grantees with CLASS® Scores in the Top 25%	Average for Grantees with CLASS® scores in the Bottom 25%
\$10,074	\$10,932*	\$9,656*

Analyzing the data for 17 SEF states compared to the other 34 states (and DC), we found that although the SEF states are funded less per child after adjusting for cost of living, there was no statistically significant difference between average per-child funding allocations in SEF states (\$8,568) and non-SEF states (\$9,967) for the 457 Head Start-only grantees with available funding and CLASS® data.

**Question 2b.** Does classroom quality, as measured by the CLASS®, differ by Head Start regions, states, and program-funded enrollment?

**Answer: Yes and no.** Table 5 shows areas with and without statistically significant differences in classroom quality. Below we address each of these areas.

**Table 5.**  
**Per-Child Allocation with CLASS® Reviews, Adjusted to 2022 Dollars (2015-2019)**

Quality by:	Statistical Differences	NO Statistical Differences
Regions	Region X only	All other regions
States	Only in IL and WA	
SEF States vs. All Others	SEF states were of lower quality	
Size of Grantees		No difference
Race of Child		No difference
Low Quality vs. High Quality	Differences in all 3 CLASS® domains	



## Analysis and Findings (continued)

We first examined the CLASS® scores by Head Start Regions. Table 6 shows CLASS® scores for each CLASS® domain by geographic region. A bivariate analysis of CLASS® data by region found that there was no statistically significant difference in CLASS® scores for any of the CLASS® domains, except in Region X, which had a statistically significant decrease in Instructional Support scores from 2015 to 2019.

**Table 6.**

**CLASS® Scores by Region**

Head Start Regions (States and Territories)	Emotional Support	NO Statistical Differences	Instructional Support
Region I (CT; MA; NE; NH; RI; VT)	6.14	5.82	3.10
Region II (PR; NJ; NY; VI)	6.07	5.83	2.92
Region III (DE; MD; PA; VA; WV)	6.05	5.78	2.96
Region IV (AL; FL; GA; KY; MS; NC; SC; TN)	6.01	5.76	3.01
Region V (IL; IN; MI; MN; OH; WI)	6.07	5.81	2.97
Region VI (AR; LA; NM; OK; TX)	5.92	5.70	2.79
Region VII (IA; KS; MO; NE)	6.06	5.79	2.92
Region VIII (CO; MT; ND; SD; UT; WY)	6.15	5.91	3.03
Region IX (AS; AZ; CA; GU; HI; MP; NV)	6.20	5.94	3.03
Region X (AK; ID; OR; WA)	6.15	5.83	2.96

A bivariate analysis of CLASS® data by state found no statistically significant difference in CLASS® scores for any of the CLASS® domains, except in Illinois and Washington. In Illinois, there was a statistically significant decrease in both Emotional Support and Classroom Organization scores, and in Washington there was a statistically significant decrease in Instructional Support scores. Table 7 shows the 17 SEF states and their scores; for the full table, see Appendix C.

*Head Start teachers in many southern states had lower salaries than in other regions even when adjusted for cost of living. (See Tables 10 and 11.)*

## Analysis and Findings (continued)

**Table 7.**  
**CLASS® Scores by State**

State	Mean	NO Statistical Differences	Instructional Support
AL	5.89	5.63	2.64
AR	5.90	5.62	2.71
DE	6.07	5.84	2.81
FL	5.93	5.64	2.89
GA	5.96	5.69	2.89
KY	6.11	5.95	3.40
LA	5.98	5.73	3.03
MD	6.01	5.72	3.07
MO	5.97	5.59	2.74
MS	6.00	5.80	2.90
NC	6.07	5.8	3.11
OK	5.94	5.62	2.66
SC	5.88	5.59	2.87
TN	6.10	5.91	3.13
TX	5.88	5.70	2.74
VA	6.04	5.76	2.99
WV	6.10	5.86	2.93

*Head Start programs with more funding also provided higher-quality classroom experiences. (See Tables 2, 3, and 4.)*

In addition, we examined the CLASS® scores by state for the 17 SEF states, comparing the CLASS® scores for those states and the 33 other states plus DC. Table 8 shows that SEF states scored statistically significantly lower than the other states in all three CLASS® domains.

**Table 8.**  
**CLASS® Data in SEF States Compared to All Other States**

	Emotional Support	Classroom Organization	Instructional Support
SEF States (n=17)	5.99*	5.73*	2.91*
All Other States Plus DC (n=34)	6.11	5.84	3.01

When analyzing the CLASS® data by grantee size, we did not find a statistically significant difference in CLASS® scores. When analyzing the CLASS® data by race of child, we did not find a statistically significant difference in CLASS® scores based on the predominant race served by the grantee.

Conducting a multivariate data analysis of the grantees that scored in the top and bottom 25th percentile for CLASS® scores, we found the program size ranged from a funded enrollment of 37 to 2,758 EHS/HS children, whereas for programs that scored in the bottom 25th percentile, their funded enrollment ranged from 20 to 4,515 children. Table 9 shows the scores for the top and bottom 25th percentiles.

**Table 9.**  
**CLASS® Scores in the Top 25th and Bottom 25th Percentiles**

	Emotional Support	Classroom Organization	Instructional Support
Top 25% of Programs	6.45*	6.30*	3.83*
Bottom 25% of Programs	5.62	5.25	2.27

## Analysis and Findings (continued)

**Question 3a.** Are salaries for Head Start teachers different across Head Start regions, adjusting for cost of living?

**Answer: Yes.**

Table 10 shows the mean Head Start teacher salary by Head Start region, adjusted for cost of living. (See Table 6 for the states and territories in each region.)

The lowest average adjusted teacher salary was in Region IV (\$33,207). The highest average adjusted teacher salary was in Region II (\$51,959). The national average salary for Head Start teachers was \$40,693. The average salaries in most SEF states fall below the adjusted national average.

