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**The Effects of Welfare  
and Employment Programs  
on Children's Participation  
in Head Start**

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*The authors welcome comments and discussion.*

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# The Next Generation Project

This paper is part of the Next Generation's working paper series. The Next Generation is a project that examines the effects of welfare, antipoverty, and employment policies on children and families. Drawing on rich data from recent welfare reform evaluations, the project aims to inform the work of policymakers, practitioners, and researchers by identifying policy-relevant lessons that cut across evaluations.

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## Research partners

The project is a collaboration among researchers from MDRC, the University of Texas at Austin, Northwestern University, the University of California at Los Angeles, Kent State University, the University of Oregon, the University of Michigan, New York University, and the Social Research and Demonstration Corporation.

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- The *Minnesota Family Investment Program*, evaluated by MDRC under contract to the Minnesota Department of Human Services
- The *National Evaluation of Welfare-to-Work Strategies*, conducted by MDRC under contract to the U.S. Department of Health and Human Services. The Child Outcomes Study, which examined program impacts on young children, was conducted by Child Trends under subcontract to MDRC.
- The *New Chance Demonstration*, developed and evaluated by MDRC, with support from the U.S. Department of Labor and 27 corporate and private foundations
- The *New Hope* program, evaluated by MDRC under contract to the New Hope Project, Inc., in collaboration with researchers from Northwestern University, the University of Texas at Austin, the University of Michigan, and the University of California at Los Angeles

## **Abstract**

We compared the effects of ten different pilot welfare and employment programs for parents on single mothers' use of Head Start for their 3-and 4-year-old children. Use of other types of child care and program impacts on employment and income were also examined. In general, these pilot welfare and employment programs did not increase Head Start use, despite the fact that they increased parental employment and use of both center-based and home-based child care. The findings suggest that two types of policies affecting low-income families—welfare and employment on the one hand, and early childhood intervention on the other—are operating independently, and they may actually be in conflict. Women who participate in welfare and employment programs do increase their hours of employment, generating a need for child care. They do not, however, increase their use of Head Start along with other types of child care. The part-day, part-year structure of Head Start that was in place at the time of these programs and eligibility issues are discussed as potential barriers to the use of Head Start among low-income families under a welfare system that requires parents to work.

## Introduction

In 2000, 857,664 children were enrolled in Head Start program in the U.S. (U.S. Department of Health and Human Service, 2001). Since Head Start began in 1965, it has served children from low-income families with the goal of improving school readiness, social skills and health. By providing a full range of services including nutritious meals and snacks and immunizations and by trying to involve parents, Head Start serves parents in poverty as well as children. Because poverty is often related to low educational performance in children, and recovering from early educational deprivation later in life is difficult, Head Start has been known as one of the most successful achievements of President Lyndon Johnson's "War on Poverty". It has played an important role in alleviating the detrimental effects of growing up in poverty at an early stage of children's lives (Barnett, 1995; Currie & Thomas, 2000; Lee, Brooks-Gunn, Schnur, & Liaw, 1990).

Families whose children are the intended recipients of Head Start have also been the targets of major changes in welfare policy over the past several years. The new policies strongly encourage parents of young children to be employed, and eligibility for cash assistance has been sharply curtailed. To the extent that these policies lead to increased maternal employment, they are likely to increase parents' need for child care. In a recent report examining the effects of 13 evaluations of programs designed to move welfare recipients into employment, parents in welfare programs used more child care than did parents in the control groups. (Crosby, Gennetian, & Huston, 2001). That is, these programs generate a need for child care to facilitate maternal employment—a very different objective from Head Start's goal of promoting optimal child development. Nevertheless, as a free, center-based program for young children, Head Start is one of the choices parents can consider as a care setting while they work.

In the present study, we examine how policies designed to stimulate employment for low-income parents affect their use of Head Start, using data collected from a diverse set of pilot employment and welfare programs that had random assignment designs conducted from the late 1980s to the late 1990s. We examine changes in use of Head Start in comparison to use of other types of care arrangements for children and in relation to maternal employment. The purpose is to determine whether two types of policies affecting low-income families—welfare and employment on the one hand, and early childhood intervention on the other—are congruent, in conflict, or simply independent of one another.

## Head Start and Children's Development

The main goal of Head Start is to prepare preschool-aged children to enter school with the basic academic skills typical of their more advantaged peers. Evaluations of Head Start have shown significant immediate effects on cognitive development, particularly academic achievement and IQ (Barnett, 1995; Ramey, et al., 1999; Zigler, Abelson, Trickett, & Seitz, 1982). Although some studies have shown that these effects faded out over time, others found persistent beneficial effects of Head Start on cognitive ability (Lee, Brooks-Gunn, Schnur, & Liaw, 1990), school achievement, grade retention, placement in special education, social adjustment (Barnett, 1995, 1998), and educational attainment and college attendance (Currie & Thomas, 2000). Currie and Thomas (2000) argued that the duration of effects appears to depend on the dynamics of school quality and ethnicity. The initial gains appear to help children to start

school with a heightened probability of initial success, resulting better school achievement. Head Start also helps children from families whose first language is not English. Currie and Thomas (1999) found that Head Start closes the gap between Hispanic and non-Hispanic children in test scores and grade repetition. In short, Head Start has generally positive effects on children's development, especially on cognitive achievement, and some important benefits seem to be fairly persistent.

