

Smart Start

North Carolina's Early Childhood System

Leandro Commission Meeting
June 2018

6/11/2018



What is Smart Start?

**A network of 75 nonprofit
local partnerships and NCPC**

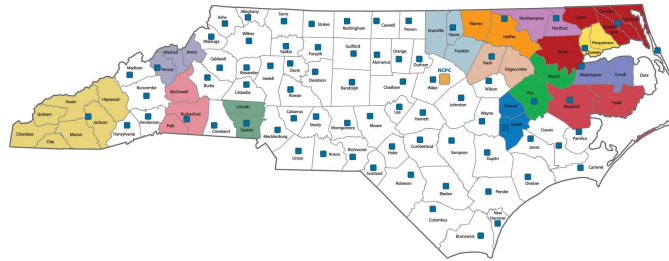
- **Public-private partnership**
- **State-wide governance (NCPC)**
- **Local innovation (75 Partnerships)**

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How Smart Start Works

Smart Start gives local communities the flexibility to use data-driven decision making to determine how to increase the health, well-being and development of their children based on the needs and resources of their local communities



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Whole Child Approach for a Strong Foundation

- **Early care and education**
 - Improving Child Care Quality
 - A Value Add to Child Care Subsidy
 - Infrastructure Support for Pre-K
- **Family Support**
 - Parenting education
 - In Home Parent Education and Coaching
 - Links to community resources



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Whole Child Approach for a Strong Foundation

- **Health and Development**
 - Early childhood nutrition, physical activity, and outdoor learning
 - Developmental screenings
 - Routine well-child screenings
- **Early Literacy**
 - Books for children
 - Engagement strategies for parents