Statistically significant differences between and among regions exist for all regions except between Regions IX and X.<sup>33</sup>

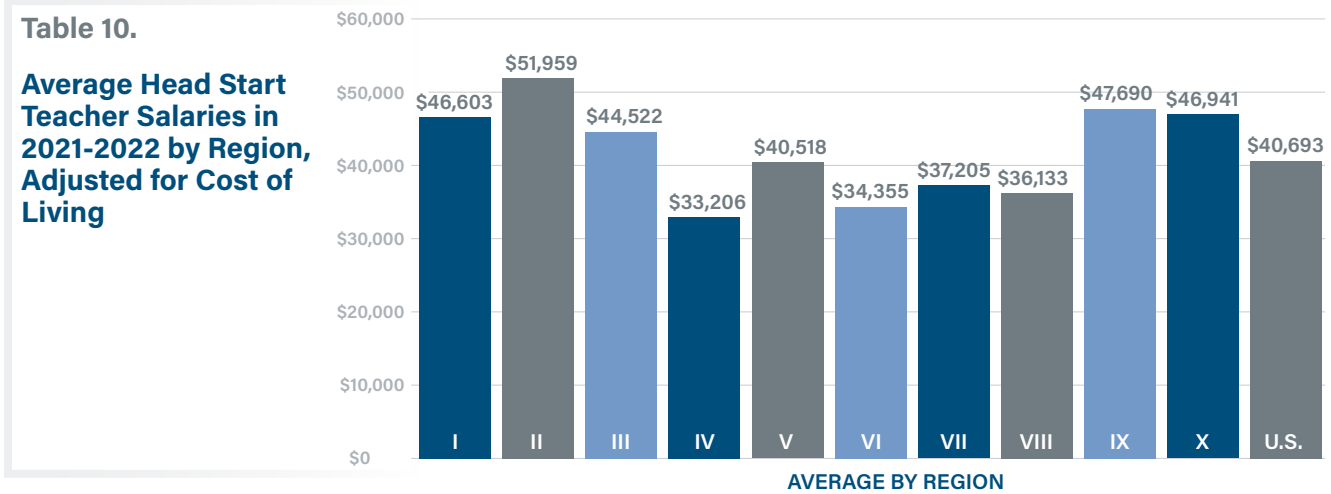
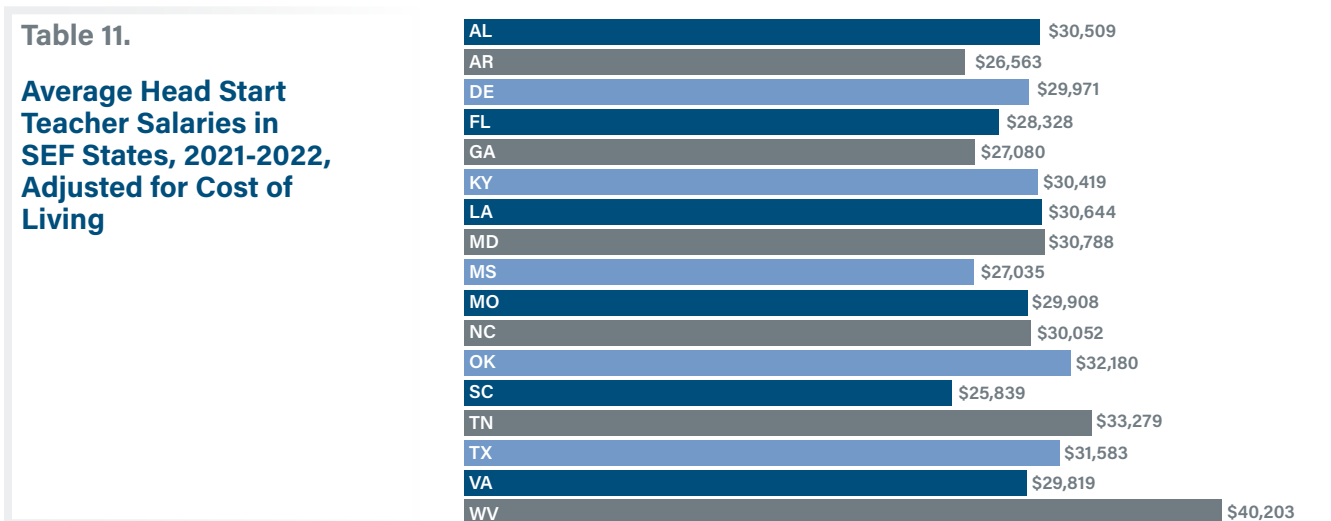


Table 11 shows the average Head Start teacher salaries in each of the 17 SEF states, adjusted for costs of living. West Virginia is the only SEF state with an average higher than \$40,000, while four SEF states' averages fall below \$28,000 (AR, GA, MS, and SC).



