

Early Childhood Commission

October 15, 2025



Arkansas Early Childhood Commission



Working Session

Tyra Greenwood, Chair

Lorrie McClure

Haley Session

Dr. Jason Williams

Dr. Shelli Henehan

Deborah Mays

Senator Jane English

Rep. Denise Garner

Senator Greg Leding

Member - Home Instruction for Parents

Member- Public School Administrator

Member- Parent

Member- Clinical Provider

Member- Teacher Education

Member- Childcare Provider

Member- Senate Committee on Education

Member- House Committee on Education

Member- Senate Interim Committee on Children & Youth

How did we get here?
What comes next?



Arkansas Early Childhood Funding



Early Childhood Programs and Services

(Child care assistance, family support services, provider quality supports, early learning standards and curriculum, licensing requirements)

Child Care Development Funding (CCDF)

Federal block grant administered by the state to subsidize child care for low-income families and support quality improvement and provider supports

(INCLUDES SRA)

~ \$127 Million

Arkansas Better Chance (ABC)

State-funded early childhood program focused on expanding access to high quality early childhood education services for at-risk children

~ \$114 Million

Head Start / Early Head Start

Federally-funded comprehensive program providing early education, health, and family supports for low-income families

~ \$110 Million

Child Care Development Funding Breakdown



Child Care Development Grant (CCDF)
Approximately \$127M annually in mandatory, discretionary, and match

Non-Direct Services

Contract Services: Approximately 22% of overall funding is spent on professional service contracts and SRA implementation

Admin Costs: No more than 5% of overall funding may be spent on administrative costs

~ \$34 Million

Quality Activities

At least 12% of total funding must be committed to quality improvement activities:

3% Overall–Infant & Toddler Quality

9% Overall–General Quality

~ \$17 Million

Direct Child Care Services

A minimum of 70% of remaining funds must be spent on direct child care services in accordance with CCDF regulations

~ \$77 Million

Federal Funds



- CCDF funding received an \$8M reduction (From \$135M to \$127M) in Federal Fiscal Year 2025, 4th Quarter (July 2025-September 2025)
- Preschool Development Grant (PDG) funds (one-time grant funds centered on enhanced quality) expire in December 2025
- Early Childhood program received over \$500M in COVID relief funds in 2021 (one-time funding source)

Rate Increases Over Time



Daily Infant Rate	2021	2023	2024	2025 (Proposed)
Level 1	\$27	—	—	—
Level 2	\$29	\$30	\$39	\$36
Level 3	\$55	\$56	\$56	
Level 4	—	\$57	\$60	
Level 5	—	\$58	\$65	
Level 6	—	\$59	\$75	

Better Beginnings Information (September 2025)