## **Head Start and Parental Employment**

The random assignment welfare and employment studies examined in this paper tested a number of policies designed to increase employment among single mothers; in some cases, the programs were also designed to increase overall family income through earnings supplements. Many of these policy features (e.g., mandatory participation in employment services, time limits on welfare receipt, earnings disregards) have now become part of federal law or of some state welfare policies. Because most of the programs did increase maternal employment, any effects on Head Start use might be a result of changes brought about by employment. Employment creates a need for child care, which Head Start may or may not be well-equipped to serve. Employment may also generate changes and constraints on parents' time that make it more difficult for parents to take advantage of or participate in Head Start.

## **Issues of Accessibility and Eligibility**

*Access.* One principal issue is the viability of Head Start as a child care arrangement for parents who are employed or involved in employment-related activities. Although Head Start provides comprehensive services, including early childhood education, it was first designed as a summer program for 4- and 5-year-olds prior to formal school entry and was later extended to a part-day program that was operated on the annual public school schedule. For this reason, Head Start has been often perceived as pre-school, a compensatory intervention, and not as child care. Also, it is not likely to satisfy all of the child care needs for parents working full time or unconventional hours. However, the need for Head Start to serve both needs has grown as the number of working poor parents has grown. When Head Start was first launched, far fewer poor mothers were employed than they are today, and public policy was much more tolerant of nonemployment among mothers with young children eligible for AFDC (Phillips & Cabrera, 1996). In the early 1990s, the majority of children in Head Start were from families with nonworking parents or parents participating in education and training prior to employment (Hofferth, 1994).

Recognition of this problem led to a provision in the Head Start Act of 1998 (U.S. Department of Health and Human Service, 1998) that requires the states to allocate funds to increase full working day, full calendar year programs. Child care block grant funds can also be used for "wraparound" child care to extend care to full day. By 1997, about 10 percent of Head Start programs were full-time (Kirchhoff, 1998). In spite of the advantage offered by free early childhood education, it still remains doubtful if Head Start can be a viable child care option among low-income families trying to work and leave welfare especially those who work irregular and unconventional hours.

*Age.* Because Head Start has narrow age guidelines (U.S. Department of Health and Human Service, 1999), parents with very young children or those with more than one child may find that they cannot use Head Start or that using it for one child requires them to negotiate multiple child care arrangements

for their younger and older children. They may find it more convenient to use home-based care by relatives or family child care homes where children of different ages can be cared for. In 2000, of 857,664 children enrolled in the program, nearly 90% of them were 3 or 4 years old (U.S. Department of Health and Human Service, 2001). Early Head Start was launched in 1995 to address the needs of infants and toddlers from low-income families, but it still serves only a fraction of zero-to-three year olds in poverty.<sup>1</sup>

*Eligibility and family income.* Some employment and welfare policies have an explicit goal of increasing family income; even those without such an explicit goal are designed to increase parents' economic self-sufficiency on the grounds that earnings will provide better family support than welfare does. If family income increases, children may become ineligible for Head Start because most children in the program must be from a family with pretax income at the poverty threshold or less. If a child is from a family receiving public assistance or is in foster care the child is eligible regardless of the family income. At least 90% of the children who are enrolled in each Head Start program must be from low-income families. For example, in 2000, a family of four with pretax income of \$17,650 or less was eligible for Head Start (U.S. Department of Health and Human Service, 2000a). In 1998 and 1999, about 70% of the families served by the program earned less than \$12,000 per year (U.S. Department of Health and Human Service, 2000b).

These eligibility guidelines may impose unintended negative consequences on parents who achieve the goals of welfare reform. Once parents move from welfare to work and earn more income, they are likely to lose their eligibility to enroll in the program. One might argue that raising the income eligibility guideline would result in serving more children whose families are near the poverty threshold, but the Head Start program currently serves only 40% of eligible children. Although there were large increases in the number of Head Start slots available during the 1990s, the proposed budget in 2001 includes only a \$125 million increase for Head Start (as compared to the previous budget which increased Head Start's allocation by \$1 billion). Raising the income threshold for eligibility could merely produce longer waiting lists.

## **Research Questions**

In this paper, we examine how welfare and employment policies affect Head Start participation for children of single parents using data collected from a diverse set of pilot programs that had a random assignment design and that took place throughout the late 1980s to the late-1990s. Although all of these programs began prior to the 1996 welfare law, many of the policies tested eventually became states' TANF policies, albeit in less generous form, and all of the programs include policy components currently being implemented or considered by states. These policies include those aimed at increasing employment and earnings (e.g., requirements to participate in employment related activities), and family resources (e.g., financial incentives or earnings supplements that make work pay), as well as those policies specifically targeting child care (e.g. child care subsidies). By comparing the outcomes of individuals and families in a control group, under the then-current policy environment, with the outcomes of individuals and families in a program group, subject to a new set of policies, we investigate and can state with confidence whether or not the policies tested affected the use of Head Start.

Specifically, three research questions are addressed. First, do welfare programs have any effects on participation in Head Start by children of low-income single mothers? Second, are the changes in Head Start use in the program groups similar to changes in the use of other types of child care? That is, do programs that increase or decrease the use of Head Start have similar or different effects on use of child care centers or home-based child care? Third, are program impacts on mothers' employment related to impacts on the use of Head Start?

## Method

### Studies

Data were drawn from four random assignment studies, in which a total of 10 welfare and employment programs were evaluated: New Hope, New Chance, MFIP (2 programs) and NEWWS (6 programs). Even though the studies have a common goal of moving welfare and low-income families into work, each program has a different approach in terms of earning supplements, mandatory employment services and child care services. Table 1 characterizes the 10 programs under study with respect to whether they provided earnings supplements, mandatory employment services, and child care services.