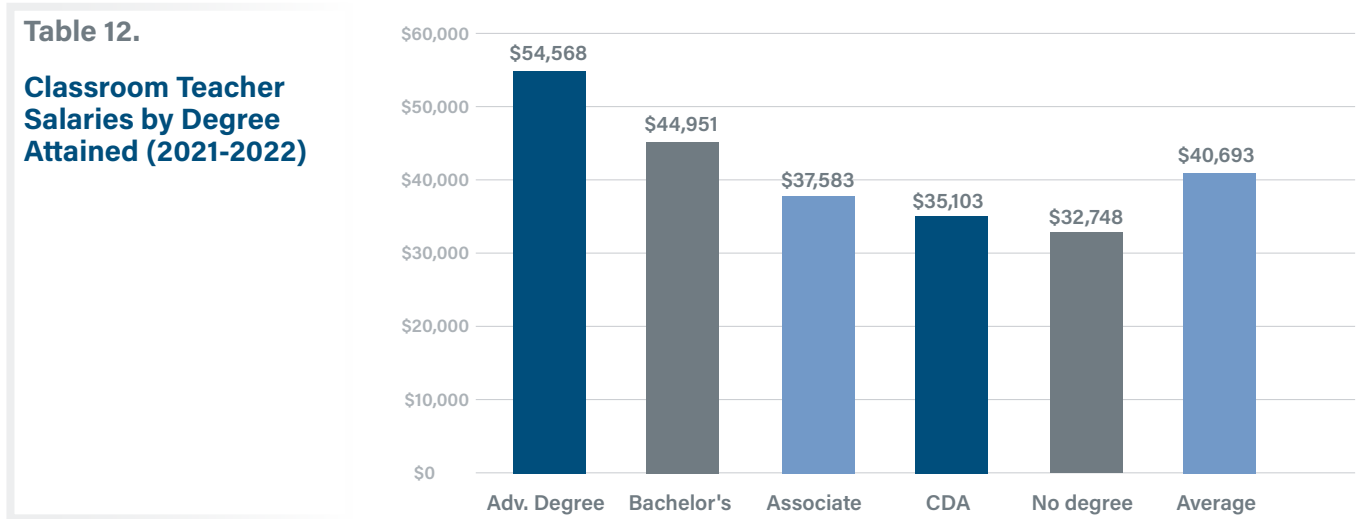
<sup>33</sup> There is a statistically significant difference in teacher salaries between the following regions: Head Start Region I and Regions IV, V, VI, VII, and VIII; Region II and Regions III, IV, V, VI, VII and VIII; Region III and Regions II, IV, and VI; Region IV and Regions I, II, and III; Region V and Regions I, II, and VI; Region VI and Regions I, II, III, and V; Region VII and Regions I, II, and III; Region VIII and Regions I, II, and III. There is no statistically significant difference between Regions IX and X and any other Region. There is a statistically significant difference between the national average salary and the salaries for Regions I and II.

## Analysis and Findings (continued)

### Question 3b. To what extent is teacher education/degree level associated with teacher salaries?

**Answer: Teacher education/degree level is strongly associated with teacher salaries.**

Head Start teacher salaries rise as teachers' education levels increase (see Table 12). Average salaries range from \$54,568 for teachers with advanced degrees in early childhood to \$32,748 for those who do not meet the Head Start education requirements for teachers. The overall national average salary for Head Start teachers is \$40,693.<sup>34</sup>



### Question 3c. What is the turnover rate for educational staff in Head Start, and how many departing staff members left for higher salaries?

**Answer: The turnover rate is 25%, and 46% of departing Head Start staff members (40% in the SEF region) reported leaving for jobs with higher salaries. In total, more than one in 10 educational staff members in Head Start left their positions in 2022 for jobs with higher pay. While higher pay was by far the most common reason for staff members' leaving, other common reasons included changing jobs, leaving the field, and retirement.**

The educational staff in Head Start includes the following: classroom teachers, assistant teachers, infant-toddler teachers, home visitors and family child-care providers. There was no difference between the SEF states and the non-SEF states in turnover rates in 2021-2022. Table 13 shows an average turnover rate of 25% across all states and an average turnover rate of 46% with respect to those who left for higher pay. Of those who left for higher pay, a little more than one-third reported leaving to teach in state pre-K programs.

**Table 13.**  
**Turnover Rate and Reason for Leaving**

	50 States and DC	17 SEF States	34 Non-SEF States
Educational Staff Turnover	25%	25%	25%
Primary Reason: Left for Higher Pay	46%	40%	50%

*Of the Head Start teachers who left for higher pay, a little more than one-third reported leaving to teach in state pre-K programs.*

<sup>34</sup> An Associated Press story from March 2, 2024, illustrates the realities of low salaries even for highly educated teachers. (See Appendix D.)



## Analysis and Findings (continued)

**Question 3d.** To what extent did professional development (PD) improve CLASS® scores over the last five years that CLASS® was used to measure quality?

**Answer: PD did not improve CLASS® scores.**

Head Start provides professional development (PD) via three training-and-technical assistance (TTA) components: national centers; the regional TTA Network; and grant recipient funding earmarked for professional development. Even with extensive PD, there was no statistically significant increase in CLASS® scores from 2015 to 2019 (Table 14). Turnover likely played a role in this finding, but other reasons need to be understood so that solutions can be considered.

**Table 14.**  
**Mean CLASS® Scores  
by Year**

Fiscal Year	Emotional Support	Classroom Organization	Instructional Support
2015	6.04	5.80	2.89
2016	6.01	5.75	2.86
2017	6.07	5.84	3.03
2018	6.09	5.80	3.02
2019	6.07	5.81	2.97

# Policy Recommendations

In this analysis, we found that Head Start funding is not equitably distributed among states and does not serve proportional numbers of students in poverty. We found a correlation between allocated Head Start funds and classroom quality, and we found statistically significant differences in classroom quality in one region, two states, and the SEF region, but none with regard to grantee size or to students' race.

We also found that Head Start teacher salaries vary across regions and by education level, and that a plurality of the 25% of teachers who left their jobs in 2021-2022 left to pursue jobs with higher pay. We did not find that PD for teachers increased CLASS® scores for classroom quality.

A recent report from the Children's Equity Project's Equity Research Action Coalition and Center on the Ecology of Early Development, *The Next Generation of Head Start: Expanding Access, Improving Quality, Advocacy Equity*, provides 10 recommendations for regulatory and policy changes to improve Head Start.<sup>35</sup> Some of our own recommendations below are similar, based on the collection and analysis of data from multiple sources. These recommendations are specific to the various aspects of program funding, quality, and access.