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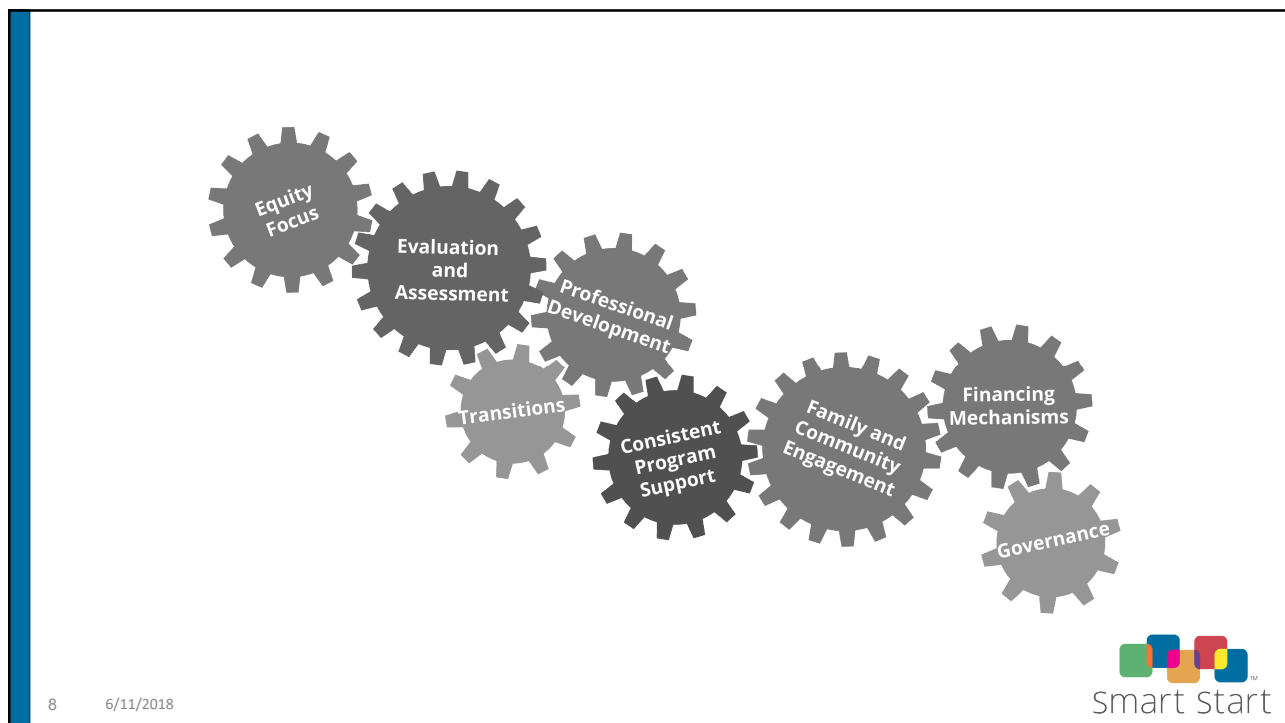
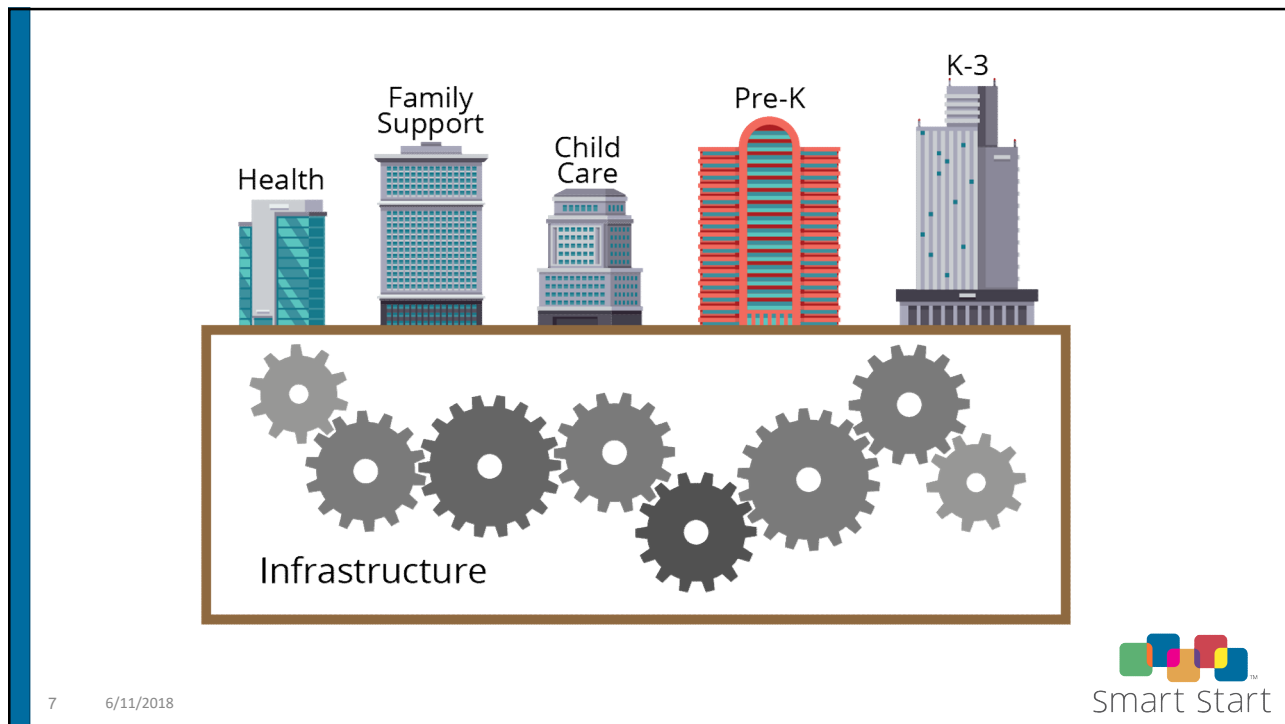
Community-Based Early Childhood Systems

- **Smart Start Local Partnerships**
 - Convene and coordinate their communities for effective early childhood programs and services
 - Ensure public funds are targeted to community needs to improve outcomes

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Tailored to meet the specific needs of each community, Smart Start invests in:

- Raising the quality of early care and education
- Supporting North Carolina families
- Promoting early literacy
- Advancing child health and nutrition

Children are ready to succeed, lead productive lives, and contribute to a vibrant NC.