*New Hope.* New Hope was a work-based antipoverty program operated in Milwaukee, Wisconsin from 1994 to 1998. Because New Hope enrolled any adult in the area who had an income at or below 150% of the federal poverty level and was willing to work full time, the study included both welfare recipients and other low-income parents. The program provided intensive services to provide direct economic support to these working poor families. Parents who worked at least 30 hours per week were eligible for an earning supplement, health insurance, and subsidized child care. New Hope also provided intensive case management services such as job search assistance, including the opportunity to apply for a wage-paying community service job in case parents did not find full-time work. Data on children were collected two years after random assignment to either the program or the control group.

*New Chance.* New Chance operated between 1989 and 1992 at 16 sites in 10 states across the country. The New Chance Demonstration was designed to test the value of comprehensive services in assisting a disadvantaged group of families headed by young welfare mothers, aged 16 to 22, who had first given birth as teenagers and who had dropped out of high school. The program was aimed at helping participants become self-sufficient by increasing their academic and vocational skills so that, over time, they could find and keep jobs and, in turn, reduce their receipt of public assistance. Program activities included life skills, family planning, parenting skills and counseling. Some New Chance sites provided on-site center-based child care; others offered center or home-based care nearby while mothers participated in activities. No mandatory employment services and financial incentives were provided in New Chance. Data on children were collected 18 months after mothers were enrolled in the program or assigned to the control group.

*The Minnesota Family Investment Program (MFIP).* MFIP was implemented in 1994 in three urban and four rural counties in Minnesota until 1998. Single-parent families who were applying for or currently on welfare were included in the child study. The evaluation tested two pilot programs: Full MFIP

and MFIP Incentives Only. Full MFIP provided an enhanced financial incentives package as a supplement to earned income, allowing working welfare recipients to keep more of their income when they went to work. Direct child care payments were made to the provider. The package also simplified public assistance rules and procedures by combining AFDC, Minnesota's Family General Assistance, and Food Stamps into a single cash benefit program. Long-term welfare recipients were required to participate in MFIP's employment and training activities, unless they were working 30 hours a week or had children under the age of one. MFIP Incentives Only included all the features of the Full MFIP program except mandatory employment services. Data collected three years after random assignment were used in this study.

*NEWS*. The National Evaluation of Welfare to Work evaluations were conducted in many sites testing mandatory welfare-to-work programs operated in the early-to-mid 1990's under the federal Job Opportunities and Basic Skills Training (JOBS) program. Evaluations of six programs in three cities (Atlanta, Georgia; Grand Rapids, Michigan; Riverside, California) included intensive information about children's experiences and development. (Welfare recipients enrolled in JOBS were required to participate in basic education or employment-related activities as a condition of receiving welfare. For purposes of the evaluation, each of the three sites examined here operated both a program emphasizing job search as a first activity and a program emphasizing basic education as a first activity. Job-search-first programs required most participants to look for work immediately, while education-first programs initially placed participants in education and training programs to increase "human capital" before participants moved into employment. Information on children was collected two years after mothers were randomly assigned to one of the two programs or to a control group in their site. Sample

The current study focused on the children of single mothers who were 3 to 4 years old, the eligible ages for Head Start, during the time period that child care use was assessed in each study. These follow-up periods ranged from 18 months to 36 months after their mothers' random assignment. As a result, the children who were ages 3 to 5 at random assignment were included in each study. By using this subgroup of children of all the programs, the study could include the information on the children when they were right age to enroll in Head Start, and the comparability across the 10 programs was maximized. The sample size of each study is presented in Table 2.

## Measures

Mothers responded to child care questions at each study's follow-up. When mothers responded that they ever used any type of child care, questions asking whether they ever used different types of care followed. Head Start and center care, with extended daycare, preschool, after-school care and summer program, were classified as formal care, which refers to any licensed and regulated care that takes place in a group setting. Note that because use of Head Start was asked under the general rubric of child care, it is possible that rates of Head Start use are undercounted. Some mothers may not view their child's participation in Head Start as time in child care, and, other mothers may not realize that the center-based arrangement that their child is enrolled in is a Head Start program or is affiliated with a Head Start program. Home-based care means care by family members/relatives or nonrelatives either in the child's home or in the caregivers home. Licensed or certified family child care homes as well as unlicensed child care arrangements were included in this category.

Average quarterly employment refers to the percentage of quarters that the mothers were employed. The information is derived from state unemployment insurance records that exclude any self-employment or employment that is not reported to an unemployment insurance agency. Full-time employment means the person worked full time at any time during the year prior to the follow-up interview.

Average quarterly family income refers to earnings, public assistance including AFDC and food stamps, and any earnings supplements from the experimental program between random assignment and the follow-ups.

## Analysis Strategy

Each of the studies used a random assignment experimental design to measure the effects or impacts of the program on the child and family outcomes. In the present report, we computed the program impacts on Head start use, other types of child care use, and employment. To determine if the impact of the program on the measures was statistically significant, OLS regressions comparing program and control groups and controlling for a variety of background factors were performed.<sup>2</sup> Tests of differences between program and control groups were 2-tail. To examine the overall patterns of the impacts, weighted means of the impacts were generated and a two-tail t-test was conducted with each study as a unit of analysis.