- 1. Congress should conduct a thorough review of the percentage of children in low-income families served by Head Start.** While some of the inequitable funding may stem from base funding allocations that date back to the origins of Head Start, there may be additional factors that we have yet to uncover that further account for inequitable funding across the U.S. We must as a nation examine the allocation of funds to determine why some states serve as few as 7.7% of eligible children in poverty in Head Start and other states serve up to 50% of their children living in poverty.
- 2. As an interim step to address funding inequities, Congress should provide a one-time general appropriation to address the long-term inequalities and inconsistencies in the distribution of Head Start funds.**
  - a. Congress can address funding inequities by supporting Head Start centers at a funding level that enables them to serve at least 20% of children living in poverty in their local communities. This commitment would serve an additional 91,000 children nationally at a cost of \$1 billion.
  - b. We also encourage Congress to provide an additional \$1,300<sup>36</sup> per child to ensure Head Start programs are able to provide high-quality learning experiences for their children and families. This amount reflects the average difference in funding between programs in the bottom 25% of CLASS® scores and those in the top 25%.
- 3. Congress should appoint a blue ribbon commission of OHS personnel, key constituents representing each Head Start region, researchers, and policymakers to review and act on the above recommendations** and support the systemic changes needed to improve access and quality in Head Start.

<sup>35</sup> Meek, S., Iruka, I. U., Curenton, S., Soto-Boykin, S., Gordon, L., Alexander, B., Bucher, E., Blevins, D., & Babrow, D. (October 2023). *The next generation of head start*. The Children's Equity Project. <https://cep.asu.edu/resources/The-Next-Generation-of-Head-Start>

<sup>36</sup> Note that the difference in per-child funding allocation for grantees with CLASS scores in the top 25% and those in the bottom 25% is nearly \$1,500; the actual difference is \$1,276.

## Policy Recommendations (continued)

- 4. The U.S. GAO should conduct an independent, comprehensive process and outcome review of Head Start professional development, including more data analysis on how to improve the effectiveness of the system.** Possible areas to investigate include: more equitable allocation of funding for professional development by region, grantee, and among national centers; awarding of professional development contracts to entities that have demonstrated effectiveness and efficiency in meeting outcomes; and the requirements placed on grantees to use professional development funds to address identified needs based on the CLASS® scores and/or other regional recommendations. Based on the results of the evaluation, Congress should adjust the process for allocating funds and the GAO should conduct ongoing reviews of the effectiveness of the professional development system.
- 5. The OHS should revise the PIR data-collection system to better inform evaluation of Head Start program components.** The amount and type of data currently being collected are not easily available to researchers or others interested in examining data by regions and/or agencies. Conduct an internal review of how the data are used at the grantee and regional levels, and make adjustments as necessary.

## Final Words

The purpose of this research is to provide findings based on extensive data analysis that will help improve the school success of hundreds of thousands of children each year. The overall goal of Head Start is to provide the nation's most vulnerable children an opportunity to enter school as healthy, socially capable, and academically prepared individuals on track to succeed in school. It is hoped this study will contribute to the conversations and decisions that should and will be occurring to improve Head Start.

# Appendix A: History of Head Start

To determine if Head Start funds are distributed equitably, we reviewed documents filed with the OHS, historical documents specific to Head Start's history, reports generated by the U.S. Government Accountability Office (GAO), and interviews with OHS staff and local grantee directors.

The most recent federal law reauthorizing the Head Start program, Public Law 110-134 *Improving Head Start for School Readiness Act of 2007*, requires the U.S. Department of Health and Human Services (HHS) to submit reports on the program to Congress on a scheduled basis. Occasionally, Congress requests additional reports on special topics, as was the case in 1981 when the U.S. comptroller general presented a report to Congress.<sup>37</sup>

In 2007, the comptroller general presented a report to Congress entitled, *Head Start: An Effective Program but the Funding Distribution Formula Needs Revision and Management Controls Need Improvement* (1981). The report outlines the early years of Head Start funding and how funding distribution changed over the years. The report found that funding methods changed over the years because of congressional concerns about whether each state received their equitable share of available funds. The report also explains the funding formula at the time of the report (1981). It is our understanding that this formula continues to influence Head Start funding today.

## The Beginning of Head Start

In 1965, Head Start pilot programs were funded in 240 of the 300 poorest counties in the country and served more than 560,000 children and families in an eight-week summer program. These counties were primarily in the Southeastern portion of the country. Based on the success of the summer program, Congress authorized Head Start as a primarily part-day, nine-month program in 1966.

## Community Services Act of 1974

Head Start was reauthorized in the Community Services Act of 1974; three provisions sought to alleviate concerns that Head Start was concentrated in the Southeastern portion of the country. These provisions were:

1. Transfer Head Start from the Office of Economic Opportunities (OEO) to Health and Human Services (HHS).
2. Expand the Head Start program authority for fiscal years 1975, 1976, and 1977.
3. Establish a mandatory formula for allotment of funds among states.<sup>38</sup>

The Community Services Act of 1974 changed the funding landscape and continues to influence how Head Start funds are allocated today. The three major aspects of the formula are:

1. Not more than 2% of total funding is to be allotted among Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.
2. Not more than 20% of the total funding is to be reserved for use at the discretion of the HHS secretary.
3. The remaining funds are to be allotted among the states (including Washington, DC and Puerto Rico) based on a two-part formula (page 19).
  - a. Half of the remaining funds are to be allotted to states based on the number of public assistance recipients in each state, as compared to the number of public assistance recipients in all other states.
  - b. The other half of the remaining funds are to be allotted based on the number of children living in families with incomes below the federal poverty level in each state as compared to all other states.

<sup>37</sup> Office of Comptroller General. (July 1981). *GAO Report -19-519 / HRD-81-83: Head start: An effective program but the fund distribution formula needs revision and management controls need improvement*. <https://www.gao.gov/assets/hrd-81-83.pdf> (pg.19).

<sup>38</sup> Headstart, Economic Opportunity, and Community Partnership Act of 1974, Pub. L. No. 93-644, 88 Stat. 2291 (1974). <https://www.govinfo.gov/content/pkg/STATUTE-88/pdf/STATUTE-88-Pg2291.pdf>



The formula also addressed the concern that states might lose funds, so therefore it provided that no state would be allocated less funding than it received for FY 1975. However, congressional reviews found that HHS's proposed allocations for 1978 potentially were based on incorrect interpretations.<sup>39</sup>

A review of the program's funding history reveals that the growing unmet needs of children unable to be served is potentially still influenced by revisions to the Head Start funding formula in 1978-1979. In 1978, according to House Conference Report 95-1766, under the new Head Start formula most states would receive increased allocations for FY 1979, although that assumed eventual approval by Congress of the \$680 million requested by the Administration for Head Start for FY 1979. The new formula guaranteed that no state would receive less than it did for FY 1978. With some exceptions, the new formula would parcel out Head Start funds based on a poverty index that considered a state's share of low-income children age 5 and younger, and the number of recipients in each state's Aid to Families with Dependent Children (AFDC) program.