Local Partnerships in their Communities

- **Blue Ridge Partnership for Children**
 - Backbone agency for The Yancey Alliance for Young Children (YAY Children!)
 - Involves 70+ community members, through 5 work groups:
 - Community Education
 - Early Education
 - Health
 - Parenting Education
 - Intergenerational Opportunities



Local Partnerships in their Communities

- **Catawba County Partnership for Children**
 - Partnered with the local Health Department to conduct community needs assessment
 - Used this for application to KidsReadyNC
 - Initiative of IEI that brings together multi-stakeholder teams committed to improving the health and development of young children

- **Stokes Partnership For Children**
 - Needs assessment showed preschool children exhibiting challenging behaviors were suspended/expelled at alarming rates
 - Wrote a grant for funding to support the mental health (wellness) of young children and provide support to teachers
 - Also allocated Smart Start funds for Behavior Inclusion Specialist

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Community Early Childhood Profile

- Measures of child-wellbeing for which Smart Start local partnerships are held accountable
- Data from validated sources
- Measures available at the county level



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Early Childhood Care and Education - Quality

EC Profile – Population Level Results

		FY 15-16	FY 16-17	Direction
PLA40a	All Children – Average Star Rating of Child Placements	4.31	4.32	↑
PLA40b	All Children – Percent in 4 & 5 Star	74%	74%	=
PLA50a	Subsidized Children – Average Star Rating of Child Placements	4.51	4.52	↑
PLA50b	Subsidized Children – Percent in 4 & 5 Star	87%	88%	=

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Family Support

EC Profile – Population Level Results

		FY 15-16	FY 16-17	Direction
FS20	Percent of Parents/Guardians Who Report Reading to their Children Daily	44%	41%	↓
FS30	Percent of Children Age 0-5 with Investigated Report of Child Abuse or Neglect	6.7%	6.8%	↑

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Health

EC Profile – Population Level Results

		FY 15-16	FY 16-17	Direction
H10a	Percent of Children Age 0-2 Receiving Early Intervention/Special Education Services	5.5%	NA	NA
H10b	Percent of Children Age 3-5 Receiving Early Intervention/Special Education Services	5.4%	5.7%	↑
H20	Percent of Children Enrolled in Medicaid Who Receive a Well-Child Exam	80%	82%	↑
H60	Percent of Low Income Children Age 2-4 Who Are at a Healthy Weight	66.1%	66.5%	↑

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Equity

Children Participating in Subsidized Child Care and Early Childhood Education

	White	Black	Native American	Asian	Hispanic	Other	Overall
Percent in 4 or 5 Star Care	78%	82%	75%	96%	99%	99%	85%
Average Star Rating of Child Placements (out of 5)	4.34	4.40	4.18	4.81	4.90	4.85	4.48

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Outcomes of Whole Child Approach

Statewide Outcomes

Duke University Study

- **3rd graders had higher standardized reading and math scores in counties that received more funding**
- **Combined effect of Smart Start and NC PreK was equivalent to 4 months of reading and 2 months of math instruction**
- **These gains represent a value of \$1700 to \$3400 per child in instruction costs**
- **3rd graders in counties with more Smart Start funding were less likely to be placed in special education**

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Outcomes of Whole Child Approach

Statewide Outcomes

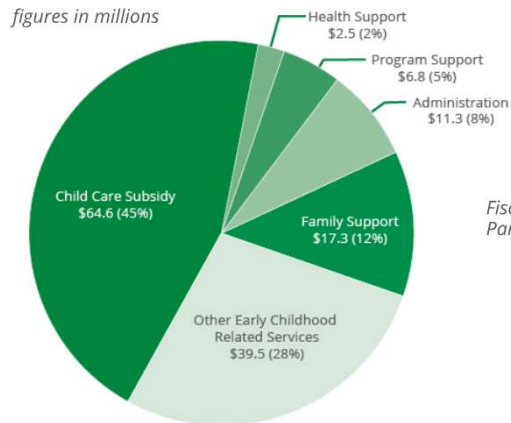
Upjohn Institute 2014

- **Just considering the boost in third grade test scores alone, this analysis predicts a 1.6% increase in average earnings in the county once these children enter the workforce**
- **Significant over the course of a career**
- **Impressive given the annual investment of an average \$220 per child in their first five years**

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Public Funding Expenditures



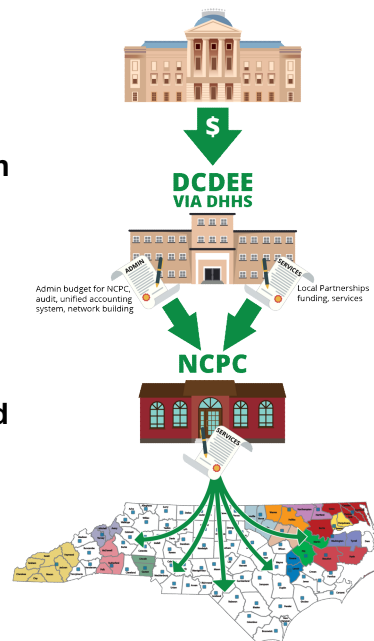
Fiscal Year 2016-2017 Total Local Partnership Expenditures: \$142 million

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How Smart Start is Funded

- General Assembly makes direct appropriation to DHHS
- DHHS, through the Division of Child Development and Early Education, administers the contract to NCPCC
- A funding formula, “Needs Formula” is used to allocate funds to each of the 75 Local Partnerships. Administrative costs are limited to 8% in aggregate.