The programs impacts are represented here by effect sizes. Effect sizes are computed for a particular outcome by dividing the difference between the mean for the program and control groups by the standard deviation for the control group. It represents the program impact as a proportion of a standard deviation. The effect size can be used to compare effects across outcomes, regardless of different scales or different standard deviations.

## Results

The first research question was: Do the experimental programs affect participation in Head Start by children of low-income single mothers? To answer this question, impacts (frequency of use by program group minus frequency of use by control group) were generated. They are presented in Figure 1 (see also Table 2). The overall pattern shows no impact. Only one program, Atlanta's LFA program, produced a statistically significant (negative) impact. The bar on the far right of Figure 1 is a weighted average of impacts across studies. It is negative, but a  $t$  test indicates that it is not significant ( $t(9) = -0.86$ , n.s.). Thus, on average, these 10 programs did not affect Head Start use, though there is a large negative impact in one program.

The second research question was: Are the program impacts on Head Start use parallel to changes in the use of other types of child care? That is, do programs that increase or decrease the use of Head Start have similar or different effects on use of child care centers or home-based child care? In Figure 1, program impacts on the use of different types of child care are shown with impacts on Head Start use. In contrast to the largely null findings for Head Start use, programs generally increased use of both center-based and home-based care. Eight out of 10 programs showed increased use of center care in program groups.

The use of home-based care increased in MFIP full sample, Atlanta HCD, Riverside HCD and Riverside LFA. T tests of the weighted averages also indicated that, on average, program group parents increased their use of both center-based ( $t(9) = 2.00, p < .05$ ) and home-based ( $t(9) = 1.66, p < .10$ ) child care over levels reported by control group parents. It does not appear that there was a pattern of trading off between Head Start use and any particular type of care (e.g. center care). However, in general, programs led to increases in overall use of center care and home-based care but no increase use of Head Start.

The third question was: Are program impacts on mothers' employment, particularly full-time employment, related to impacts on the use of Head Start? It is assumed that more time at work requires mothers to find more hours of child care. It is, however, questionable whether Head Start would have remained helpful for mothers as their employment reached full-time because Head Start is usually operated part-time. Therefore, we examined the correspondence between the magnitude and direction of program-control group differences on Head Start and on employment, particularly full-time employment. These program-control differences are shown in Figure 2 (See also Table 3). Overall, mothers in program groups were more likely than mothers in control groups to be employed ( $t(9) = 2.80, p < .05$ ) and to be working full-time ( $t(9) = 2.12, p < .05$ ), and were less likely to use Head Start, although these differences in Head Start use are not statistically significant. However, it does not appear that the magnitude of program-control differences in employment was related to the size of program-control differences in the use of Head Start.

Additional analyses were conducted to examine the possibility that families in the program groups had increased family income, and thereby lost their eligibility for Head Start. Program impacts on average quarterly family income are shown in Figure 3.<sup>3</sup> Similar to the findings on impacts on employment and full-time employment, even though the overall family income increased among some program groups ( $t(9) = 2.05, p < .05$ ), the magnitudes of the increase did not correspond to the magnitude of program-control differences in Head Start use.

## Discussion

In this analysis, we compared the effects of ten different welfare and employment programs for parents on use of Head Start for 3-and 4-year-old children. In general, these programs produced no impact on Head Start use, despite the fact that they increased parental employment and parents' use of both center-based and home-based child care. It appears that many employed mothers do not consider Head Start a viable option for child care, despite the fact that it is a free program for young children with potential educational benefit. Most mothers in these studies paid for child care, even though many also received subsidies or other forms of child care assistance. Head Start may have had other monetary and nonmonetary costs (e.g., transportation, multiple child care arrangements) that affected mothers' child care decisions. In her study of teen mothers, Gassman-Pines (2001) found a pattern of increased use of center care as a counterpart of decreased use of Head Start in some of these same programs where mothers' employment or participation in education/training increased. The finding implied that employed mothers who need more child care, often full time care, traded Head Start for center care. This pattern was not replicated in the present study. In MFIP Full, Atlanta-JOBS (LFA) and Riverside-JOBS (HCD), there were

increases in center care use and decreases in Head Start use, but this pattern did not appear to correspond to the increases in parental employment. The increases of employment in New Hope, New Chance, and Riverside-JOBS (LFA) were moderate to large, but these programs did not significantly alter (increase or decrease) use of Head Start.

The pattern of impacts on Head Start and employment suggest that mothers did not use Head Start to satisfy their child care needs while they are at work. Especially when mothers work full-time, it is likely that they need reliable and extensive child care. Head Start usually operates for half a day (at least, it typically did at the time of the studies) and on the school year schedule, so it is likely that employed mothers who use Head Start need to find additional child care arrangements to cover full-day child care and care during the summer and school holidays. Mothers may prefer a single care arrangement that covers their work schedule to combining multiple child care settings that require transportation and other logistical arrangements. Many women in low-wage jobs work irregular and nontraditional hours, making it more difficult to have their children in a program that runs on a school-like schedule. Some of them may have other free child care options (e.g. family members) that are attractive if they are available for the times mothers work or if mothers do not have transportation to get to a Head Start program.

It is also possible that working full-time led to more family income and in turn, the loss of eligibility for Head Start, but our findings on program impacts on family income did not support this hypothesis.