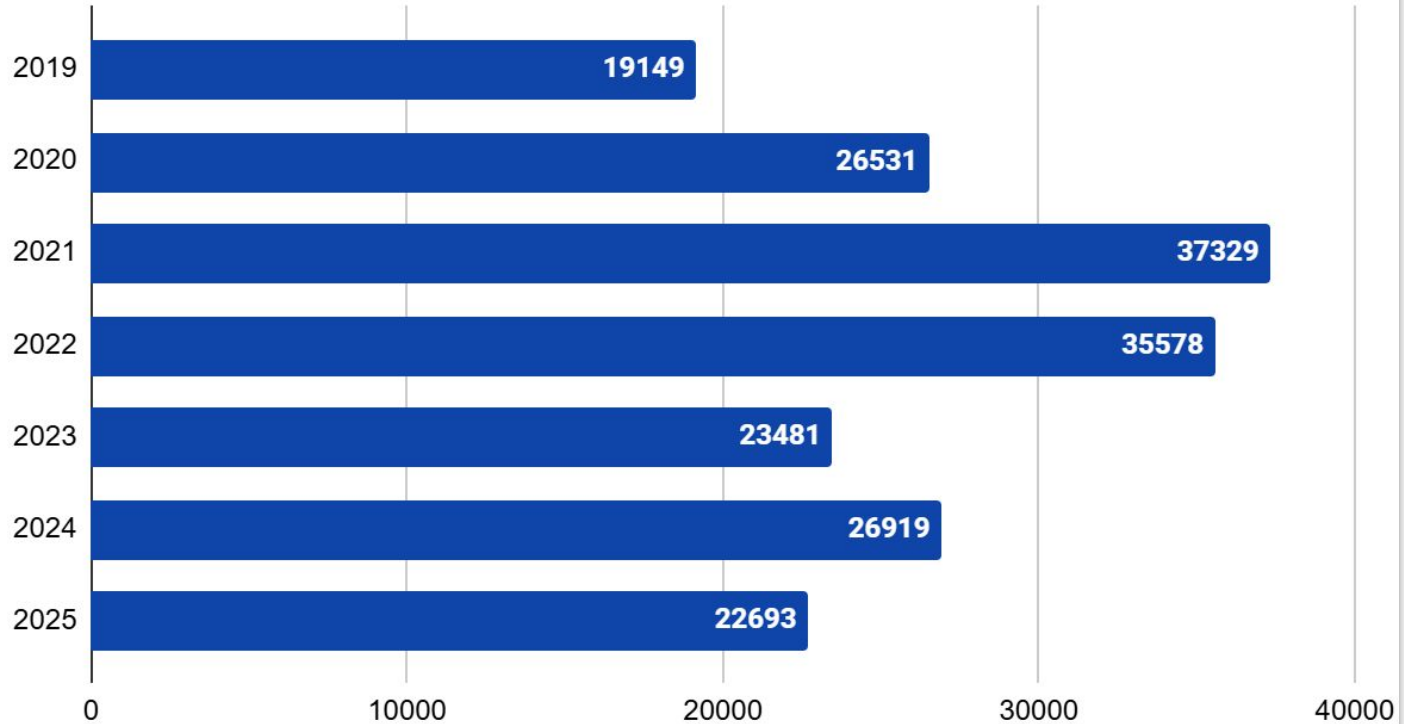


		Level 2	Level 3	Level 4	Level 5	Level 6
	# of providers	392	364	152	88	65
	#of children full-time	6,890	7,558	1,403	480	594
	Proposed Rates	2025 Rates				
Infant	\$36	\$39	\$56	\$60	\$65	\$75
Toddler	\$35	\$38	\$51	\$55	\$60	\$65
Pre-K	\$33	\$33	\$41	\$45	\$50	\$55
School-Age	\$31	\$31	\$39	\$40	\$41	\$42

Children Served in CCDF



Number of Children Served in CCDF



CCDF Direct Services (Budget vs. Expenditures)



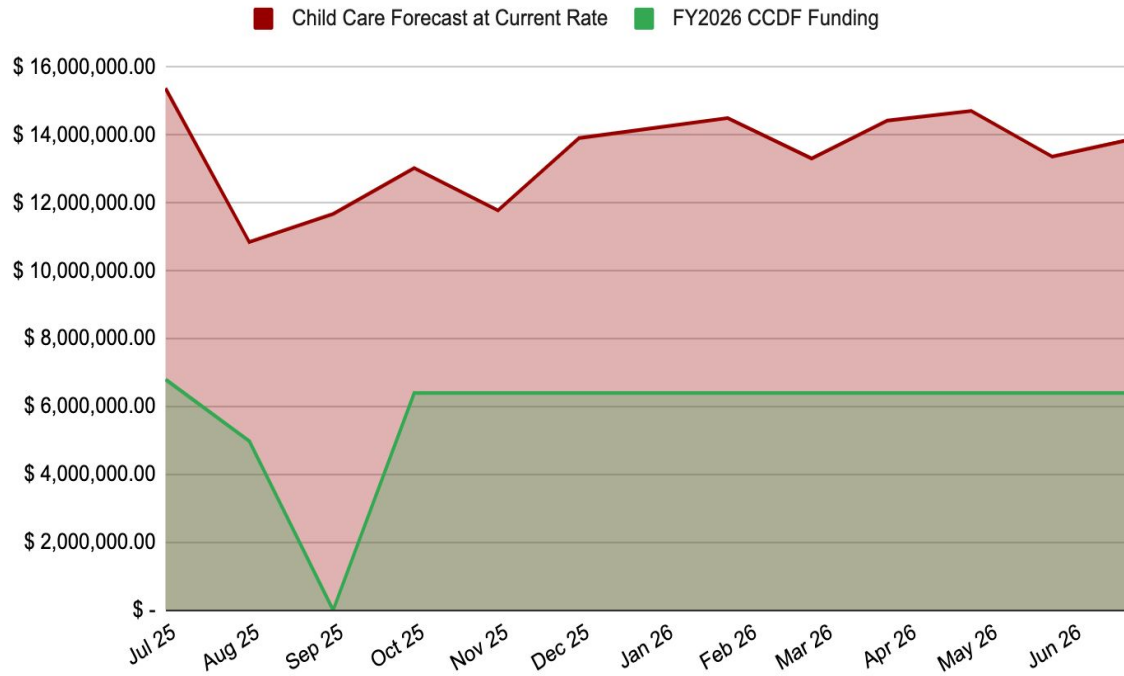
\$127M Award (~ \$90M in Direct Services)