As approved by Congress, the new formula would distribute at least 78% of the total Head Start appropriation to states based on the state-level poverty index. The remaining funds would be set aside for various uses, including "hold-harmless" payments to ensure all states received at least the amount they received for FY 1978, and special supplemental payments to provide small increases to several states that were slightly "overfunded" in the past.<sup>40</sup>

The new formula was largely the result of negotiations involving U.S. Rep. Carl D. Perkins, D-Kentucky, chairman of the House Education and Labor Committee; and U.S. Sen. Gaylord Nelson, D-Wisconsin, chairman of the Senate Human Resources Subcommittee on Employment and Poverty. The formula was the result of concerns by Sen. Nelson and others whose states were "underfunded" in the past. The new formula was designed to ensure that all states would eventually receive funds solely based on their poverty index. The formula also considered a concern voiced by Rep. Perkins and others whose states were "overfunded" and would lose money if allocations were based solely on the index. The new formula guaranteed that no "overfunded" state would receive less than in FY 1978. It also allowed for slight increases for states that had been moderately "overfunded" in the past, such as Kentucky. The guarantee was based primarily on the assumption that Congress would provide yearly increases in the appropriation for Head Start.<sup>41</sup> However, history tells us another story.

## Funding through the years

Based on data from the ECLKC<sup>42</sup>, which presents the total actual funding awarded and funded enrollment of Head Start programs in each state and territory, it appears Mississippi's allocation is significantly lower than states with recorded numbers of fewer children in poverty.

## Brief history of Head Start funding from 1975 to 2022

Head Start Program Performance Standards were first published in 1975. In 1978, Congress passed the Economic Opportunity Act, which provided the first expansion of existing Head Start programs.

In 1979, Congress reauthorized Head Start for five years and provided a 20% annual increase in funding to serve additional children and families. In 1981, Congress increased Head Start funding by \$125 million, increased funded enrollment by 9,500, and ended all summer-only programs. Also, during the 1980s, Head Start funding was allocated for staff training.

In 1984, Congress reauthorized Head Start through FY 1986 and allocated funding for the expansion of existing Head Start programs.

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<sup>39</sup> Office of Comptroller General. (July 1981). *GAO Report -19-519 / HRD-81-83: Head start: An effective program but the fund distribution formula needs revision and management controls need improvement.* <https://www.gao.gov/assets/hrd-81-83.pdf> (pg. 17).

<sup>40</sup> Ibid.

<sup>41</sup> Ibid.

<sup>42</sup> Head Start ECLKC. (2022, September 30). *Head start program facts: Fiscal year 2019.* <https://eclkc.ohs.acf.hhs.gov/about-us/article/head-start-program-facts-fiscal-year-2019>

The Human Services Reauthorization Act of 1986 reauthorized Head Start through FY 1990. In 1988, Congress appropriated \$50 million for staff raises. In 1989, Congress appropriated \$50 million for overall program quality. The 1990s found Head Start funding directed to quality improvement and required that 2% of total funding be reserved for staff training, as Congress passed the Head Start Expansion and Quality Improvement Act of 1990.

In 1992, Head Start funding increased by \$600 million, extending Head Start to an additional 180,000 children and families. The Head Start Improvement Act of 1992 also 1) codified the ability for programs to purchase facilities, 2) established transportation regulations, 3) required review of grantees after their first year of operation, 4) provided for health services for younger siblings, and 5) provided literacy and child development training for parents.

In 1994, Congress reauthorized Head Start again. This act 1) created Early Head Start, 2) expanded Head Start, 3) provided more funding for quality improvements, staff development, and salary increases; 4) required revisions to the Head Start Program Performance Standards, 5) improved program monitoring, and 6) developed a system for research and evaluation of Head Start. Head Start received a small funding increase in FY 1996, while funding increased by \$411 million in FY 1997 and \$374 million in FY 1998.

In 1998, The Head Start Improvement Act revised the purpose of Head Start from the development of children's social competence to the development of children's school readiness. This Act required that at least one teacher in each classroom has an associate degree and provided the opportunity for programs to extend to full-day, full-year services. In 1999, Head Start funding increased by \$311 million, and in FY 2000 it increased by \$608 million. The next Head Start expansion came in 2006, with \$4 million allocated to expand Early Head Start.

In 2007, Congress reauthorized Head Start with the Improving Head Start for School Readiness Act. Among other changes, this act addressed: 1) program quality, 2) accountability and oversight, 3) funding and grants structure by revising the allocation formula and converting all grants to five-year competitive grants, and 4) staff qualifications. In 2009, Congress allocated \$2.1 billion to expand enrollment by more than 61,000 children and families and to improve quality. In 2013, Head Start suffered a 5.27% funding cut during sequestration, but these funds were restored in 2014. Also in 2014, 14 agencies were awarded grants for Birth-to-Five pilot programs and \$500 million was appropriated for Early Head Start-Child Care Partnerships grants. Early Head Start Expansion and Early Head Start-Child Care Partnership grants increased funded enrollment by 8,000 slots for infants and toddlers.<sup>43</sup>

In March 2022, President Joe Biden signed the Consolidated Appropriations Act. The funding level for programs under the Head Start Act is \$11,036,820,000, an increase of \$289 million from FY 2021. This increase includes \$234 million to provide all Head Start, Early Head Start, and Early Head Start-Child Care Partnership grant recipients a 2.28% cost-of-living adjustment and \$52 million for quality improvement. The total appropriation also included \$6 million for Tribal College and University Head Start (TCU-HS) Partnership programs, of which \$2 million was an increase from the FY 2021 funding level to supplement existing TCU-HS Partnership grants.<sup>44</sup>

The Head Start funding formula is complicated and somewhat dependent upon interpretation by officials in the Office of Head Start and those in Congress. As funding has increased for the overall program, there appears to have been no significant attempt by Congress to revisit the base formula for the purpose of adjusting the allocation of funds to each state.

