MANAGEMENT
AND BUDGETMANAGEMENT ANALYSIS
AND DEVELOPMENT

The Early Childhood Governance Report

By Management Analysis and Development (MAD) at Minnesota Management and Budget

March 2022

Agenda

- Background
- Key Takeaways
- Consolidation Findings
- Coordination Findings
- Options, Considerations, Next Steps

Background

Previous approaches in Minnesota

- Legislation passed in 1995 to replace the Department of Education with the more broadly-focused Department of Children, Youth, and Families
 - Programs distributed back to MDE, MDH, and DHS by Governor Pawlenty in 2003
- Minnesota's Early Childhood Advisory Council task force recommends freestanding, cabinet level office of early learning
 - Stemmed from 2010 legislative report
 - Colocation of early childhood programs in one agency was not addressed
- 2011 Office of Early Learning at MDE
 - Scope and priority functions developed by Office of Early Learning Task Force
 - Funded by Race to the Top

Early Childhood Governance Report Background

- A bill was introduced last session to create a Department of Early Childhood consolidating select programs currently within MDE, DHS, and MDH into a new cabinet-level agency.
- \$200,000 in funding was directed to the Children's Cabinet to produce a report on the governance of programs relating to early childhood development, care, and learning.
- Statute directed the Children's Cabinet to develop recommendations to the legislature and Governor's office by February 1.
- Children's Cabinet consulted with MMB's Management Analysis Division to complete the report.

MAD research and information gathering

- Review of 35+ studies and reports regarding early childhood governance, Minnesota's early childhood systems, and governance in other states
- Discussions and interviews with 100+ community stakeholders and early childhood advocates
- Interviews and webinars with five national experts on early childhood governance and officials in nine states with relevant experience
- Conversations with 18 leaders and other officials in Minnesota's Departments of Education, Health, Human Services, and the Children's Cabinet

Notable "whos" for engagement, state interviews

Community stakeholder group discussions

- Children's Defense Fund Early Childhood Advocates
- Community Solutions Grants Advisory Council
- Kids Count on Us
- Local education leaders
- Local Public Health Association
- MN Assoc of County Social Service Administrators
- MN Children's Cabinet Advisory Councils
- MN Tribal Resources for Early Childhood Care
- Subcommittee of advisors for MN's Preschool Development Grant

Interviews with other states

- California
- Colorado
- District of Columbia
- Georgia
- Missouri
- Oregon
- Washington

Key Takeaways

Themes From MAD Research

- Governance is important.
- Consolidation offers opportunities for improved alignment—but doesn't guarantee it.
- There are limits to what governance can accomplish.
- The impacts of governance on outcomes is unclear based on research done to date.
- Changing governance involves costs, but so does sticking with the status quo.
- Stakeholders both supported and opposed consolidation of governance.
- Scope for consolidation differs state to state and changes over time.
- Shifting MN governance now may impede recent progress on coordination, alignment.

"Whatever it is, you should be very clear why you are changing governance. Have a clear sense of what it is you're trying to accomplish and then design the change to accomplish that." -Elliot Regenstein, expert on state-level early childhood policy and advocacy

Consolidation Findings

Impact of Consolidation in 5 Areas

Impacts on state government operations

- Coordination and alignment of early childhood programs within state government
- Articulation between early care and education programs and the kindergarten through grade 12 system

Impacts on children, families, and providers

- Kindergarten readiness of all children, regardless of race, income, and zip code
- Effort required of families to receive services they are entitled to
- Effort required of service providers to participate in childhood programs

Potential pros to consolidation



Government operations

- Improves coordination, alignment
- Agencies can focus on other priorities
- Possible cost savings with reduced duplication
- Improves quality, consistency
- Improves data sharing
- Opportunities for public-private partnerships



- Designs around children and families (human-centered)
- Addresses child care access issues
- Recognizes trauma
- Provides one-stop shop for services



Early childhood policy and programs

- New or elevated focus on early childhood, unified authority/accountability
- Averts system failure
- Designs system around equity, address racial, ethnic, income, and geographic inequities
- Reconsiders value of child care workers
- Increases funding/resources, reduce competition
- Creates positive culture around programs
- Sustains support across political shifts

Potential cons to consolidation



Government operations

- Complex reorganization difficult to implement, especially during pandemic
- Disruptive shifts in current public-private relationships
- Intensifies competition for funding/resources
- Various upfront costs involved with program transfer
- Not guaranteed to succeed



Children and families

- May complicate service delivery if the state decides poorly on agency scope
- Worsens fragmentation in service delivery.