One goal of this analysis was to determine whether two types of policies affecting low-income families—welfare and employment on the one hand, and early childhood intervention on the other—are congruent, in conflict, or simply independent of one another. If the two were congruent, it would be expected that mothers would increase their employment and use more Head Start as their child care. In this case, it is also possible that the effects of parent's employment and experiences in Head Start would be synergistic or cumulative on particular child outcomes such as school achievement. On the other hand, if the two types of policy are not congruent, we would expect that families take up one or the other (e.g. not to increase their work efforts and use Head Start or to work more and not use Head Start). These findings suggest that, at the very least, the two sets of policies are operating independently, and they may actually be in conflict. Women who participate in welfare and employment programs do increase their hours of employment, generating a need for child care, especially for their preschool-age children. They do not, however, increase their use of Head Start along with other types of child care. The structure and eligibility requirements for Head Start appear to present some barriers when mothers are also meeting the demands of welfare reform and reaping the benefits of employment.

Recognizing the scheduling problems, policy-makers have made some efforts to provide funds to provide “wrap-around” child care that extends Head Start to a full-day program. Our findings suggest that additional efforts to make Head Start a full-day, full-year program might enable more low-income families to achieve the dual goals of economic self-sufficiency and educational enrichment for their children. Also, targeting Head Start primarily to below-poverty families may lead to discontinuity of care when a family transitions off welfare. The discontinuity of care may then have implications for the parent's job stability because they have to find new child care. Moreover, instability of care may have negative effects on the development of children in near-poverty. Some parents leaving welfare may increase their earnings

sufficiently to rise above the official poverty threshold, but most still have very low incomes and have children who could benefit from early educational opportunities. Policy makers might consider a sliding fee scale for children in low-income families, especially those in which parents are working.

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## Endnotes

<sup>1</sup>About 650 programs serve some 55,000 low-income families with infants and toddlers (Love, et al., 2001).

<sup>2</sup>In the original analyses of each study, somewhat different baseline characteristics were controlled. We used the covariates from each original study for the analysis of that study.

<sup>3</sup>Family income data was not available in New Chance.

<sup>4</sup>Michigan exercised the option to lower the age to 1; hence, the Grand Rapids JOBS programs were mandatory for parents with children 1 and older.

**Table 1**  
**Characteristics of the Programs**

| <b>Evaluation/ Demonstration</b>   | <b>Purpose</b>  | <b>Dates of evaluation</b>                                | <b>General Research Strategies</b>   | <b>Key Policy Strategies</b>  |
|--|---|---|--|---|
| <b>Milwaukee's New Hope Project (New Hope)</b>                                 | To evaluate an anti-poverty program with financial incentives to work and a stated goal of reducing the social costs of welfare and poverty.  | 1994-2002   | Random assignment evaluation of a program linking income support to full-time employment; technical assistance in project design and implementation. Targeted to and eligible for all households with incomes below 150 percent of poverty line with an adult willing to work 30 hours a week or more.<br><br>Special study of focal children aged 2 to 10 at time of study entry. | Participation Mandate<br>Make-Work-Pay Strategies<br>Child care and health care subsidies<br><br>Child care subsidy promoted and marketed; and restricted to licensed care. Cost of care paid in full after copayment based on earnings and number of children.<br>Caseworkers encouraged use of formal care because more reliable. |
| <b>New Chance Demonstration (New Chance)</b>                                   | To develop and test a mix of educational, personal development, employment-related, and support services aimed at helping 16- to 22-year-old mothers on welfare become more self-sufficient, and encouraging the healthy development of their children. | 1986-1997   | Random assignment design; process, impact, and benefit-cost analyses of program serving teen parents on welfare. Explicitly two-generational in focus and design. Over 16 sites in the U.S.  | Services<br><br>Center care encouraged; and provided on site or nearby off-site.  |
| <b>Minnesota's Family Investment Program (MFIP Full &amp; MFIP Incentives)</b> | To evaluate separately the effects of changing financial incentives to work and mandatory case management services.   | 1993-2000   | Random assignment evaluation of an anti-poverty program with large financial work incentives for cases and intensive case management. Includes 3 urban and 4 rural counties.<br><br>Special study of focal children aged 2 to 9 at study entry.  | Participation Mandate<br>Make-Work-Pay Strategies<br>Services<br><br>Child care reimbursed directly and consistently to child care provider   |
| <b>National Evaluation of Welfare to Work Strategies (NEWWS)</b>               | To evaluate the differential effects of programs that emphasize work first and those that emphasize education/ training, implemented under the federal JOBS program in a variety of sites across the country.   | 1989-2001 (control group embargo slightly varied by site) | Random assignment of 50,000 AFDC and AFDC-UP cases; innovative procedures to test effects of different JOBS approaches. Sites included in the present analyses include Riverside (CA), Atlanta (GA), and Grand Rapids (MI).<br><br>Special study of focal children aged 3 to 5 at study entry.   | Participation Mandate<br>Services   |