The Head Start Program Performance Standards were amended in 2011 to include the Designation Renewal System (DRS), and the Head Start Program Performance Standards were revised in 2016. DRS converted all Head Start grants into five-year grants in an effort to improve program quality and accountability through competition. DRS requires that grantees that do not meet certain standards must compete for renewed funding at the end of their five-year grant period.

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<sup>43</sup> Head Start ECLKC. (2024, June). *Head start timeline*. <https://eclkc.ohs.acf.hhs.gov/about-us/article/head-start-timeline>

<sup>44</sup> Head Start ECLKC. (2022). *FY 2022 Head start funding increase*. <https://eclkc.ohs.acf.hhs.gov/policy/pi/acf-pi-hs-22-02>

As a federal program nearing its 60th anniversary, Head Start has seen many changes in funding. The history of funding outlined in this report details how funding has been allocated for specific initiatives such as cost-of-living or other salary increases, training, and program-quality improvements.

From our research, we believe that the Head Start base funding formula, which comes from the CSA of 1974, allocates funds inequitably. We also believe that expansion and improvement grants awarded in the last four decades continue to exacerbate funding inequities. We interviewed several Head Start directors and have selected three stories that show the funding inequities they deal with on a daily basis. (See Appendix C.)

While Head Start and Early Head Start programs struggle with funding issues, OHS recognizes this issue. There are many methods that programs can use to address funding issues without sacrificing programming quality. One example is revising funded enrollment to free up funds for quality improvements, including funds to address salary or staffing issues.

Salaries and benefits were not the only challenges that grantees with different contracts had to solve. Difficult budgeting decisions have been attributed to some programs' decisions to eliminate transportation services when contracts did not pay for the full cost of quality programming. This means that some of the most vulnerable families may no longer be served. Prior to the COVID-19 pandemic, there was a steady decline in the number of Head Start children who were provided transportation from 2016-2017 to 2018-2019 (a decline from 23.4% to 21.6%) and a sharp decrease beginning in 2020-2021 because of the COVID-19 pandemic and its impact on Head Start. In 2021-2022, 16.4% of children in the program were provided transportation.

For more complete stories about the issues, and their sometimes ineffective solutions, please see Appendix D.

## Appendix B: Possible Changes in Program Operation

On Nov. 20, 2023, the OHS published a notice of proposed rulemaking (NPRM) in the Federal Register, *Supporting the Head Start Workforce and Consistent Quality Programming*, asking for public comments on proposed new rules for the program's workforce, their mental health, and other quality improvements. In regard to the workforce, the proposed change to the Head Start Program Performance Standards (HSPPS) described in the NPRM would require all Head Start grantees to develop and implement a framework to ensure fair compensation (including benefits) for educators and other staff engaged with children in Head Start and Early Head Start. Through the proposed rule changes, the OHS hopes to stabilize the Head Start and Early Head Start workforce by addressing the lack of parity between the salaries and benefits of Head Start and Early Head Start teachers and teachers in public kindergarten through third grade. The OHS has stated that public comments on the proposed rule changes will be considered before the final decisions are made. The proposed rule changes reflect President Joe Biden's proposal to raise teacher salaries, although some advocates and leaders in the field believe that the change would result in the program serving fewer children if additional funding is not available for the higher salaries.<sup>45</sup> While the proposed rules address the much-needed increases in compensation for Head Start staff as well as increases in services to families, they do not address the funding inequities identified in this report.

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<sup>45</sup> Seitz, A. (2023, November 22). *Biden's plan would raise salaries for Head Start teachers but could leave fewer spots for kids*. AP News. <https://apnews.com/article/preschool-salaries-teacher-pay-shortage-head-start-e3febfb16815517cef8399418ae369c6>

## Appendix C: Extended Tables

Table 1.

**Percentage of Children Under Age 6 in Poverty Enrolled in Head Start, 2021**

Nevada	7.7%
Georgia	13.9%
Delaware	14.0%
Idaho	14.3%
Texas	14.6%
Maryland	14.7%
North Carolina	15.1%
Alabama	15.4%
Indiana	15.4%
Arkansas	16.1%
Florida	16.1%
New Jersey	16.3%
South Carolina	17.1%
Virginia	17.2%
Arizona	18.2%
Tennessee	18.4%
Missouri	18.9%
New York	19.0%
Connecticut	19.6%
Washington	19.7%
Illinois	19.8%
Kentucky	20.0%
Ohio	20.4%
Kansas	20.6%
Colorado	21.1%
Louisiana	21.3%
Utah	21.3%
New Mexico	21.5%
California	21.8%
Massachusetts	21.8%
Oklahoma	22.3%
Nebraska	23.4%
Maine	23.6%
Michigan	23.7%
New Hampshire	23.8%
District of Columbia	24.0%
Iowa	24.3%
Pennsylvania	24.4%
Hawaii	25.1%
Minnesota	26.0%
Wisconsin	26.1%
Rhode Island	26.6%
West Virginia	28.9%
Wyoming	29.9%
Mississippi	35.5%
Montana	37.1%
North Dakota	37.8%
South Dakota	39.0%
Oregon	39.3%
Vermont	40.3%
Alaska	50.0%

## Appendix C: Extended Tables

Table 7.