Early childhood policy and programs

- Distracts attention and funding from efforts to improve alignment and effectiveness.
- Alters coordination paths, creates fragmentation, disrupts current progress
- Reduces early childhood standing and influence
- Undermines whole-family approach
- Doesn't directly address challenges
- Emphasis on cost reduction rather than improved/expanded services

Key points from officials in states that have consolidated

- There is not one correct governance model.
- The governance structure will change over time.
- Dedicate time and resources to planning and stakeholder engagement.
- Increased efficiency/decreased costs are unlikely.
- Local-level coordination is crucial to success.
- Communicate early and often. Offer multiple modes for input.
- Leadership and political choices shape the outcome.
- Coordination is still needed.
- Unclear if a consolidated agency can attract more funding.

Coordination Findings

Potential pros to coordination

Items in italics are benefits when there is a formal office charged with coordination.



Government operations

- Commitment to coordination reduces fragmentation
- Avoids additional costs
- Maintains current structures
- State structure matches federal funding streams
- Increases accountability
- Can be housed in existing state agency



Children and families

- Single point of contact for services
- Increases visibility for early childhood challenges



Early childhood policy and programs

- Ties agencies to policy focus
- Provides identifiable office for early childhood
- Boosts awareness of important policy area
- Creates single point of contact

Potential cons to coordination

Items in italics are risks when there is a formal office charged with coordination.



Government operations

- Coordination as a lower priority
- Structure is vulnerable to changes in political focus
- No clear accountability
- Trouble tracking budgets, funding
- Needs dedicated staff authority
- Will require funding, staffing, other resources



Early childhood policy and programs

- Low visibility
- Diverse priorities and goals
- Slow, difficult decision making
- Siloed programming and funding
- May have coordinating responsibility but lack authority to enforce
- Creates another layer of governance

Options, Considerations, Next Steps

"Thus, a state that desires to reexamine its early childhood governance structure should not necessarily begin with a particular model in mind but rather focus on its early childhood goals and the functions to be served by governance,"

-Elliot Regenstein and Katherine Lipper, experts on state-level early childhood policy and advocacy

Options for Early Childhood Governance

- 1. Continue coordination with increased resources and authority.
- 2. Expand Children's Cabinet's role in cross-agency coordination and alignment.
- 3. Identify key priorities, then identify governance changes.
- 4. Create an office to coordinate across state agencies.
- 5. Consolidate and elevate policies and programs within agencies.
- 6. Consolidate programs and policy, define the scope, engage stakeholders, develop a plan.
- 7. Consolidation and address challenges as they arise.

What Minnesota needs for successful consolidation

What needs to happen or be true?

- Start with key challenges for early childhood efforts —governance or not.
- Plan for governance change, using dedicated staff, resources, time (years?).
- Engage with leaders and secure buy-in.
- Figure out the nuts and bolts of business systems.
- Factor in and sort out the implications of a governance change for local service providers and state-local roles.
- Determine the funding and resources needed to advance the state's early childhood efforts.

More on what Minnesota needs for successful consolidation

- Engage the wide range of those involved in early childhood.
- Identify the appropriate scope for age range and programming.
- Involve the state agencies.
- Take time and weigh timing.
- Build on what's been done.

- Designate a convener within state government.
- Coordinate communication. Be clear and consistent.
- Manage the organizational change.
- Hire an excellent manager at the top.
- Determine authority for restructuring.

Next Steps

- Identify key priorities to advance early childhood outcomes.
- Consider the options MAD presented.
- Determine the governance approach that best supports those priorities.
- Secure resources to determine authorities, specific changes, and expert management necessary.
- Plan, engage, and build on what's been done.



Thank you!

Matt Kane, Management Consultant Lisa Anderson, Management Consultant