

GAO Highlights

Highlights of [GAO-14-325T](#), a testimony before the Committee on Education and the Workforce, House of Representatives

Why GAO Did This Study

Millions of children under the age of 5 participate each year in federally funded preschool and other early learning programs or receive federally supported child care in a range of settings. Federal programs that funded early learning and child care as an explicit purpose received at least \$14.2 billion in federal funding in fiscal year 2012. This testimony discusses existing federally funded programs that provide or support early learning or child care services for children and the extent to which these programs are administered by multiple federal agencies, have similar goals, or provide the same services. It is based on work done for GAO's 2012 annual report on opportunities to reduce duplication, overlap, and fragmentation in federal government programs (see [GAO-12-342SP](#)), which updated earlier work in this area. For that report, GAO searched the Catalog of Domestic Federal Assistance to identify relevant programs; obtained supplementary information from Education, HHS, and other agencies; and reviewed previous GAO reports. In January 2014, GAO updated information on expenditures for selected programs.

Actions Needed

In its 2012 report, GAO noted that Education and HHS needed to extend their coordination efforts to other agencies with early learning and child care programs. As of December 2013, the agencies had taken initial steps toward greater coordination but need to follow through with their plans to include these other federal agencies in an inter-departmental workgroup.

View [GAO-14-325T](#). For more information, contact Kay E. Brown at (202) 512-7215 or brownke@gao.gov.

February 5, 2014

EARLY LEARNING AND CHILD CARE

Federal Funds Support Multiple Programs with Similar Goals

What GAO Found

The federal investment in early learning and child care is administered through 45 programs that provide or may support related services to children from birth through age 5, as well as five tax provisions that subsidize private expenditures in this area. Among the 45 programs, 12 have an explicit program purpose of providing early learning or child care services. These programs differ in size, target population, and structure. For example, most of them obligated less than \$500 million each in fiscal year 2012, while the largest program, Head Start, obligated approximately \$8 billion in that year. The remaining 33 programs identified in GAO's 2012 report permit the use of funds for delivering or supporting early learning or child care services, but this is not their explicit purpose. These programs include multipurpose block grants, such as Temporary Assistance for Needy Families, for which early learning or child care is not a primary purpose but which may nevertheless provide significant funding for child care. They also include programs that may allow funds to be used for early learning or child care, but these are not among their primary goals and do not typically account for a significant portion of available program funds. Finally, five federal tax provisions support early learning and child care by forgoing tax revenue to subsidize the private purchase of child care services. These five tax expenditures accounted for at least \$3.1 billion of forgone tax revenue for the U.S. Treasury in fiscal year 2012.

The multiple programs that compose the federal investment in early learning and child care are administered by multiple agencies and include programs that have similar goals and potential for both duplication and service gaps. The 45 programs identified in GAO's 2012 report are concentrated within the Departments of Education (Education) and Health and Human Services (HHS)—the principal administrators of the federal government's early learning and child care programs—but are also administered by the Departments of Agriculture, the Interior, Justice, Labor, Housing and Urban Development, the General Services Administration, and the Appalachian Regional Commission. Some of these programs overlap in that they have similar goals for children under the age of 5 and are targeted to similar groups of children. For example, five programs, administered by Education and HHS, provide school readiness services to low-income children, and programs in both Education and the Interior provide funding for early learning services for Indian children. Administering similar programs in different agencies can create an environment in which programs may not serve children and families as efficiently and effectively as possible. Although some programs fund similar types of services for similar populations, several factors contribute to difficulty determining whether these programs are duplicative—that is, whether they provide the same services to the same beneficiaries. These factors include differing program structures and eligibility requirements as well as inadequate or missing data. Despite some program overlap and the potential for duplication, it is likely that service gaps exist since these programs generally are not designed to serve all eligible children. Coordinating the administration and evaluation of early learning and child care programs can help mitigate the effects of program overlap and potentially help bridge service gaps.