**Table 2**

**Effects of Welfare and Work Programs on Use of Head Start and Child Care: Children Aged 3 to 5 During Follow-Up**

| Use of Child Care<br>Programs | Use of Head Start (%) |                  |          | Use of Home-Based Child Care (%) |                  |           | Use of Center Care (%) |                  |           |
|-------------------------------|-----------------------|------------------|----------|----------------------------------|------------------|-----------|------------------------|------------------|-----------|
|                               | N                     | Control<br>Group | Impact   | N                                | Control<br>Group | Impact    | N                      | Control<br>Group | Impact    |
| New Hope                      | 265                   | 30.16            | 0.06     | 265                              | 58.60            | -15.46 ** | 265                    | 50.42            | 10.35     |
| New Chance                    | 198                   | 30.29            | 0.77     | 202                              | 68.07            | -0.37     | 198                    | 29.95            | 42.41 *** |
| MFIP Incentives Only          | 225                   | 11.24            | -3.98    | 286                              | 44.69            | 0.68      | 286                    | 28.73            | -2.27     |
| MFIP Full                     | 236                   | 11.24            | -4.60    | 289                              | 44.69            | 12.88 *   | 289                    | 28.73            | 10.14 **  |
| Atlanta HCD-NEWWS             | 1019                  | 36.73            | -0.05    | 1023                             | 38.10            | 8.49 **   | 1021                   | 39.38            | 12.43 *** |
| Atlanta LFA-NEWWS             | 893                   | 36.22            | -9.11 ** | 899                              | 38.05            | 0.75      | 899                    | 39.38            | 8.20 **   |
| Grand Rapids HCD-NEWWS        | 418                   | 43.13            | -2.81    | 421                              | 76.87            | -0.10     | 421                    | 40.85            | -5.03     |
| Grand Rapids LFA-NEWWS        | 440                   | 44.27            | -4.65    | 440                              | 75.90            | 4.46      | 440                    | 40.98            | -9.09 †   |
| Riverside HCD-NEWWS           | 574                   | 33.81            | -5.62    | 574                              | 40.88            | 18.69 *** | 574                    | 14.76            | 11.08 **  |
| Riverside LFA-NEWWS           | 437                   | 33.05            | 1.34     | 691                              | 45.14            | 18.14 *** | 691                    | 21.64            | 7.31 *    |

Note. \*\*\* p<.001 \*\* p<.01 \* p<.05 † p<.10

**Table 3**

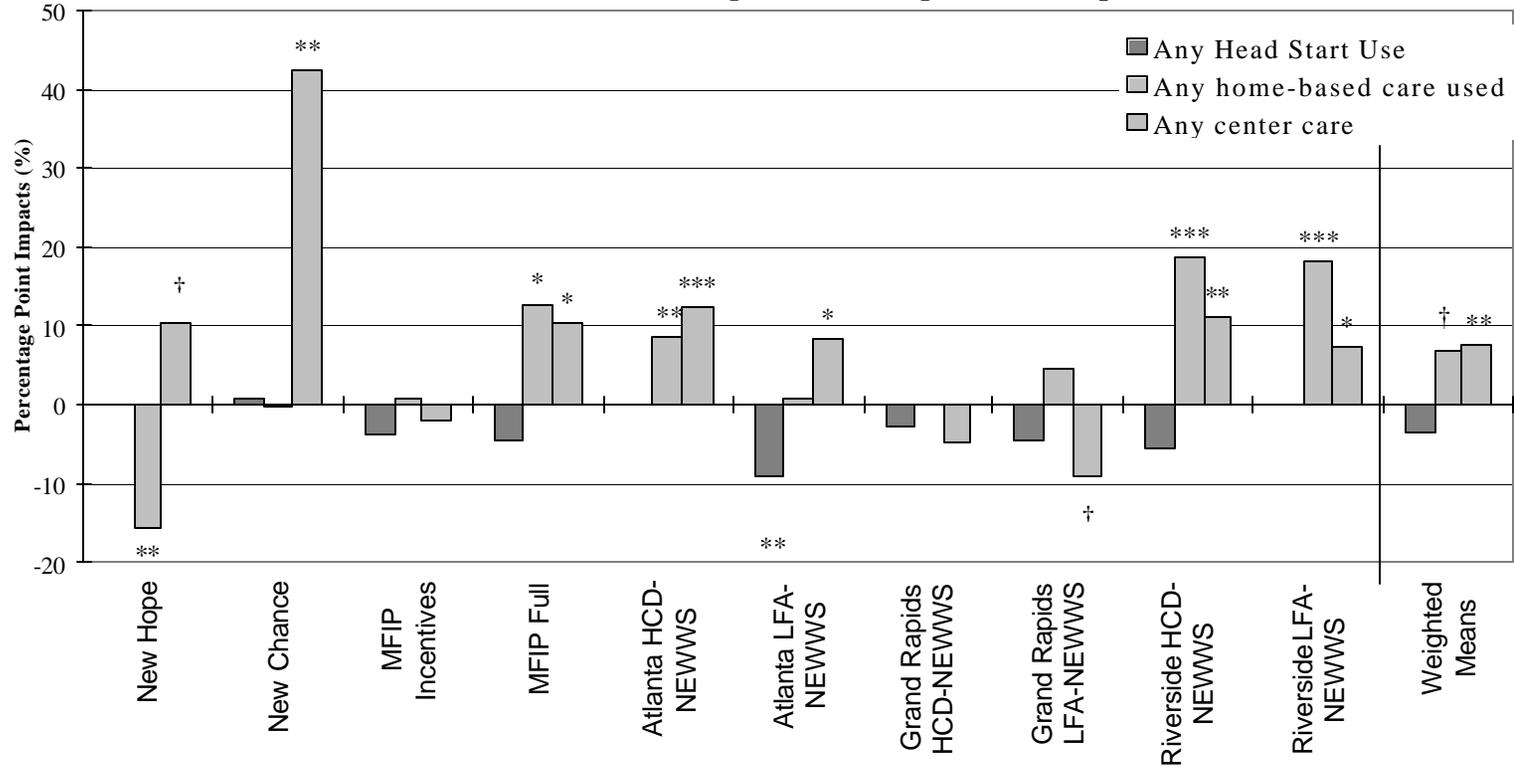
**Effects of Welfare and Work Programs on Employment and Income**