**CLASS® Scores by State  
(SEF states highlighted  
in blue)**

STATES	Mean Emotional Support	Mean Classroom Organization	Mean Instructional Support
AK	6.09	5.70	2.69
AL	5.89	5.63	2.64
AR	5.90	5.62	2.71
AZ	6.26	5.95	3.17
CA	6.19	5.95	2.99
CO	6.20	5.99	3.07
CT	6.02	5.77	2.94
DC	5.74	5.50	2.67
DE	6.07	5.84	2.81
FL	5.93	5.64	2.89
GA	5.96	5.69	2.89
HI	6.11	5.76	3.01
IA	6.06	5.83	2.91
ID	6.02	5.68	2.96
IL	6.06	5.81	2.96
IN	6.00	5.66	2.99
KS	6.12	5.89	3.03
KY	6.11	5.95	3.40
LA	5.98	5.73	3.03
MA	6.12	5.75	3.04
MD	6.01	5.72	3.07
ME	6.15	5.94	3.12
MI	6.09	5.80	2.99
MN	6.12	5.95	2.93
MO	5.97	5.59	2.74
MS	6.00	5.80	2.90
MT	6.22	6.034	3.03
NC	6.07	5.8	3.11
ND	6.08	5.75	2.89
NE	6.14	5.91	3.06
NH	6.32	6.09	3.54
NJ	6.06	5.83	2.88
NM	6.04	5.75	2.65
NV	6.37	5.98	3.57
NY	6.09	5.84	2.94
OH	6.06	5.81	2.95
OK	5.94	5.62	2.66
OR	6.11	5.80	2.89
PA	6.05	5.81	2.90
RI	6.26	5.98	3.40
SC	5.88	5.59	2.87
SD	6.06	5.72	2.93
TN	6.10	5.91	3.13
TX	5.88	5.70	2.74
UT	6.07	5.75	3.06
VA	6.04	5.76	2.99
VT	6.17	5.70	3.01
WA	6.22	5.91	3.06
WI	6.11	5.90	3.01
WV	6.10	5.86	2.93
WY	6.13	5.90	3.09



# Appendix C: Stories from Grantees in Three States

## ONE: A Document Written by the Director of a Community Action Agency

One Head Start Grantee has had a contract to serve children and families in eight counties for more than 50 years and added three additional counties under a different contract approximately four years ago. The per-child allocation among these counties varies by approximately \$3,000 in Early Head Start and \$2,000 in Head Start. The grantee’s application for the three-county expansion included the true cost of providing the programs. However, the predecessors for the eight-county contract were not aggressive in their pursuit of quality improvement funds nor expansion of slots. As a result, the per-child allocation for the eight-county contract did not keep pace with the real costs of running a Head Start/Early Head Start program. The newer three-county contract provides more financial stability because it includes substantially more funding per child.

	8-COUNTY		3-COUNTY	
	EHS	HS	EHS	HS
#Children	200	265	44	60
BUDGET	\$3,165,832	\$3,520,571	\$828,351	\$922,390
Cost-of-Living Adjustment	\$114,404	\$113,478	\$26,934	\$28,580
Total	\$3,280,236	\$3,634,049	\$855,285	\$950,970
HS Cost/Child	\$16,401.18	\$13,713.39	\$19,438.30	\$15,849.50

*(This calculation is based on the total grant divided by the number of slots in each county, including indirect and management costs.)*

The contracts for the three-county expansion and the eight-county legacy program run on different fiscal years. One contract runs annually from May to the following April and the other from July to the following June. While the regional office of OHS has indicated a willingness to help rectify this challenge, they currently have an administrative environment that requires a nearly yearlong process of closing out the grants and preparing and applying for subsequent grants. Planning for the new grant application and coordination with the grantee Policy Council and Board begins in December for February and April application deadlines. It was their decision to take on this responsibility, but it does require a heavier administrative burden than grantees with only one grant.

“We want to provide high-quality programming for the children across all of our counties, so we have had to make some tough choices in the eight counties where the funding does not pay for high-quality programs. We, of course, use the same pay scale for the staff in all 11 counties, so something else must give,” the program director said.

Some of the choices this program has made:

1. Stopped providing transportation (which could keep the most vulnerable families from applying). This decision was made in concert with the Policy Council nearly 10 years ago because of the grantee’s inability to keep up with rising costs for staff, health insurance, rent, etc.
2. The grantee uses their Community Services Block Grant funding to pay for the Family Success Coaches in the eight counties (this means serving fewer non-Head Start families with those services) to implement a Whole Family Approach that extends more comprehensively beyond the Performance Standards. This conversion took place approximately four years ago and has nearly completely relieved the Head Start grant from having to pay for parent-related services.
3. Former Head Start classrooms have been closed and converted to Early Head Start and a home-based model. While there are some community needs-based justifications for these conversions, each of the new models require fewer employees and smaller or no facilities and are major drivers of additional expense and oversight.

4. During the current fiscal year, workforce challenges have stretched their resources to the brink. High turnover and a shortage of classroom staff have forced increased rates of pay to have any hope of competitiveness in the current job market. They have had, on average, 30 open positions for the last two years. They raised teacher pay to the point that it would run them significantly over budget if they were fully staffed. In essence, they are conceding full staffing (they are forecasting that they will have to maintain 10 ongoing vacancies to afford the model) to retain the classroom staff they have for the sake of classroom quality and consistency.
5. As much as the grantee appreciates the Cost-of-Living Adjustments provided by OHS, there is a significant gap in their ability to pay competitive wages to attract and retain the caliber of classroom staff necessary to teach children most at risk.

## **TWO: An Interview with a Director of a Head Start Program**

This person has been director of a Head Start program for more than a decade and serves on the National Head Start Association Board of Directors. While her program has only one grant, she knew of many Head Start colleagues whose programs have more than one Head Start grant but have chosen to roll multiple Head Start grants into one grant to alleviate the reporting challenges associated with multiple grants and different timelines. For programs that have more than one grant, she said, there are discrepancies in the funding provided by the grants. For example, her grant was originally funded in the mid 1960s using a different funding allocation than for grants that were funded more recently.

