

Aligning Finance with Common Standards

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Alliance for Early Childhood Finance
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Financing ECE Programs


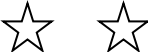


Total Revenue = Portable + Direct Assistance

Total ECE Program
Revenue
linked to standards

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graph TD; A["Total ECE Program Revenue  
linked to standards"] --- B["Tuition/Fees +  
Portable Subsidy  
(e.g. CCDF vouchers,  
scholarships, tax credits, etc.)"]; A --- C["Direct, Institutional  
Support  
(e.g. HS, Pre-K, ECE quality  
grants, industry-wide  
investments)"]
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Tuition/Fees +
Portable Subsidy
(e.g. CCDF vouchers,
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Direct, Institutional
Support
(e.g. HS, Pre-K, ECE quality
grants, industry-wide
investments)

Step	Criteria	Portable Incentives	Direct Incentives
Start with Stars	Apply for QRS & complete requirements (e.g. Health & Safety checklist)	Child care subsidy (CCDF/TANF) at basic rate State child care tax credit at basic rate	Start with STARS grant - one time only TEACH and CADFP available Access to T/TA -- prioritized Links to family support and/or home visiting
STAR 1 - Attained 	Meets STAR 1 Standards or in a points system has sufficient points for Star 1	Child care subsidy at Star 1 level (tiered bonus) State child care tax credit at basic + .25	STARS Support Grant - available for 2 years TEACH, CACFP, T/TA, family support links same as Start with Stars Early Childhood MH Consultation available Health Consultation available
STAR 2 - Attained 	Meets STAR 2 Standards or in points system has sufficient points for star 2	Child care subsidy at Star 2 level (tiered bonus) Private scholarships/grants at Star 2 level State child care tax credit at basic + .50 refundable practitioner tax credit at base level (or Ed & Ret grants)	STARS Support Grant - available for 3 years Ed & Retention Award (or practitioner tax credits) Campus-based child care funds @ Star 2 level TEACH prioritized CACFP, T/TA, family support links same as Star One Early Childhood MH & Health consultation prioritized
STAR 3 - Attained 	Meets STAR 3 Standards or in points system has sufficient points for star 3	Child care subsidy at Star 3 level (tiered bonus) Private scholarships/grants at Star 3 level State child care tax credit at basic + .75 refundable practitioner tax credit at 1.5 of base level (or Ed & Ret grants)	STARS Support Grant – ongoing Ed & Retention Award (or practitioner tax credits) Campus-based child care funds @ Star 3 level TEACH & CACFP same as Star Two Training and TA available, as needed & appropriate Title IV-B - priority placement for protective/preventive Family support available & aligned with IV-B cases Early Childhood MH Consul aligned with IV-B Health Consultation prioritized & aligned with IV-B Priority placement for children with disabilities
STAR 4 - Attained 	Meets STAR 4 Standards/points or National Accreditation or Head Start (licensed integrated model)	Child care subsidy at Star 4 level (tiered bonus) Private scholarships/grants at Star 4 level State child care tax credit x 2 (double benefit) refundable practitioner tax credit at 2x base level (or Ed & Ret grants)	STARS Support Grant - ongoing Ed & Retention Award (or practitioner tax credit) Campus-based child care funds @ Star 4 level Eligible for Head Start and/or State Pre-K Funding TEACH,CACFP, T/TA, Title IV-B, Family Support, MH & Health Consultation same as Star Three Priority placement for children with disabilities

Layering Portable & Direct Subsidies