Month	CCDF Expenditures	CCDF Budget	Difference
Jan 2025	\$ 14,436,867.37	\$ 7,500,000.00	\$ (6,936,867.37)
Feb 2025	\$ 13,875,731.50	\$ 7,500,000.00	\$ (6,375,731.50)
Mar 2025	\$ 16,752,499.02	\$ 7,500,000.00	\$ (9,252,499.02)
Apr 2025	\$ 15,949,999.32	\$ 7,500,000.00	\$ (8,449,999.32)
May 2025	\$ 14,026,399.62	\$ 7,500,000.00	\$ (6,526,399.62)
Jun 2025	\$ 13,199,541.50	\$ 7,500,000.00	\$ (5,699,541.50)
Jul 2025	\$ 16,947,773.40	\$ 7,500,000.00	\$ (9,447,773.40)
Aug 2025	\$ 13,034,614.02	\$ 7,500,000.00	\$ (5,534,614.02)
Sep 2025	\$ 13,735,589.68	\$ 7,500,000.00	\$ (6,235,589.68)
TOTAL	\$ 131,959,015.43	\$ 67,500,000.00	\$ (64,459,015.43)

Funding for School Readiness Assistance



2025-26 Child Care Subsidy Forecast



- SRA changes needed to be made to maintain access for as many families as possible while also reducing spending, which was forecast to be well over the budgeted amount of funding available to the state.
- While the SRA waitlist was put in place in February, it didn't decrease the spend quickly enough.

Prioritization Logic



Prioritization Logic					
			Family Income (SMI)		
			Families in Poverty 40% SMI (~45% current service)	Families in the Middle 60% SMI (~29% current service)	Families at the Highest Eligibility up to 85%+ SMI (~26% current service)
Prioritized Need	<i>FT care for least supported and most expensive populations</i>	Infant FT	HIGH High rate, Zero Co-Pay	MED-HIGH High rate, Low Co-Pay	MED High rate, Med Co-Pay
		Toddler FT	HIGH High rate, Zero Co-Pay	MED-HIGH High rate, Low Co-Pay	MED High rate, Med Co-Pay
		PreK FT	HIGH High rate, Zero Co-Pay	MED High rate, Med Co-Pay	MED-LOW High rate, High Co-Pay
	<i>PT care for least supported and most expensive populations</i>	Infant PT	MED Low rate, Zero Co-Pay	MED Low Rate, Med Co-Pay	LOW Low Rate, High Co-Pay
		Toddler PT	MED Low rate, Zero Co-Pay	LOW Low Rate, High Co-Pay	LOW Low Rate, High Co-Pay
		Prek PT	MED Low rate, Zero Co-Pay	LOW Low Rate, High Co-Pay	LOW Low Rate, High Co-Pay
	<i>Ages eligible for free school during most of the workday</i>	School aged PT	MED-LOW Low Rate, Low Co-Pay	LOW Low Rate, High Co-Pay	LOW Low Rate, High Co-Pay
		School aged FT	MED-LOW Low Rate, Low Co-Pay	LOW Low Rate, High Co-Pay	LOW Low Rate, High Co-Pay

SRA Priorities



This past year, Arkansas served more children through SRA than ever. To keep reaching those who need it most, OEC made shifts to the SRA structure to prioritize maintaining access for as many families as possible.