When asked about Head Start per-child allocations, she explained that Head Start grants historically were not funded on a cost-per-child basis. Rather, funding was based on each grantee's proposal. She reported that each program must submit an annual report that includes information about the program's funding allocation and proposed budget. Information contained in these annual program reports can be extremely valuable as we continue to work to understand how Head Start programs allocate funds and the correlation between Head Start funding and classroom quality.

## **THREE: An Interview with a Director of a Head Start Program**

The story of another Head Start agency reveals the challenges facing agencies that manage multiple grants awarded in different years. The agency is not part of a Community Action Agency, but rather a "stand-alone" grantee. This means the agency depends only on funds awarded by Head Start and those generated by in-kind or monetary match. The grantee has been in operation for more than 30 years and has received multiple awards to increase its service area. As of 2022, the agency has faced staff turnover; teachers sometimes leave for higher pay in a different Head Start location within the same agency. Teachers employed the longest who choose to remain at their original employment site earn less than those newly employed under a more recent — and therefore better-funded — grant award. This situation results in an unstable local Head Start workforce, even when the same agency retains its employees, and low teacher morale.

## Appendix D: An Associated Press Article

### Head Start preschools aim to fight poverty, but their teachers struggle to make ends meet

By Moriah Balingit (March 2, 2024)

WASHINGTON (AP) — In some ways, Doris Milton is a [Head Start](#) success story. She was a student in one of Chicago's inaugural Head Start classes, when the antipoverty program, which aimed to help children succeed by providing them a first-rate preschool education, was in its infancy.

Milton loved her teacher so much that she decided to follow in her footsteps. She now works as a Head Start teacher in Chicago.

After four decades on the job, Milton, 63, earns \$22.18 an hour. Her pay puts her above the poverty line, but she is far from financially secure. She needs a dental procedure she cannot afford, and she is paying down \$65,000 of student loan debt from National Louis University, where she came within two classes of getting her bachelor's degree. She dropped out in 2019 when she fell ill.

"I'm trying to meet their needs when nobody's meeting mine," Milton said of teaching preschoolers.

Head Start teachers — [70% of whom have bachelor's degrees](#) — earn \$39,000 a year on average, far less than public school teachers with similar credentials. President Joe Biden wants to [raise their pay](#), but Congress has no plans to expand the Head Start budget.

Many have left the job — about one in five teachers turned over in 2022 — for higher-paying positions at restaurants or in retail. But if Head Start centers are required to raise teacher pay without additional money, operators say they would have to cut how many kids they serve.

The Biden administration says the program is already turning kids away because so many teachers have left, and not enough workers are lining up to take their places. And officials say it does not make sense for an anti-poverty program, where people of color make up 60% of the workforce, to underpay its employees.

"We have some teachers who are making poverty wages themselves, which undermines the original intent of the program," said Katie Hamm, a deputy assistant secretary in the Office of Early Childhood Development.

Head Start, created as part of President Lyndon Johnson's "war on poverty," serves some of the neediest children, including those who are homeless, in foster care, or come from households falling below the federal poverty line. With [child-care prices exceeding college tuition](#) in many states, Head Start is the only option within financial reach for many families.

The Department of Health and Human Services, which administers the program, estimates a pay hike would not have a huge effect on the number of children served because so many programs already struggle to staff all their classrooms. Altogether, Head Start programs [receive enough funding to cover the costs of 755,000 slots](#). But many programs can't fully enroll because they don't have enough teachers. It's why the department estimates only about 650,000 of those slots are getting filled.

The proposed change would force Head Start programs to downsize permanently because they would not be able to afford as many teachers.

That worries Head Start leaders, even though many of them back raising pay for their employees, said Tommy Sheridan, deputy director for the National Head Start Association. The association [asked the Biden administration](#) to allow some programs to opt out of the requirements.

"We love this idea, but it's going to cost money," Sheridan said. "And we don't see Congress appropriating that money overnight."

While a massive cash infusion does not appear forthcoming, other solutions have been proposed.

On Monday, the Biden administration [published a letter](#) urging school districts to direct more of the federal money they receive toward early learning, including Head Start.

On Thursday, U.S. Reps. Mikie Sherrill, D-N.J., and Juan Ciscomani, R-Ariz., filed a bill that would allow Head Start to [hire community college students](#) who are working toward their associate degrees in child development.

The stakes are perhaps highest for rural Head Starts. A program outside of Anchorage, Alaska, is closing one of its five sites while struggling with a shortage of workers. Program director Mark Lackey said the heart-wrenching decision allowed him to raise pay for the remaining workers in hopes of reducing staff turnover.

"It hurts, and we don't want to do it," Lackey said. "But at the same time, it feels like it's kind of necessary."

Overall, his program has cut nearly 100 slots because of a staffing shortage. And the population he serves is high-need: About half the children are homeless or in foster care. The Biden proposal could force the program to contract further.

Amy Esser, the executive director of Mercer County Head Start in rural western Ohio, said it's been difficult to attract candidates to fill a vacant teaching position because of the low pay. Starting pay at Celina City Schools is at least \$5,000 more than at Head Start, and the jobs require the same credentials.

But she warned hiking teacher pay could have disastrous consequences for her program, and for the broader community, which has few child-care options for low-income households.

"We would be cut to extinction," Esser wrote [in a letter to the Biden administration](#), "leaving children and families with little to no opportunity for a safe, nurturing environment to achieve school readiness."

Arlisa Gilmore, a longtime Head Start teacher in Tulsa, Oklahoma, said if it were up to her, she would not sacrifice any slots to raise teacher pay. She makes \$25 an hour and acknowledges she's lucky: She collects rental income from a home she owns and shares expenses with her husband. The children in her classroom are not so fortunate.

"I don't think they should cut classrooms," Gilmore said. "We have a huge community of children that are in poverty in my facility."

Milton, the Chicago teacher, wonders why there has to be such a difficult trade-off at all.

"Why can't it be, 'Let's help both'? Why do we got to pick and choose?" Milton said. "Do we not deserve that? Don't the kids deserve that?"



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