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How Smart Start is Funded

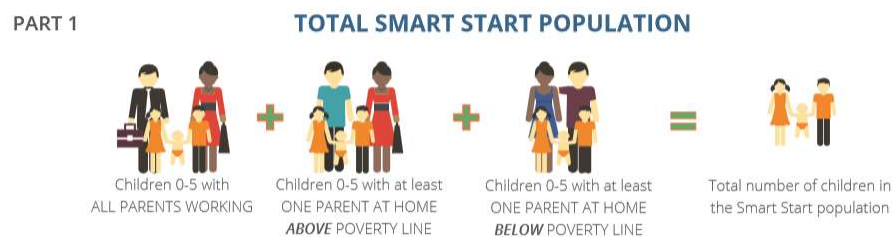
- **Local Partnerships are provided an annual allocation**
 - Based on the county needs formula with an allocation methodology
- **The Needs Formula is calculated annually**
 - A compilation of data from State and federal sources that includes; child population, poverty levels, cost of care, and funding data from existing State and federal resources.
- **The allocation methodology is used to balance the distribution of limited Smart Start funds**
 - Based on the percentage of need and the level of total funding for all year 1 through 5 counties

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How Smart Start is Funded

The Needs Formula



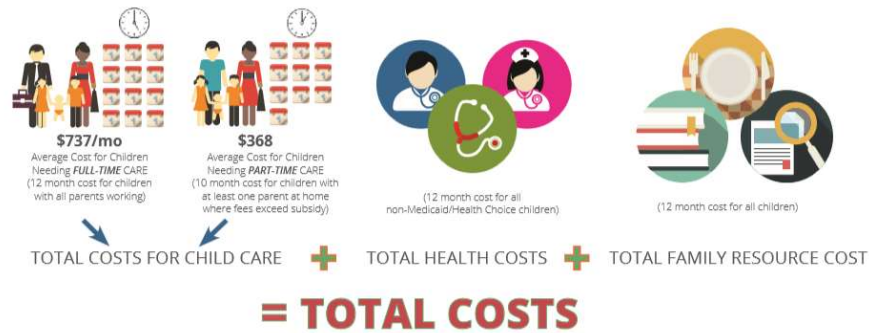
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How Smart Start is Funded

The Needs Formula

PART 2 COSTS TO SERVE THE ELIGIBLE SMART START POPULATION



How Smart Start is Funded

The Needs Formula

PART 3 FUNDS AVAILABLE FOR THE SMART START POPULATION



How Smart Start is Funded

The Needs Formula

PART 4

SMART START'S FUNDING GOAL

$$\begin{aligned}
 & \mathbf{25\% \text{ OF}} \\
 & \mathbf{\text{TOTAL COSTS - AVAILABLE FUNDING}} \\
 & \mathbf{= SMART START FUNDING GOAL}
 \end{aligned}$$