| Use of Child Care<br>Programs | Average Quarterly Employment (%) |                  |           | Ever Employed Full-Time (%) |                  |          | Average Quarterly Income (\$) |                  |            |
|-------------------------------|----------------------------------|------------------|-----------|-----------------------------|------------------|----------|-------------------------------|------------------|------------|
|                               | N                                | Control<br>Group | Impact    | N                           | Control<br>Group | Impact   | N                             | Control<br>Group | Impact     |
| New Hope                      | 268                              | 72.14            | 8.38 *    | 264                         | 34.79            | 0.124    | 268                           | 3617.31          | 306.12 †   |
| New Chance                    | 202                              | 21.06            | -8.21 †   | 202                         | 26.83            | -0.14    |                               |                  |            |
| MFIP Incentives Only          | 286                              | 39.44            | 6.78 *    | 286                         | 56.76            | -1.20    | 286                           | 10075.85         | 1080.09**  |
| MFIP Full                     | 289                              | 39.44            | 19.63 *** | 289                         | 56.76            | 12.56**  | 289                           | 10075.85         | 2450.37*** |
| Atlanta HCD-NEWWS             | 1026                             | 36.42            | 3.70 †    | 1026                        | 48.43            | 6.48*    | 1026                          | 2000.24          | 54.74      |
| Atlanta LFA-NEWWS             | 902                              | 36.25            | 6.02 **   | 902                         | 48.51            | 1.97     | 902                           | 1997.65          | 54.22      |
| Grand Rapids HCD-NEWWS        | 421                              | 39.59            | 1.44      | 421                         | 55.73            | 0.89     | 421                           | 2183.65          | 16.66      |
| Grand Rapids LFA-NEWWS        | 441                              | 39.27            | 10.94 *** | 441                         | 56.37            | 12.94**  | 441                           | 2171.16          | -71.61     |
| Riverside HCD-NEWWS           | 578                              | 15.55            | 7.28 **   | 578                         | 20.57            | 15.58*** | 578                           | 2235.85          | 53.72      |
| Riverside LFA-NEWWS           | 694                              | 20.66            | 15.05 *** | 694                         | 26.33            | 24.43*** | 694                           | 2270.32          | 61.76      |

Note 1. \*\*\* p<.001 \*\* p<.01 \* p<.05 † p<.10

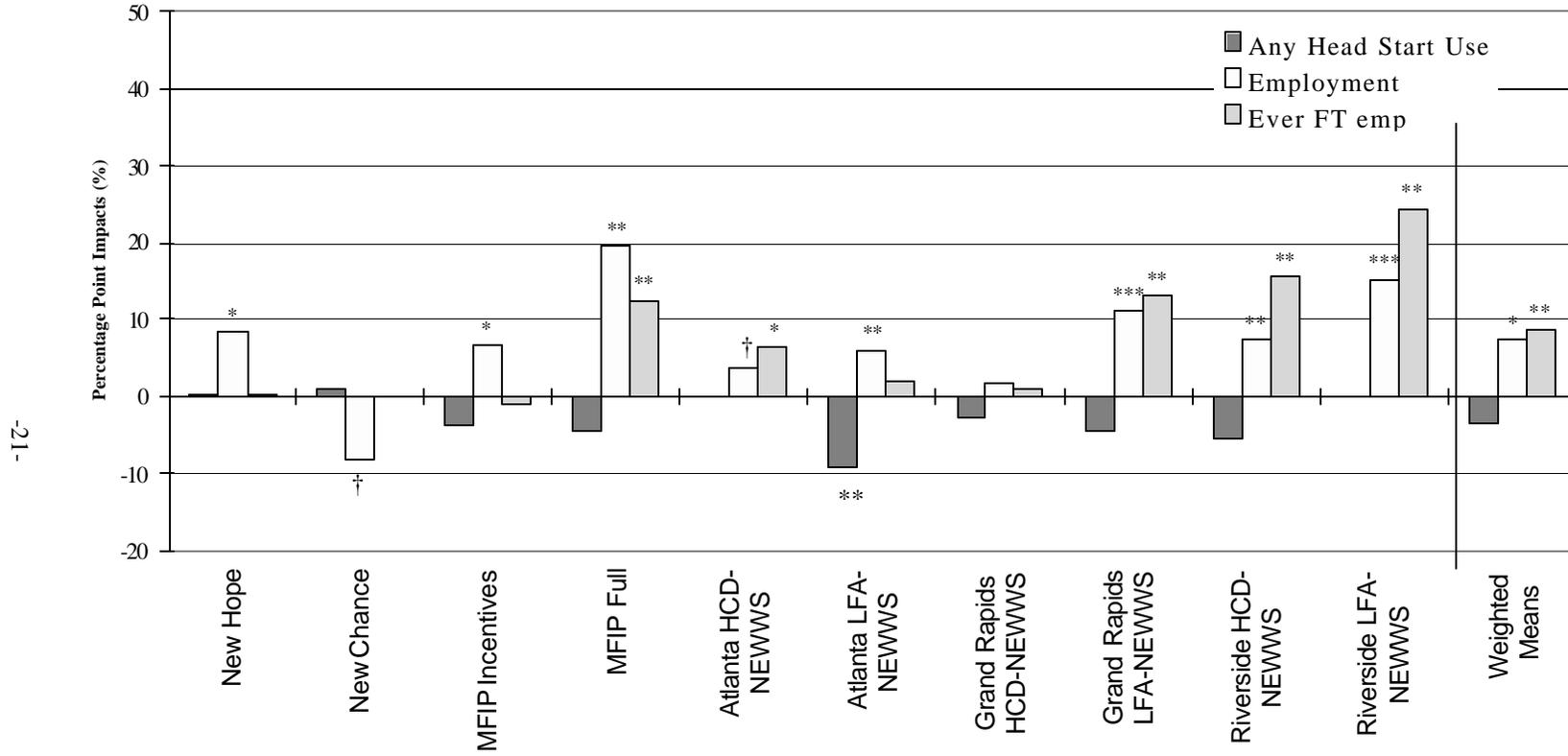
Note 2. Average quarterly family income is not available in New Chance data.