1. **Prioritize access for families:** Arkansas is serving more families than ever before through School Readiness Assistance. Access to quality child care is essential for the state's working families, small business owners, employers, and kindergarten readiness.
2. **Prioritize birth through Pre-K:** Based on the findings from child count, infants and toddlers have less access to quality child care services. These age groups have the highest reimbursement rates and the lowest copays for families.
3. **Cost-share with families based on income:** Cost-sharing at affordable levels allows more families to access SRA.

CCDF Professional Service Grants



Contractor	Type	Contract #	Original Amount	Reduction	New Amount
AECA (TEACH Scholarships)	CCDF	4600044210	\$550,000.00	\$55,000.00	\$495,000.00
Arkansas Children's Hospital	ABC	Grant	\$461,160.00	\$0.00	\$461,160.00
ASU (Child Care Aware)	CCDF	4600044471	\$540,000.00	\$150,000.00	\$390,000.00
ASU (Technical Assistance)	CCDF	4600044417	\$2,249,494.00	\$875,000.00	\$1,374,494.00
ASU (Training and Coaching)	CCDF	4600044416	\$1,641,144.64	\$410,000.00	\$1,231,144.64
ASU ABC Program Quality Assessment /Coaching	ABC	Grant	\$653,163.00	\$325,000.00	\$328,163.00
ASU ABC Child Assessment	ABC	Grant	\$948,860.00	\$240,000.00	\$708,860.00
ASU ABC Conscious Discipline	ABC	Grant	\$320,090.00	\$80,000.00	\$240,090.00
Communications Group (Better Beginnings)	CCDF	4600053436	\$499,282.00	\$359,000.00	\$140,282.00
Child Care Aware Early Ed & Care Connect	CCDF	4600044516	\$540,000.00	\$150,000.00	\$390,000.00
Child Care Aware National Park	CCDF	4600044459	\$540,000.00	\$150,000.00	\$390,000.00
Child Care Aware NWA	CCDF	4600044477	\$540,000.00	\$150,000.00	\$390,000.00
UAMS Project Play (CCDF)	CCDF/ABC	4600044335	\$1,637,356.00	\$0.00	\$1,637,356.00
UAMS Behavior Support (CCDF)	CCDF/ABC	9901500075	\$997,046.84	\$325,000.00	\$672,046.84
UCA (Research)	CCDF	4600047597	\$658,800.00	\$160,000.00	\$498,800.00
UA Fayetteville (CCDF)	CCDF/ABC	4600044192	\$1,077,025.00	\$269,000.00	\$808,025.00
UA Fayetteville (2)	CCDF/ABC	4600044192	\$268,125.00	\$0.00	\$268,125.00
UA Fayetteville (3)	CCDF/ABC	4600044192	\$200,000.00	\$0.00	\$200,000.00
UA Fort Smith	CCDF	4600044203	\$ 133,568.79	\$0.00	\$133,568.79
UA Division of Agriculture	CCDF	4600044205	\$322,499.73	\$160,000.00	\$162,499.73
Zero to Three--Infant	CCDF	46000044203	\$343,250.00	\$0.00	\$343,250.00
Child Care Aware White River	CCDF	4600047704	\$540,000.00	\$150,000.00	\$390,000.00
TOTAL			\$15,660,865.00	\$4,008,000.00	\$11,652,865.00

Discussion



Next Steps / Actions

Early Childhood Commission Meeting

October 21, 2025

10:00 a.m.

2 Capitol Mall