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How Smart Start is Funded

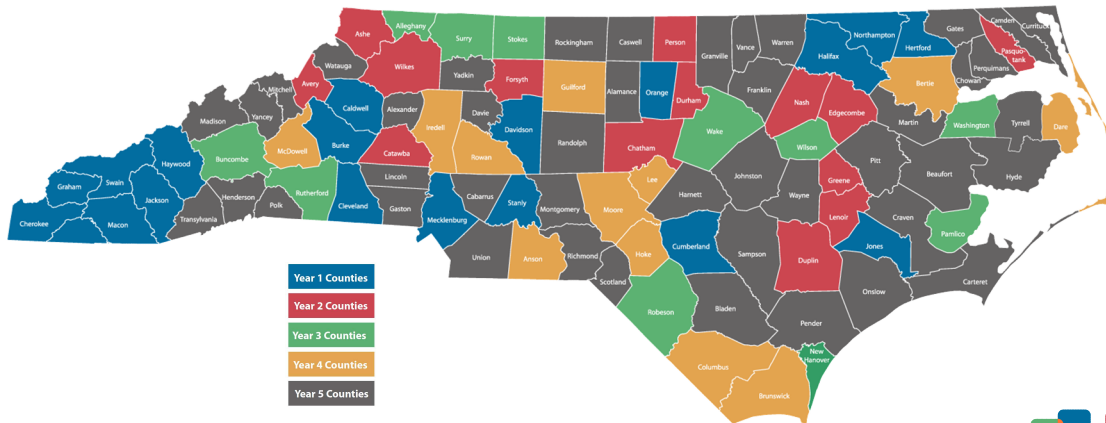
- The allocation methodology is also used to ensure:
 - Special criteria and rules are applied in the methodology (e.g. *temporary increases or decreases, mergers, shifts in population, shifts in other early childhood funding sources*)
 - The Statewide 8% administrative cap is maintained in aggregate
 - Subsidy and Child Care Related requirements are calculated per Local Partnership
 - Cash and In-kind Match requirements are calculated per Local Partnership
 - Any one-time funding or carry forward funds are accommodated

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How Smart Start is Funded

Smart Start Local Partnerships – Year 1 to 5



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Examples of Local Partnership Funding

- Nash/Edgecombe counties are funded at 26% of need (25%) at \$2,349,026
- Wake county is funded at 19% of need (25%) at \$12,077,433
- Burke county is funded at 40% of need (25%) at \$1,810,095
- Onslow county is funded at 15% of need (25%) at \$3,780,868

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Other Funds at State Level

- **NCPC works to secure grants, federal funds, and corporate sponsors**
 - Blue Shield of North Carolina Foundation and the Corporation for Community and National Service
 - Race to the Top – Early Learning Challenge Grant
- **In the 2016-2017 fiscal year:**
 - Local partnership expenditures of state Smart Start funds totaled \$142 million and NCPC expended \$4.89 million
 - NCPC and the Smart Start local partnerships together leveraged an additional \$40.3 million for the state's young children including \$28.5 million in cash and \$11.8 million from in-kind contributions.

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Other Funds at Local Level

- **Local partnerships pull together community resources to fill in gaps for children**
- **They blend together**
 - Local public funding from municipalities and counties
 - Private donors and businesses
 - Local foundations
 - Federal funds

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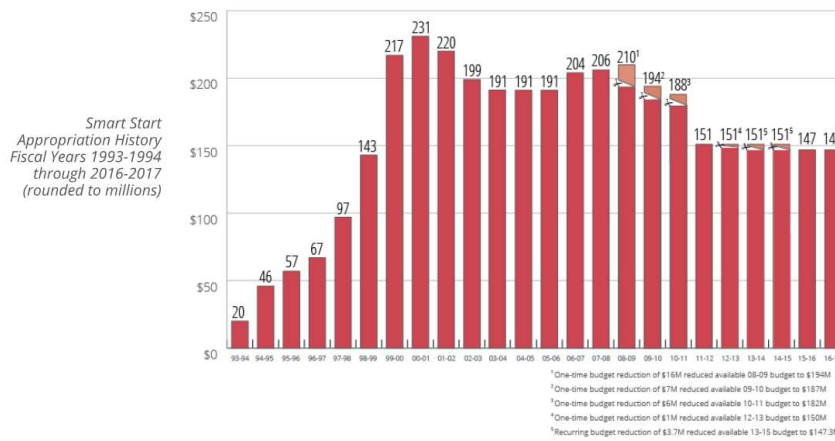


Other Funds at Local Level

- **Forsyth County Smart Start has received**
 - **Funding from Kate B. Reynolds for Help Me Grow as well as funding to implement the My Teaching Partner Program**
 - **Received support from their United Way’s Place Matters Program to train a cohort of early education professionals in Touchpoints**
- **Onslow County Partnership for Children administers:**
 - **NC PreK (other state funding)**
 - **Subsidy for Onslow County in-house (other state and federal funding)**
 - **Early Head Start program (federal funding)**



History of Public Funding



History of Public Funding

- **Steady cuts in funding since 2008**
- **Mandates for significant amounts of funding**
 - 70% must go to child care related services
 - Hold harmless

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Questions?

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