

*Quick Take:*

# Comprehensive Fiscal Analysis

Helping states and communities engage in the deep analysis required to generate sustainable and equitable change.

## What is a comprehensive fiscal analysis?

While many states and communities have engaged in fiscal or governance work, too often this work is siloed or addressing only one element of the prenatal to five field and fails to achieve the change desired. P5FS believes in a comprehensive approach that combines fiscal, governance, and equity analysis, paired with deep intentional stakeholder engagement, increased knowledge of the realities and needs of the system, planning and implementation of system changes, to drive real progress towards an equitable prenatal to five system that meets the needs of children, families, and providers.

## Why engage in a comprehensive fiscal analysis?

As a field, the prenatal to five space is facing a critical juncture. All of the discrete sectors and programs for children and families in this age group are confronted with the realities of capacity failing to meet demand, funding that lacks stability, and a historical disconnect in understanding the real costs and funding. Additionally, the current funding structure forces the prenatal to five field to deal with multiple entities who often have disconnected and conflicting approaches and administration requirements. This forces siloed practices in the development and delivery of programming and results in complex and onerous management structures which discourage the collaboration or business practices necessary to create a comprehensive prenatal to five system in states and communities.

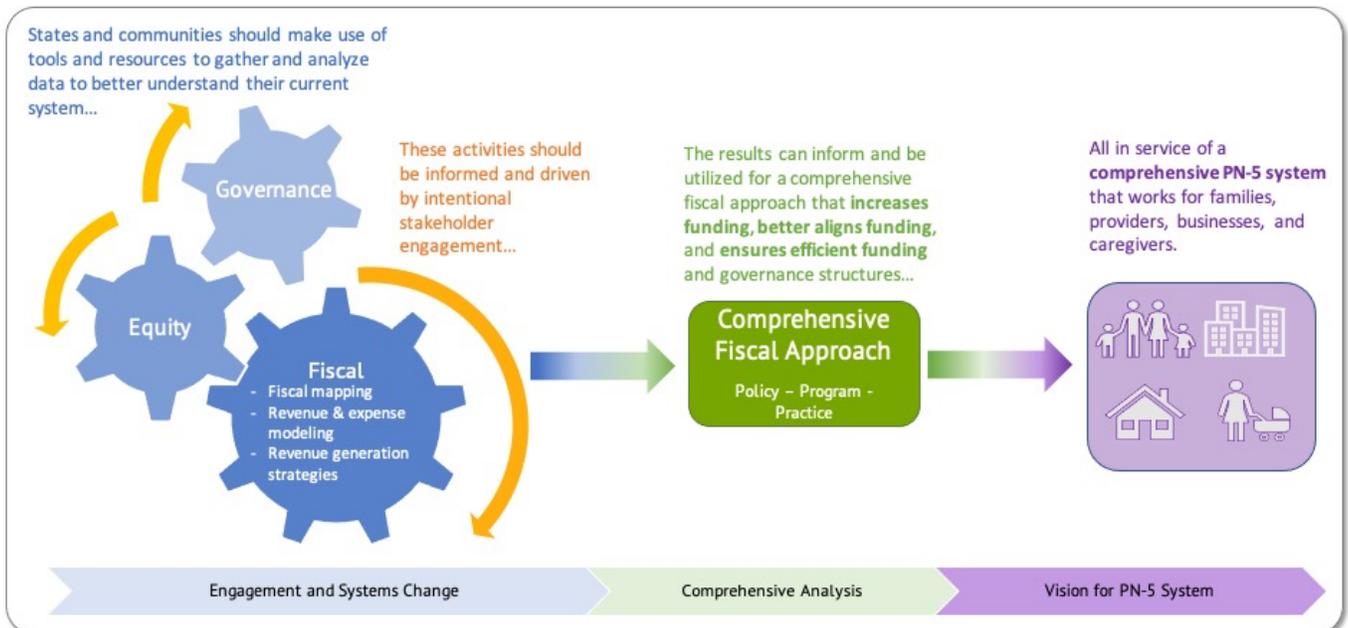
One of the most complex challenges raised in the National Academies of Sciences, Engineering, and Medicine 2018 report [Transforming the Financing of Early Care and Education](#) is the patchwork of different funding sources and financing mechanisms, which reinforces how issues of isolated impact and siloed approaches stem in large part from how programs, support infrastructure and the system are funded. The report underscores the issues that result from an uncoordinated patchwork, or non-functioning system, including inequities in access, quality, affordability, and accountability, critical issues that are most acutely felt by the children and families the system is designed to serve.

This leaves the prenatal to five system facing several interrelated questions. How do we think systemically and promote system change? How do we develop and advance funding strategies to increase access and quality when we are recurrently faced with disparate structures, overly complex administration and governance and program oversight that forces siloed practices? How do we fix the broken child care market?

## The comprehensive fiscal analysis process

A comprehensive fiscal analysis involves analyzing the current system with a fiscal, governance, and equity lens, informed by deep and authentic stakeholder engagement. Combining these individual analyses allows for a comprehensive review of the prenatal to five system and supports the development of recommendations that are grounded in shared principles, aligned with a vision for the P-5 system and is inclusive of multiple voices.

The interconnected nature of the components of a comprehensive fiscal analysis are represented in the blue cogs in the graphic below. Driven by stakeholder engagement, this analysis goes beyond fiscal mapping and modeling to inform a comprehensive fiscal approach that can create the long-term change needed to build a robust prenatal to five system that works for all.



For more information about how P5 Fiscal Strategies can support your state or community, please contact Jeanna Capito or Simon Workman at [info@prenatal5fiscal.org](mailto:info@prenatal5fiscal.org)