**Figure 1. Effects of Welfare and Work Programs on Use of Head Start, Home-Based Care and Center Care: Children Aged 3 to 5 During the Follow-Up**



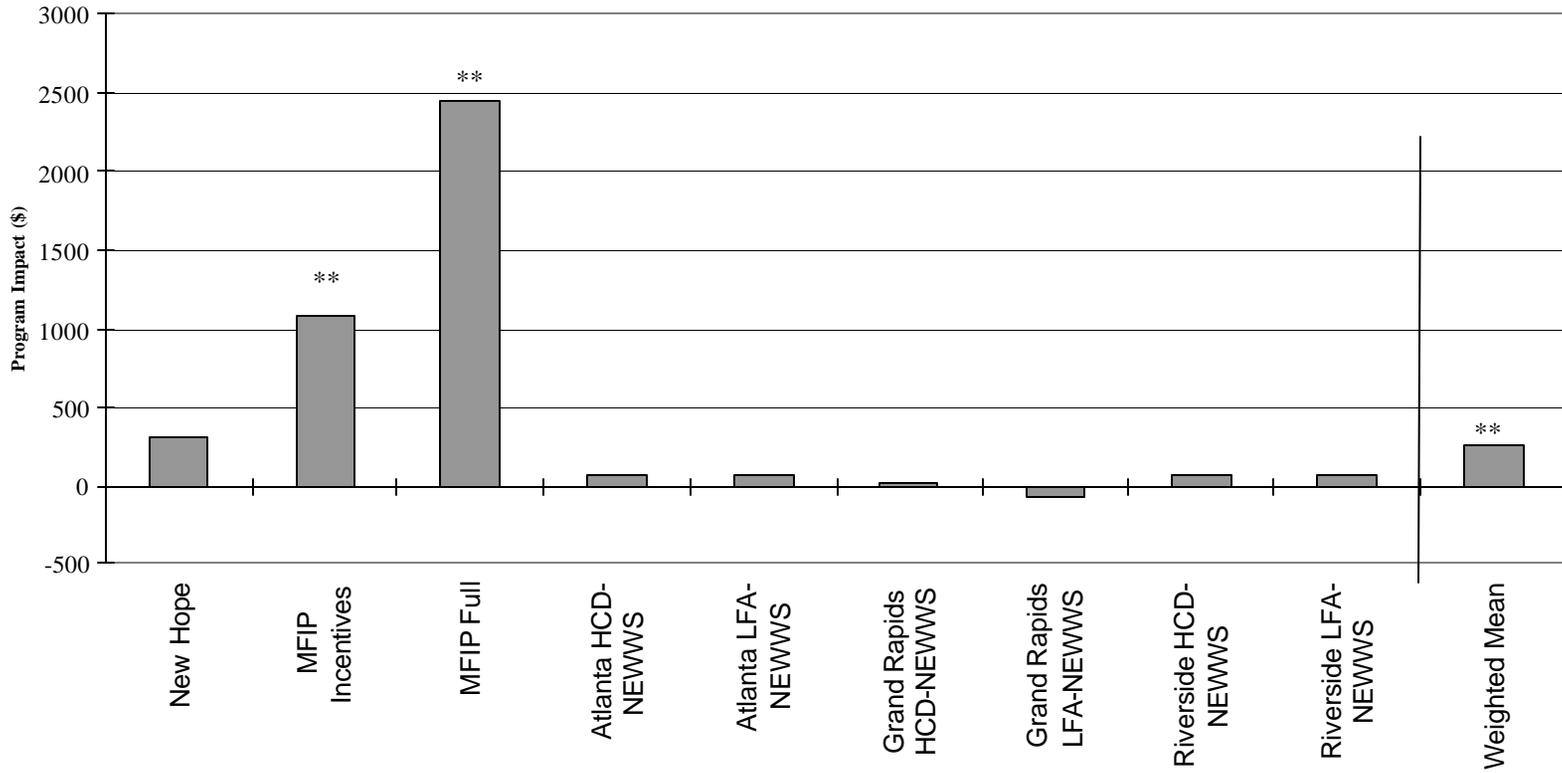
Notes: \*\*\* = p-value < .001, \*\* = p-value < .01, \* = p-value < .05, † = p-value < .10

**Figure 2. Effects of Welfare and Work Programs on Use of Head Start, Employment and Full-Time Employment: Parents of Children Aged 3 to 5 During the Follow-Up**



Notes: \*\*\* = p-value < .001, \*\* = p-value < .01, \* = p-value < .05, † = p-value < .10

**Figure 3. Effects of Welfare and Work Programs on Family Income: Families with Children Aged 3 to 5 During the Follow-Up**



Notes: \*\*\* = p-value<.001, \*\* = p-value<.01, \* = p-value<.05, † = p-value<.10